

CITY OF SALISBURY NORTH CAROLINA

2002-03 BUDGET For the Year Ending June 30, 2003



MAYOR, CITY COUNCIL, AND CITY OFFICIALS

MAYOR AND CITY COUNCIL

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The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Salisbury for its annual budget for the fiscal year beginning July 1, 2001 (Fiscal year 2001-2002).

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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FY 2002-03 BUDGET
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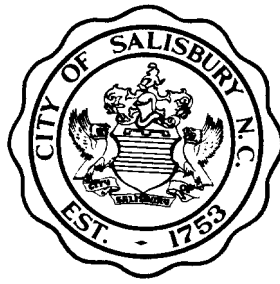
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May 7, 2002

BUDGET MESSAGE FISCAL YEAR 2002-03
July 1, 2002-June 30, 2003

MAYOR, CITY COUNCIL MEMBERS, AND CITIZENS OF SALISBURY

It is with pleasure that I present to you the City of Salisbury's FY2002-03 Annual Budget totaling \$42,754,602 for all funds.

The seventeenth Annual Future Directions and Goal Setting Conference for the City was held February 22, 2002 at the Mid Pines Inn and Conference Center in Southern Pines, North Carolina. While much time and attention were invested in the following important City issues: implementation of the Salisbury 2020 Plan; the Water System Expansion; the Police Patrol District Project; Emergency Preparedness Plans; and the implementation of the Downtown Master Plan; the whole session was overshadowed by the impact of Governor Easley's withholding of revenue reimbursements and state-collected local taxes including the municipal utility franchise tax on electricity and the beer and wine tax.

The total estimated loss of City revenue due to Governor Easley's withholding of funds is \$2,331,588. This represents 9.21 percent of the City's current General Fund Budget. This taking of funds by Governor Easley will make certain that the City will end this fiscal year with an estimated \$800,000 General Fund deficit as of June 30, 2002. The City has been forced to balance this year's budget by using funds from the City's unrestricted and unappropriated General Fund Balance. This may well reduce the City of Salisbury's unrestricted and undesignated General Fund Balance to less than the North Carolina Local Government Commission's eight per cent requirement and the City of Salisbury's Reserve Policy of ten percent.

Having been City Manager in Salisbury for over 16 years, I cannot recall any other year where accurately estimating revenues has been so difficult. Our economy is still in recession, and recovery, when it begins, may be slow. We will not know until mid-to-late May, or perhaps later, whether Governor Michael Easley will release any of the City's revenues now in escrow. To make matters even more difficult, the 2002 session of the General Assembly, which convenes May 28th, may not have finished adjustments to balance the FY2002-03 State budget. From recent news reports in Raleigh, it is safe to say that the State faces a budget shortfall of at least **\$1.5 billion dollars**.

How the State balances its budget may well affect our City budget, both directly and indirectly. State programs may be cut that will affect municipal programs; municipal revenue sources may be affected; or fees and charges for permits and required state inspections may rise.

The recommended City of Salisbury's FY2002-03 General Fund Budget includes the following reimbursement revenues and state-collected local taxes which are due to be distributed to our municipality in accordance with permanent statutory provisions without any action by the 2002 session of the General Assembly beginning July 1, 2002:

- The reimbursements for repealed ad valorem property taxes on retail and manufacturers' inventories;
- The reimbursement for repealed intangibles taxes;
- The reimbursements for loss of repealed local sales tax on purchases made with food stamps;
- The partial reimbursement for the homestead exemption;
- The municipal utility franchise tax on electricity;
- The excise tax on natural gas;
- The new sales tax on telecommunications; and
- The beer and wine tax

Even though we expect to receive all of these revenues, we must acknowledge the uncertainty associated with their distribution. Therefore, I have designated these revenues for capital projects and other specified items. These funds will be spent only if and when the revenues are actually received by our City. In other words, if the revenue distribution is not made, the designated expenditure will not occur. FY2002-03 budgeted reimbursements are matched up to fund recommended capital improvements of over one million dollars.

The clear directions to the City Manager and the City Management Team by Mayor and Council were to prepare an FY2002-03 Budget without a tax increase while minimizing the impact on all levels of City services, especially essential police, fire, and waste management services. I think this recommended FY2002-03 Budget accomplishes this objective, but not without having some impact on our current level of City services.

In coming up with the FY2002-03 General Fund Budget, the City Manager and City Management Team looked closely at service level prioritization, evaluating and re-engineering of operations, organizational restructuring and reductions in staffing.

In order to adjust our FY2002-03 General Fund Budget to match existing revenue, I recommended and Council approved a Reduction-in-Force which was accomplished in April, 2002. The net number of budgeted positions in the General Fund decreased by thirty and one-half. This number reflects the elimination of seventeen full-time positions, ten summer positions, and one part-time position. Four positions were frozen for this funding period (but included in the employee count) and one will be funded from HUD and one-half position from the Transit Fund. In addition to the Reduction-in-Force, two other positions were eliminated and replaced by contractual agreements. In light of the fact that I have recommended that the present Assistant City Manager's position vacated by retirement not be included in next year's Budget, I am including one new position: an Assistant to the City Manager. This position will provide administrative staff support and assistance to the City Manager on day-to-day organizational and operational issues.

In addition, I think that the Salisbury City Council can see that as a result of major decisions made during the course of the last several years regarding critical water and sewer utility issues,

that we are beginning to recognize a stabilization of our water and sewer rates. In this Budget, I am recommending an average residential water and sewer rate increase of 6.83 percent. In the following years, the water and sewer rate increase, unless impacted by new state or federal mandates, should be less than two percent. Our water and sewer utility will continue its remarkable transformation from a small municipal system to a diversified, broad-based regional utility.

The results of the seventeenth Annual Future Directions and Goal Setting Conference for the City of Salisbury are listed following this Budget Message. The Management Team and I have begun to refocus our resources and begin anew the process of problem solving. We are energized by the prospects of challenge and change. Dollars available to support current levels of service will be less. One definition of less is “more limited in quantity and size.” The question is “Can we do more with less?” I think we can! Less is, after all, a commodity. It has substance. Setting clear priorities, maximizing existing resources, and being creative will produce positives results!

POLICE DEPARTMENT

The Salisbury Police Department (SPD) will continue its efforts with the successful community-policing model selected by the Salisbury City Council through the implementation of the Police Crime Control Plan, Strategic Plan and Patrol Plan concepts. The Crime Control Plan will focus on three major initiatives selected by citizens: diversity, youth violence, and police/church partnerships. The plan has been implemented and will continue to be evaluated in the coming year. Districts have been reduced from three to two, with three beats each. A supervisor is mandated to be in each District for the majority of the time. The new format will assist with analyzing crime in specific neighborhoods while holding teams of officers accountable for their beats.

Due to an award of two major grants, the Department is able to strengthen the utilization of computers and video cameras in cars. The nearly \$250,000 technology grant will allow officers to receive more information in vehicles and complete more work in vehicles. This will reduce time normally spent traveling to the department.

The project will continue to be phased in. SPD will soon have a camera in every patrol car. This will assist with citizen complaints and officer safety. Grants from the North Carolina Department of Highway Traffic and Safety and funds from the Salisbury Capital Reserve Fund continue to strengthen this initiative.

The Police Department will increase the efficiency and effectiveness of the Police K-9 Program through the City Ownership Program. Of the six K-9 teams, the City now owns three. We are scheduled to purchase another canine, replacing one of the older dogs. This purchase will leave us with a team of six, while owning four.

Continued funding of the Chaplaincy program will strengthen support to all department personnel in many personal and professional ways. Department Chaplains assisted Officers and family members in a number of situations, including the pedestrian death, Catawaba/Livingstone death and the two Catawba College student homicides. Several citizens have complimented their assistance.

In an effort to promote community partnerships while improving the quality of life for our local senior citizens, SPD has agreed to perform additional patrols and programs at the Yadkin House and the surrounding district. The Department is losing one grant position from the Housing Authority and will supplement the position with other Housing Authority grant funds, targeting the neighborhoods around the Yadkin House.

With the recent budget restraints, our greatest challenge will be to maintain staffing, while replacing vacancies swiftly. The Department has re-organized, assigning additional duties to all administrative staff. Our tactical operations have been restructured to more aggressively address vice issues.

FIRE DEPARTMENT

The Salisbury Fire Department will continue to provide fire safety for the citizens of Salisbury. Training will continue to be a major focus for the Department. Training for the Department personnel is delivered and assisted by the National Fire Academy, the Department of Insurance, Rowan-Cabarrus Community College, Guilford County Community College, and the Institute of Government at Chapel Hill. Training is one of the key elements in achieving and maintaining the Department's Class II ISO fire rating.

As a result of the Citywide Reduction-in-Force, the Department lost two clerical support positions. This administrative workload has been redistributed to the present Logistics Officer and Project Analyst. The department does not expect a decreased level of service as a result of the loss of these two positions.

Plans for the addition of a new station on US Highway 70, including equipment and personnel, have necessarily been put on hold as a result of the State budget crisis. The Department is hopeful that this project can be implemented at the earliest possible time in order to meet a growing service need in the southwestern portion of our City.

PUBLIC SERVICES

The Public Services Department includes the following divisions: Traffic Operations, Solid Waste Management, Street, Transit, Fleet Management, Landscape Operations, Hurley Park, and Cemetery.

As a result of the State budget crisis and resulting City budget reductions, staffing added in the Street Division to further serve residential, commercial and industrial sectors has been eliminated. Funding for overtime and temporary help has also been reduced. Powell Bill funding, essential for street repair and paving, has also necessarily been reduced in the Street Division.

Other Division levels of service impacted are in Solid Waste, Traffic Operations, Street, and Landscape Operations. The Public Services Department had developed a service level priority plan which identifies "essential: services which are carried out daily".

Commercial solid waste route adjustments and collection frequencies have necessarily been impacted. Changing traffic signal bulbs, cleaning storm drains and other designated services will

be performed as needed. Internal support for the Technology Services Division will be reduced, especially as it relates to special projects. Fleet Management, despite reduced funding, will carry out needed repairs. Some shortfalls in parts procurement may occur at the end of FY2002-03.

LAND MANAGEMENT AND DEVELOPMENT

The Land Management and Development Staff have begun the annexation process for the area along US Highway 70 in the general vicinity of Westcliffe and Hendrix Estates subdivisions. The Resolution of Intent and the Annexation Report were adopted by City Council in March, 2002. A Public Information Meeting was held on April 24, 2002 and a formal Public Hearing will be conducted on May 7, 2002. City Council will consider the Annexation Ordinance on June 18, 2002 and the effective date of annexation is scheduled to be June 30, 2003.

Department staff will also be assisting the Vision 2020 Implementation Committee (soon to be appointed by City Council). I have included \$30,000 in the Budget to conduct an audit of existing Ordinances and Policies for conformance/conflict with the Vision 2020 plan. Results of the audit will lead to recommendations for Ordinance and Policy revisions.

The North Carolina Department of Transportation (NCDOT) has provided the City with two grant opportunities that will lead to construction this year:

- The State has awarded a grant of up to \$602,544 for downtown streetscape improvements. The grant requires a local match of \$175,000, which will be carried over from last year.
- The State has awarded a \$300,000 grant for construction of the second phase of the Grants Creek Greenway (Prescott Drive in the Eagle Heights neighborhood to Forestdale Drive in the Meadowbrook neighborhood). The grant requires a local match up to \$39,000, which is included in this year's Budget.

Additionally, the City will be reimbursed by NCDOT for 80% of the cost of replacing the Ellis Street Bridge. This project has been plagued by delays, but is expected to incur design expenses this year. Construction is expected to begin in FY2003-04.

The City is also participating with NCDOT to include enhancements on three of their major projects. The City's participation will be paid in three annual principal payments upon completion of each project. None of the projects has a direct impact on this year's budget; however, each one represents a commitment on future year's budgets:

- The City will provide approximately \$122,500 per year in FY 2004, FY 2005 and FY 2006 to extend noise barriers along I-85 and to install sidewalks along East Innes Street from Town Creek to the County Health Department.
- The City will provide approximately \$27,700 per year in FY 2005, FY 2006 and FY2007 to install a planted median from Long Street to Depot Street and to provide imprinted sidewalks on the replacement bridge on East Innes Street over the railroad.
- The City will provide up to \$39,400 per year in FY 2005, FY 2006 and FY2007 to install sidewalks along US Highway 70 from Holly Avenue towards the statutory annexation areas of Westcliffe and Hendrix Estates.

Impacts of Reduction in Force on Levels of Service

The Land Management and Development Department implemented the Reduction-in-Force through the retirement of the Department Director, conversion of the Community Development Manager's position to a contract employee funded through HUD, freezing of a vacant Planner position, and elimination of an Engineering Technician position.

With the loss of staff and funding, the Street Light Improvement Program has been postponed indefinitely. Staff will attempt to provide the following limited services as needed:

- Report street light outages to Duke Power as notified by citizens
- Respond to Police Department priority requests
- Coordinate street lights with new subdivision construction
- Coordinate special projects funded by a specific source (i.e. East Innes Street at I-85)
- Provide petitions to statutory annexation areas to give new City residents priority for funds once the program is restored

No other programs have been eliminated, but staff support to the Historic Preservation Commission, Subdivision Administration, and Neighborhood Traffic Calming has been reduced. This is likely to result in slightly longer delays in these areas.

PARKS AND RECREATION

The recommended Parks and Recreation budget represents a significant change in service levels to the community. Seven (7) positions were lost, two (2) full time, one (1) temporary part time, and four (4) summer seasonals. This, along with reduced capital funding, will result in an ever-increasing reliance on private sector support and donations for operation of programs and facilities.

Program Operations will attempt to support special events through increased donations and sponsorships. There will be a reduction in the number of programs offered by the Parks and Recreation staff and an increased reliance on contract services and private providers, especially in the athletic program area. The summer camp program at the Civic Center has been eliminated; however, Miller Center and City Park camps will continue. There will also be a shortening of operating hours for the Civic Center.

Park Maintenance will undergo a reorganization to maximize the talents and number of staff available to maintain our parks, prepare ballfields, tennis courts, mow grass, collect trash and repair facilities. There will be some service level changes - mowing schedules will slow to a 10 day rotation as opposed to our normal 7 day schedule. Every attempt will be made to continue our current level of operation for trash collection and ballfield preparations.

Marketing and Community Relations will take on a critical role in this Budget as the department looks for outside funding sources and sponsorships for our programs and park development.

Capital funding has also been reduced, thereby slowing the repair and maintenance projects for all parks in the system, and also delaying neighborhood parkland acquisition and implementation of the Parks and Recreation Master Plan in conjunction with the City 2020 Plan.

In the FY1997-98 Budget, City Council approved a Revenue and Pricing Policy for the Parks and Recreation Department. Exhibit 5, following the Budget Message, contains the updated Revenue and Pricing Policy for approval by City Council.

HUMAN RESOURCES

The Human Resources Department continues to work towards achieving the goal of initiating programs that attract, retain and develop high quality City employees. To this end, the following recommendations are made.

Merit Increases and Compensation

Despite the economic downturn, this year's Budget includes an average two and one half percent increase. This recommendation is made in order to compensate employees who are challenged to do more with less in light of the recent Reduction-in-Force. In addition, this action will limit the impact of actual salaries falling behind future labor market projections.

Furthermore, I am proposing to increase the maximum of each salary range by five percent to allow for growth within a salary range.

Health Insurance

This year the cost of health care has continued to skyrocket. This factor coupled with the fact that we can no longer provide the current group health insurance plan presented an opportunity to implement a comparable plan that holds down costs. The recommended plan requires an increase of 12.4% over the current rates. This is a substantial cost savings considering the average increase state-wide and nation-wide is 30-40%.

Training and Development

The FY2002-03 Budget includes funding to continue Multiculturalism Training for all City employees. I also recommend funding to continue Supervisory Training and training sessions on special informational as well as compliance topics.

TRANSIT FUND

The Salisbury Transit System will not be adversely affected by State budget cuts. In fact, the State Maintenance Assistance Program (SMAP) funding has increased from \$57,000 to \$135,000 in FY2001-02. It is anticipated that SMAP funds will increase to \$136,520 in FY2002-03. Federal operating assistance also increased \$10,000 for FY2002-03. The increased funding will allow the system to maintain the City's local match at \$160,282.

SMAP and federal funding will allow the system to accomplish the following in FY2002-03:

- Fund fifty percent of the salary for a Mechanic Shift Supervisor
- Increase service to the east side of town to include the new Super Wal-Mart
- Purchase additional bus shelters
- Print route maps and schedules to reflect route additions/alterations
- Purchase shop equipment to aid in fleet maintenance
- Fund the substantial increase in Americans with Disabilities Act (ADA) transportation costs

The recommended budget for Administration, Operations, and Capital are as follows:

Personnel	\$ 460,184
Operations	138,358
Capital	<u>26,200</u>
Total	\$ 624,742

VEHICLE AND EQUIPMENT REPLACEMENT FUNDS

It is recommended that \$1,298,726 included in the FY2002-03 General Fund Budget be transferred to the FY2002-03 General Fund Capital Reserve Fund. These funds, plus \$30,000 from interest earnings, will be programmed this year for replacement of the General Fund fleet and computer equipment, in accordance with replacement schedules. Extending estimated life spans of some vehicles was necessary to meet budget reduction requirements due to the State budget crisis.

It is recommended that \$312,101 be transferred from the Water and Sewer Fund to the Water and Sewer Capital Reserve Fund. These funds, plus \$20,000 from interest earnings will be programmed to purchase the necessary Water and Sewer Fund vehicles and computer equipment in accordance with replacement schedules.

SPECIAL REVENUE FUNDS

The City of Salisbury will receive approximately \$375,000 in Community Development Block Grant (CDBG) funds, \$126,000 in HOME funds, and \$150,000 in program income for a total budget of \$651,000. The following budget represents the requests from citizens of the FY2002-03 CDBG and HOME funds.

<u>Activities</u>	<u>Funding</u>
Acquisition/Rehab/Resale (CDBG)	\$218,000
Emergency Rehabilitation (CDBG)	60,000
Jersey City Community Center (CDBG)	75,000
Program Administration (CDBG)	67,000
Acquisition/Resale (HOME)	35,200
Housing Rehabilitation (HOME)	20,000
Homeownership Assistance (HOME)	60,000
Program Administration (CDBG)	10,800
<u>Public Services</u>	
Rowan Helping Ministries (CDBG)	25,000
Family Crisis Council (CDBG)	17,000
Rowan Community Care Clinic (CDBG)	10,000
Salisbury Youth Employment	10,000
Community Youth Garden	<u>5,000</u>
 TOTAL BUDGET	 \$651,000

WATER AND SEWER FUND

The Water and Sewer Utility will continue its remarkable transformation from a small municipal system (Salisbury Utilities Department) to a diversified, broad-based regional (countywide) utility - **The Salisbury-Rowan Utilities Department**. Our partnerships with Rowan County and Rowan County Power, LLC have led to the expansion of our Water Treatment Plant and overall system capacity, extension of water service to Southern Rowan County, and the US Highway 70 growth corridor. These capital projects are still on schedule to be completed during the coming fiscal year. All of these changes have led to the reorganization of our Utility Department to better meet the tremendous challenges and opportunities facing Salisbury and Rowan County, now and in the future. Our directive - to stabilize water and sewer rates over the next two years - will continue to be a challenge. Implementation of our water plan and the resulting diversification of our customer base and increase in revenues will meet the criteria for water.

New challenges to stabilizing existing rates may, in the future, come not from water, but from our aging sewer infrastructure, new regulations and proposed nutrient limits on High Rock Lake. Should new state mandates come in these areas, it could adversely affect the sewer rates over the next several years.

During this fiscal year, our long range planning efforts will focus on developing a plan for our sewer needs so that realistic rate projections can be made.

Our recommended Water and Sewer Fund Budget of \$15,143,405 for FY2002-03 represents a 6.83% average residential water and sewer rate increase. Average monthly residential water and sewer utility bills would increase from \$45.69 to \$48.81. The proposed rate increase would be effective July 1, 2002. The proposed rate increase is primarily for the retirement of debt service from the issuance of \$20.505 million in revenue bonds to cover the City's share of the \$35.1 million in water system capital improvement projects. In addition, all water and sewer fees will be reviewed during FY2002-03, as only minor changes have been made since 1987. Strong consideration should be given to recovering actual average costs of service. The GO WITH THE FLOW program has been modified, and is only offered for six months to residents served by new water and sewer lines immediately upon their completion and acceptance. To address losses for customers who fail to pay their accounts, customer deposits have been raised by \$25 to \$125 for residential and \$175 for commercial.

In order to address critical space needs for our Utility operations, the Utilities Department will need to reoccupy the former Waterworks Art Gallery that is still owned by the City. It will therefore be necessary for The Salisbury-Rowan Utilities Department to reimburse the Waterworks Art Gallery for \$250,000 of their \$750,000 leasehold improvements over a three-year period, beginning July 1, 2003.

While the next several years will be somewhat lean, the future looks very bright indeed. Our plan will lead to achieving the economy-of-scale necessary to stabilize rates by July 1, 2003. Our ultimate goal from the Salisbury Vision 2020 Comprehensive Plan gives consideration to the growth and expansion of the City's water and sewer utilities, and lays out suggested policies that call for the City to place greater emphasis on the use of water and sewer as a growth management tool. The plan suggests focusing on targeted growth areas, financial incentives, and partnerships to achieve growth that is consistent with the City's policies. Our partnerships with

Rowan County and Rowan County Power, LLC meet these criteria. The expansion projects contained in our bond issue are fully consistent with the Vision 2020 Plan, and are therefore in line with the City's concurrent desires to maintain financial viability for its utilities, while neither exhausting its finite water supply, nor contributing to "sprawl".

Perhaps the best summary of our plan, and the goal sought by The Salisbury-Rowan Utilities Department of becoming one of the leading utility operations in the state and region is from the "Community Vision" section of the Salisbury Vision 2020 Plan regarding water and sewer services, which states:

"We see a high quality water supply system, sufficient for growth, well maintained, and financially self-supporting."

That is the goal of our utilities, and we have made remarkable progress in a short amount of time towards that objective. This next fiscal year will be a year to remember for our Utilities Department!

NOTE TO THE GOVERNOR AND THE NC GENERAL ASSEMBLY

FY2002-03 will be the final year for the reimbursements for previously repealed local taxes. The General Assembly, during the 2001 session, passed legislation to end these reimbursements effective June 30, 2003. The General Assembly provided authority for County Boards of Commissioners to convert the most recent one-half cent state sales tax to a local option sales tax, effective July 1, 2003. If a Board of Commissioners does so, the statute provides that each municipality and county will get at least as much from the one-half cent sales tax as it did from the reimbursements. Over time, revenues from the one-half cent sales tax will exceed the amount of reimbursements for most cities and towns. Local option sales taxes are not subject to withholding by the Governor.

The City of Salisbury receives \$1,563,088 annually in reimbursements, an amount equivalent to 8.4 cents on the property tax rate. This revenue source will end June 30, 2003. Whether there is a long-term alternative revenue source will depend on action of the Rowan County Board of Commissioners.

It is the City of Salisbury's firm opinion that these reimbursement revenues and state-collected local taxes, including the funds that Governor Easley is withholding, belong to the taxpayers of the City of Salisbury. Respectfully, we in the City of Salisbury must insist that Governor Easley release these essential revenues for the current year, that the General Assembly assure full, timely distribution of all of these funds next year, and that Governor Easley not withhold funds that belong to the citizens of Salisbury next year.

IN CONCLUSION

I want to especially thank John Sofley, Finance Director, Teresa Harris, Budget and Performance Measurement Manager, the entire Utility Management and Finance Team, Myra Heard, Finance Specialist and the entire Finance Department staff for another excellent effort on an extremely difficult budget. Thanks are also in order for the City Management Team and all Department and Division Managers who worked so hard to prepare this financial plan. I would like to bid a

good farewell to Foster Owen, Assistant City Manager and Larry Chilton, Land Management and Development Director on their respective retirements. With over 60 years of exemplary service in local government experience leaving with them, I for one will miss their friendship, support and professionalism.

I will also miss the dedicated service provided to our citizens for each of the eight employees who lost their jobs through no fault of their own. Each provided valuable service to our citizens and organization. We will do our best to help in locating suitable employment for each affected employee.

In addition, I would like to thank the City Council, the Volunteer Boards and Commissions for their vision and commitment during the Goal Setting and Future Directions Process. I also appreciate the time that each member of City Council will spend in evaluating and finalizing the recommendations contained in this year's Budget. I look forward to working with each of you in adopting the FY2002-03 Budget and appreciate your continued support in implementing the Outcomes, Strategies, Goals and Service Levels contained in this Budget. Please note that the results of our strategic planning efforts follow this Budget Message.

In these times of uncertainty, the one thing that I am sure of is that Salisbury will continue to concentrate on our core values, mission, and vision. It is our goal to provide the quality of services that our citizens desire at a cost that they are willing to pay. We, in the City government, will strive to provide much needed value to our customers - the citizens of Salisbury.

David W. Treme
City Manager

ADDENDUM

On May 7, 2002, the City Manager presented a balanced FY2002-03 Budget proposal that totaled \$42,754,602 for all funds. The public hearing was set for Tuesday, June 18, 2002. No citizens spoke at the public hearing.

At a special City Council Meeting on June 27, 2002, City Council adopted the Annual Budget as recommended by the City Manager.

EXHIBIT 1

Outcomes, Strategies & Goals Update – FY 2002-03

Outcome #1 – Improve City neighborhoods and develop and maintain a sustainable feeling of safety for all areas of the City.

Goals Assigned to Outcome

- #1 Implement the Police Department Strategic Plan. – Police
- #2 Implement the Crime Control Plan.- Police
- #3 Continue leadership training in selected neighborhoods. – Land Management and Development
- #4 Broker projects to improve housing and neighborhoods, working with the Community Development Corporation (CDC) and other community funding sources. - Land Management and Development
- #5 Continue to implement the Park Avenue Plan. - Land Management and Development
- #6 Seek funding for tree planting in selected neighborhoods (Tree Board requested \$5,000).

Outcome #2 - Identify and implement strategies for expanding the tax base and generating new revenue sources.

Goals Assigned to Outcome

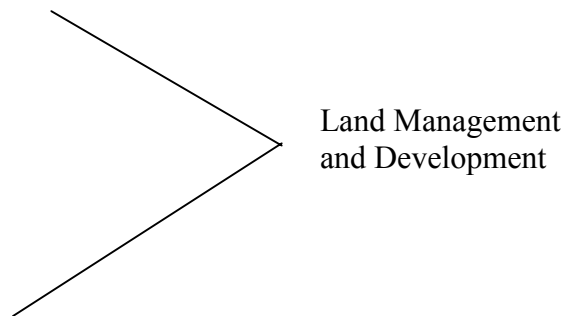
- #1 Complete planned annexations. – Land Management and Development
- #2 Identify new revenue sources to match specific needs. – Finance
- #3 Partner with the Visitors and Convention Bureau to enhance event recruitment. – Parks and Recreation

Outcome #3 - Adopt managed growth criteria for extensions along growth corridors and construct water and sewer lines to targeted growth areas throughout Rowan County.

Goals Assigned to Outcome

#1 Consider managed growth prerequisites including:

- Extra-territorial jurisdictions (ETJ)
- Identification of growth corridors
- Economic development requirements
- County zoning considerations
- Incentives for managed growth



#2 Continue to develop joint water and sewer extension policies with consideration of managed growth criteria. – Land Management and Utilities

#3 Consider growth pre-requisites consistent with the Salisbury Vision 2020 Plan. – Land Management and Development

Outcome #4 - Provide quality parks and recreation services for City residents through attractive parks, well maintained facilities, a variety of programs, and a strong planning system.

Goals Assigned to Outcome

#1 Continue construction of the Salisbury Community Park and Recreation Complex. – Parks and Recreation

#2 Continue to develop funding sources for future phases of the Parks and Recreation Project. - Parks and Recreation

#3 Continue renovation of existing Park and Recreation facilities. - Parks and Recreation

#4 Complete master plans for individual parks. - Parks and Recreation

#5 Identify additional revenue sources for Greenway System construction. - Parks and Recreation

#6 Seek funding for establishing a Salisbury Rowan Hall of Fame. . - Parks and Recreation

Outcome #5 – Act on the Innes Street Zoning Overlay Plan to develop and implement a plan of action to visually and functionally enhance the Innes Street Corridor.

Goals Assigned to Outcome

#1 Engage businesses and key property owners to obtain support for modifications to the VCOD ordinance leading to the application of that ordinance to appropriate properties. - Land Management and Development

#2 Install Mast-Arm Signal supports at appropriate intersections along Innes Street. - Land Management and Development

Outcome #6 – Establish a process for implementing the Salisbury Vision 2020 Plan.

Goals Assigned to Outcome

#1 Create a Salisbury Vision 2020 Implementation Task Force. - Land Management and Development

#2 Complete and audit of City policies, ordinances and standards to determine compliance with the goals of Salisbury Vision 2020. - Land Management and Development

#3 Management Team to review the Salisbury Vision 2020 to identify opportunities to support the plan through on-going City operations. - Land Management and Development

Outcome #7 - Develop and maintain a climate of City-County cooperation on projects of mutual interest and concern

Goals Assigned to Outcome

- #1 Request that Rowan County develop a land use strategy along utility growth corridors based on sound land management principles.
- #2 Conduct periodic City-County meetings with elected officials as needed. – Administration

Outcome # 8 - Initiate programs to attract, retain, and develop high quality City employees.

Goals Assigned to Outcome

- #1 Continue implementation of Multiculturalism Training for all City employees and interested citizens. - Human Resources
- #2 Continue to implement an employee training and development plan. - Human Resources
- #3 Continue to evaluate applying the “Broad Banding” compensation program to other departments, in addition to the Utilities Department. - Human Resources
- #4 Develop and implement recruitment strategies to recruit employees from diverse populations within the community. - Human Resources
- #5 Develop strategies to attract quality employees. - Human Resources

Outcome # 10 - Continue to strengthen partnerships with the Rowan/Salisbury schools that improve the quality of education in Salisbury. - Administration

- #1: Provide Parks and Recreation facilities for tennis, cross country, and special meetings – on-going
- #2: Developed a joint partnership with Rowan Salisbury Schools and Salisbury High School to improve the athletic facilities on the Salisbury High School Campus – in process
- #3: Continue to jointly fund School Resource Officers for Salisbury High School, Knox Middle School and the Henderson Independent School.
- #4: Continue Fire Department fire safety programs for elementary schools.
- #5: Adopt a resolution to obtain a commitment from the School Board to preserve and expand Salisbury High School to 1,200 students.
- #6: Offered surplus PC’s and printers to schools.

Outcome #11 - Improve the overall management of the City and its departments.

Goals Assigned to Outcome

- #1 Participate in Statewide programs with other cities to establish performance standards. - Finance
- #2 Develop system of standards to measure performance and accomplishments for all City departments.
- #3 Monitor accomplishments in achieving stated standards.
- #4 Create, monitor and evaluate departmental strategic plans. – Administration

- #5 Evaluate periodically the status of the City's outcomes and goals, and take corrective action as necessary. – Administration
- #6 Continue the City's goal setting and future directions process. – Administration
- #7 Implement a comprehensive volunteer program.
- #8 Develop a formal program for obtaining private donations to meet specific City government needs.

Outcome #12 - Implement special City Council initiatives to improve the quality of life for Salisbury citizens.

Goals Assigned to Outcome

- #1 Respond to special requirements and initiatives of the City Council, Boards and Commissions, and partnerships with other organizations. – All Departments
- #2 Provide appropriate training for all Boards and Commissions regarding roles, responsibilities and expectations. – Land Management and Development
Update & Status: Training provided at a workshop in Hickory.
- #3 Request that City staff complete a feasibility study for an active community television access channel.

Outcome #13 - Continue to improve and enhance our City's Downtown.

Goals Assigned to Outcome

- #1 Partner with Downtown Salisbury, Inc. (DSI) to implement a Downtown Salisbury Master Plan. - Land Management and Development
- #2 Implement recommendations from the DSI Parking Committee based on available resources. - Land Management and Development
- #3 Work with DSI to determine the need for Police service in the downtown area. – Police

**EXHIBIT 2
CITY OF SALISBURY
SPECIAL PROJECTS FOR FY2002-03**

	<u>REQUESTED</u>	<u>MANAGER RECOMMENDS</u>	<u>ADOPTED</u>
MANAGEMENT & ADMINISTRATION			
Institute of Government - Facility Project	\$ 5,000	\$ 5,000	\$ 5,000
Total Special Projects	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
HUMAN RESOURCES			
Multiculturalism Training Program	\$ 10,000	\$ 10,000	\$ 10,000
HRIS	8,000	-	-
Salary Adjustments	55,000	-	-
Background Investigations	5,000	5,000	5,000
Employee Training & Development Program	20,000	20,000	20,000
Market Data Purchase	4,000	-	-
Total Special Projects	<u>\$ 102,000</u>	<u>\$ 35,000</u>	<u>\$ 35,000</u>
FINANCE			
Software Modifications	\$ 4,000	\$ 4,000	\$ 4,000
Total Special Projects	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>
INFORMATION TECHNOLOGIES			
Five-Year Technology Study	\$ 20,000	\$ 10,000	\$ 10,000
Web Study	5,000	-	-
Web Re-design	57,000	-	-
Total Special Projects	<u>\$ 82,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>
TELECOMMUNICATIONS			
Cable TV Franchise Renewal and ROW Ordinance	\$ 20,000	\$ 20,000	\$ 20,000
Total Special Projects	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>
POLICE			
Administration (514)			
Crime Control Plan	\$ 10,000	\$ 10,000	\$ 10,000
Re-Accreditation	4,000	4,000	4,000
Accreditation Mock Assessment	1,500	1,500	1,500
Diversity Enhancement Services	5,000	5,000	5,000
Wellness Program	5,000	5,000	5,000
Police Chaplaincy Program	7,000	5,000	5,000
Total Special Projects	<u>\$ 32,500</u>	<u>\$ 30,500</u>	<u>\$ 30,500</u>
FIRE			
Matching Grant Funds	\$ 67,968	\$ -	\$ -
Total Special Projects	<u>\$ 67,968</u>	<u>\$ -</u>	<u>\$ -</u>

	<u>REQUESTED</u>	<u>MANAGER RECOMMENDS</u>	<u>ADOPTED</u>
LAND MANAGEMENT & DEVELOPMENT-PLANNING & COMMUNITY DEVELOPMENT			
Planning Board:			
2020 Implementation	\$ 30,000	\$ 30,000	\$ 30,000
Historic Preservation Commission:			
Historic District Grant	30,000	30,000	30,000
Community Appearance:			
Neighborhood Rehab Grant	100,000	100,000	100,000
Awards Program	5,000	4,000	4,000
Spruce-up and Landscape Programs	1,800	1,600	1,600
Innes Street Incentive Grant	25,000	25,000	25,000
Downtown Benches and Trash Receptacles	12,000	-	-
Tree Board:			
Neighborhood Tree Plantings	5,000	-	-
Downtown Tree Replacements	10,000	-	-
Pocket Park - Elm/Lincolnton	3,000	-	-
Boxwood Park	5,000	-	-
Other:			
Tank Removal at Park Avenue	14,000	14,000	14,000
GIS (491-701)			
ArcSDE GIS Data Storage	18,900	18,900	18,900
Total Special Projects	<u>\$ 259,700</u>	<u>\$ 223,500</u>	<u>\$ 223,500</u>
LAND MANAGEMENT & DEVELOPMENT-ENGINEERING			
Council Street RR Crossing	\$ 20,000	\$ 20,000	\$ 20,000
Greenway, Phase 2 Construction	339,000	339,000	339,000
Brenner Avenue Pedestrian Medians	25,000	-	-
Storm Drain Incentive Grants	25,000	25,000	25,000
Sunset Drive Traffic Calming	35,000	3,000	3,000
Innes Street Overhead Wires	10,000	-	-
Club House Drive	110,000	-	-
Total Special Projects	<u>\$ 564,000</u>	<u>\$ 387,000</u>	<u>\$ 387,000</u>
PUBLIC SERVICES-ADMINISTRATION			
Facilities Study	\$ 30,000	\$ -	\$ -
Total Special Projects	<u>\$ 30,000</u>	<u>\$ -</u>	<u>\$ -</u>
PUBLIC SERVICES-STREET			
Utility Strip - 100 W. Innes St. - North Side	\$ 10,000	\$ -	\$ -
200 S. Main Street - East Side			
Target Neighborhood Improvements	5,000	-	-
Stabilize Creek Bank Adjacent to Park Road	10,000	-	-
Total Special Projects	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ -</u>
PUBLIC SERVICES-CEMETERY			
Trash Receptacles-All Cemeteries	\$ 1,000	\$ -	\$ -
Total Special Projects	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ -</u>

	<u>REQUESTED</u>	<u>MANAGER RECOMMENDS</u>	<u>ADOPTED</u>
PUBLIC SERVICES-LANDSCAPE OPERATIONS			
Downtown Street Trees	\$ 10,000	\$ -	\$ -
Neighborhood Trees	5,000	2,500	2,500
Tree Board Awards Program	2,000	1,500	1,500
Arbor Day Celebration	500	500	500
Brown-Wiseman Boxwood	5,000	-	-
Property Demolition	35,000	35,000	35,000
Total Special Projects	<u>\$ 57,500</u>	<u>\$ 39,500</u>	<u>\$ 39,500</u>
PUBLIC SERVICES-LANDSCAPE OPERATIONS-HURLEY PARK			
Spring Celebration	\$ 1,600	\$ 1,600	\$ 1,600
Main Entry Garden Sign	2,000	-	-
Main Entry Garden Renovation	3,000	-	-
Water Fountain and Trash Can-Annex	4,000	-	-
Total Special Projects	<u>\$ 10,600</u>	<u>\$ 1,600</u>	<u>\$ 1,600</u>
GRAND TOTAL-SPECIAL PROJECTS	<u>\$ 1,261,268</u>	<u>\$ 756,100</u>	<u>\$ 756,100</u>
<i>TOTAL OFFSETTING REVENUE</i>	<i>\$ 300,000</i>	<i>\$ 300,000</i>	<i>\$ 300,000</i>
TOTAL CITY SHARE	\$ 961,268	\$ 456,100	\$ 456,100

EXHIBIT 3
SPECIAL COMMUNITY EFFORTS GROUPS APPROPRIATIONS FOR FY 2002-03

	FY2001-02 ADOPTED	REQUESTED	MANAGER RECOMMENDS	ADOPTED
Human Relations Council	\$ 3,500	\$ 18,700	\$ 3,500	\$ 3,500
Action Grants	22,000	35,000	22,000	22,000
Community Appearance	1,200	12,000	1,200	1,200
Historic District Commission	500	1,000	500	500
Salisbury-Rowan EDC	53,670	53,670	53,670	53,670
Downtown Salisbury, Inc.	60,580 *	65,580 *	60,580 *	60,580
Tree Board	900	900	400	400
Waterworks Gallery	10,000	10,000	10,000	10,000
Rowan Museum	6,000	6,000	6,000	6,000
United Arts Council	45,000	45,000	45,000	45,000
Rufty Holmes Senior Center	50,000	50,000	50,000	50,000
Rowan Information & Referral	4,500	6,633	4,500	4,500
Supplementary Education	42,342	42,342	42,342	42,342
	<u>\$ 300,192</u>	<u>\$ 346,825</u>	<u>\$ 299,692</u>	<u>\$ 299,692</u>

* Includes \$6,000 for Christmas Lights

EXHIBIT 4
POSITION LISTING WITH SALARY RANGES

Position	Grade	Salary Range	
		Minimum	Maximum
Account Clerk I / II	122	\$19,350	\$37,572
Accountant I / II	131	\$24,149	\$46,869
Accounting Manager	151	\$39,486	\$76,637
Animal Control Specialist	120	\$18,429	\$35,752
Assistant City Manager	260	\$51,828	\$104,181
Assistant Fire Chief	445	\$50,858	\$71,562
Assistant Systems Manager	516C	\$33,348	\$52,525
Assistant Utilities Director	523E	\$52,647	\$82,919
Athletic Maintenance Manager	136	\$27,310	\$53,006
Automotive Service Technician	701	\$18,949	\$35,752
Battalion Chief	439	\$39,848	\$56,070
Bldg. & Grounds Maint. Wkr. I	110	\$14,414	\$27,955
Bldg. & Grounds Maint. Wkr. II	114	\$15,893	\$30,860
Budget & Benchmarking Analyst	143	\$32,433	\$62,949
Budget & Performance Management Manager	150	\$38,532	\$74,780
Buyer	122	\$19,350	\$37,572
Cemetery Operations Manager	136	\$27,310	\$53,006
Center Attendant	115	\$16,286	\$31,634
Chemist	513C	\$25,418	\$40,033
City Clerk	234	\$27,274	\$54,824
City Code Inspector	121	\$18,886	\$36,650
City Engineer	153	\$41,477	\$80,508
Civil Engineer III	147	\$35,786	\$69,473
Community Dev & Neighborhood Planning Mgr	153	\$41,477	\$80,508
Crime Analyst	327	\$25,903	\$45,600
Crossing Guard	105	\$12,734	\$24,734
Customer Service Clerk I	114	\$15,893	\$30,860
Customer Service Clerk II	118	\$17,534	\$34,029
Customer Services Supervisor	131	\$24,149	\$46,869
Department Secretary	126	\$21,353	\$41,441
Department Secretary	509C	\$23,010	\$36,242
Deputy Police Chief	349	\$41,350	\$72,793
Development Services Manager	147	\$35,786	\$69,473
Development Services Specialist	127	\$21,882	\$42,479
Engineering Technician	513C	\$25,418	\$40,033
Engineering Technician II	124	\$20,326	\$39,455
Equipment Operator I	113	\$15,517	\$30,119
Equipment Operator II	120	\$18,429	\$35,752
Facilities Maintenance Supervisor	128	\$22,427	\$43,530
Facilities Management Director	145	\$34,070	\$66,134
Finance & Administration Manager	521D	\$43,934	\$69,189
Finance & Support Services Manager	521D	\$43,934	\$69,189
Finance Director	255	\$45,808	\$92,081
Finance Specialist	126	\$21,353	\$41,441
Fire Captain	431	\$32,783	\$48,435

Position	Grade	Salary Range	
		Minimum	Maximum
Fire Chief	255	\$45,808	\$92,081
Fire Control Specialist I	420	\$21,080	\$32,783
Fire Control Specialist II	424	\$24,463	\$36,143
Fire Engineer	427	\$26,971	\$39,849
Fire Investigations/Inspection Officer	439	\$39,848	\$56,070
Fire Investigation/Inspection Specialist	431	\$32,783	\$48,435
Fire Logistics Officer	431	\$32,783	\$48,435
Fire Projects Analyst	431	\$32,783	\$48,435
Fiscal Analyst	140	\$30,126	\$58,477
Fleet Services Manager	145	\$34,070	\$66,134
Fleet Services Shift Supervisor	134	\$26,000	\$50,450
Fleet Services Supervisor	136	\$27,310	\$53,006
Grounds Maintenance Supervisor	128	\$22,427	\$43,530
Grounds Maintenance Worker I	109	\$14,061	\$27,300
Grounds Maintenance Worker II	114	\$15,893	\$30,860
Human Resources Director	255	\$45,808	\$92,081
Identification Specialist	121	\$18,886	\$36,650
Industrial Pretreatment Coordinator	514C	\$29,394	\$49,293
Information Technologies Manager	600	\$51,695	\$90,042
Inventory Control Specialist	514C	\$29,394	\$49,293
Laboratory Analyst	510C	\$23,498	\$43,614
Laboratory Supervisor	515C	\$32,760	\$51,597
Land Mgmt & Dev Director	260	\$51,828	\$104,181
Landscape Division Manager	131	\$24,149	\$46,869
Landscape Maintenance Supervisor	128	\$22,427	\$43,530
Mail Coordinator	115	\$16,286	\$31,634
Marketing & Community Relations Manager	136	\$27,310	\$53,006
Master Police Officer	327	\$25,903	\$45,600
Mechanic	700	\$23,920	\$46,738
Meter Mechanic	502A	\$19,053	\$31,581
Meter Reader	502A	\$19,053	\$31,581
Meter Services Supervisor	511C	\$24,336	\$38,329
Meter Services Technician	502A	\$19,053	\$31,581
Minimum Housing/Inspection Specialist	121	\$18,886	\$36,650
Park Curator	123	\$19,832	\$38,493
Parking Control Specialist	120	\$18,429	\$35,752
Parks & Recreation Maintenance Manager	136	\$27,310	\$53,006
Parks & Recreation Director	251	\$41,500	\$83,422
Parts Manager	126	\$21,353	\$41,441
Permit Services Coordinator	121	\$18,886	\$36,650
Personnel Analyst I	134	\$26,000	\$50,450
Personnel Analyst II	139	\$29,394	\$57,068
Personnel Technician II	130	\$23,566	\$45,733
Planner II	134	\$26,000	\$50,450
Plants Maintenance Supervisor	512C	\$24,731	\$44,226
Plants Maintenance Supervisor	516C	\$33,348	\$52,525
Plants Maintenance Technician	505B	\$21,653	\$38,023
Police Chief	255	\$45,808	\$92,081

Position	Grade	Salary Range	
		Minimum	Maximum
Police Information Clerk	115	\$16,286	\$31,634
Police Lieutenant	339	\$32,433	\$57,097
Police Officer I	322	\$26,235	\$39,464
Police Officer II	324	\$28,858	\$43,410
Police Planner	143	\$32,433	\$62,949
Police Records Clerk	115	\$16,286	\$31,634
Police Records Coordinator	123	\$19,832	\$38,493
Police Sergeant	333	\$34,919	\$51,323
Police Telecommunicator	124	\$20,326	\$39,455
Police Telecommunications Supervisor	131	\$24,149	\$46,869
Productivity Analyst	143	\$32,433	\$62,949
Public Services Director	251	\$41,500	\$83,422
Purchasing Manager	143	\$32,433	\$62,949
Purchasing Technician	118	\$17,534	\$34,029
Recreation Aide	105	\$12,734	\$24,734
Recreation Coordinator	134	\$26,000	\$50,450
Recreation Leader	131	\$24,149	\$46,869
Recreation Program Manager	147	\$35,786	\$69,473
Regulatory Compliance Technician	506B	\$22,430	\$35,337
Residuals Operator	507C	\$22,569	\$42,304
Residuals Supervisor	516C	\$33,348	\$52,525
Risk Management Assistant	127	\$21,882	\$42,479
Risk Manager	150	\$38,532	\$74,780
Senior Building and Grounds Maintenance Worker	119	\$17,979	\$34,900
Senior Building Maintenance Worker	117	\$17,118	\$33,219
Senior Customer Service Clerk	122	\$19,350	\$37,572
Senior Meter Mechanic	508C	\$22,859	\$37,892
Senior Meter Reader	508C	\$22,859	\$37,892
Senior Office Assistant	119	\$17,979	\$34,900
Senior Planner	143	\$32,433	\$62,949
Senior Wastewater Treatment Plant Operator	508C	\$22,859	\$37,892
Senior Water Treatment Plant Operator	508C	\$22,859	\$37,892
Signs & Marking Crew Leader	121	\$18,886	\$36,650
Signs & Marking Technician II	116	\$16,702	\$32,412
Solid Waste Equipment Operator	119	\$17,979	\$34,900
Solid Waste Mgmt Division Manager	136	\$27,310	\$53,006
Solid Waste Operations Supervisor	128	\$22,427	\$43,530
Street Maintenance Manager	147	\$35,786	\$69,473
Street Maintenance Supervisor	128	\$22,427	\$43,530
Street Maintenance Worker I	109	\$14,061	\$27,300
Street Maintenance Worker II	114	\$15,893	\$30,860
Systems Analyst	601	\$37,850	\$69,169
Systems Maintenance Technician	505B	\$21,653	\$38,023
Technologies Services Technical Assistant	132	\$24,752	\$48,034
Telecommunications Manager	151	\$39,486	\$76,637
Traffic Operations Manager	139	\$29,394	\$57,068
Traffic Signal Technician I	118	\$17,534	\$34,029
Traffic Signal Technician II	122	\$19,350	\$37,572

Position	Grade	Salary Range	
		Minimum	Maximum
Transit Dispatcher	119	\$17,979	\$34,900
Transit Manager	136	\$27,310	\$53,006
Transit Operator	118	\$17,534	\$34,029
Transit Operator/Service Worker	118	\$17,534	\$34,029
Urban Design Planner	143	\$32,433	\$62,949
Urban Resource Planner	143	\$32,433	\$62,949
Utilities Construction Inspector	513C	\$25,418	\$40,033
Utilities Director	524F	\$72,301	\$113,861
Utilities Engineer	518D	\$38,864	\$61,220
Utilities Engineering Intern	513C	\$27,102	\$40,664
Utilities Engineering Manager	522E	\$50,181	\$75,271
Utilities Maintenance Supervisor	511C	\$24,336	\$38,329
Utilities Maintenance Technician	501A	\$17,043	\$30,991
Utilities Systems Manager	520D	\$42,608	\$67,117
Utility Plants Manager	521D	\$43,934	\$69,189
Utility Systems Supervisor	512C	\$24,731	\$44,226
Victim's Advocate	327	\$25,903	\$45,600
Wastewater Treatment Plant Operator	507C	\$22,569	\$42,304
Wastewater Treatment Supervisor	516C	\$33,348	\$52,525
Water Treatment Manager	521D	\$43,934	\$69,189
Water Treatment Plant Operator	507C	\$22,569	\$42,304
Water Treatment Supervisor	516C	\$33,348	\$52,525
Zoning & Code Enforcement Specialist	121	\$18,886	\$36,650

EXHIBIT 5

Salisbury Parks and Recreation Department



Revenue and Pricing Policy

Revised: March 2002

Approved by Salisbury Parks & Recreation Advisory Board, March 14, 2002

Adopted by City Council:

Table of Contents

Revenue & Pricing Policy

Section	Topic
I.	Statement of Need
II.	Authority and Responsibility
III.	Statement of Philosophy
IV.	Definitions <ul style="list-style-type: none">a. Types of Feesb. Types of Revenues/Revenue sourcesc. Other Definitions
V.	Service Classifications
VI.	Fee Adjustments
VII.	Determining Fees and Charges
VIII.	Facility Rental
IX.	Other Revenue Sources
X.	Payments and Refunds
XI.	Competition and Pricing
XII.	Attachments

A thorough evaluation and review of this policy manual was completed on this date, March 13, 2002. All information included is based on current standards and other policies and procedures that have an impact on revenue and pricing.

The following committee members conducted the revision of this manual:

Kenny Roberts, Recreation Program Manager
Jeff Holshouser, City Park Recreation Coordinator
Kathy Seybold, Department Secretary
Karen Morris, Advisory Board Member

Kenny Roberts
Recreation Program Manager

Approved by Salisbury Parks and Recreation Advisory Board on March 14, 2002.

I. STATEMENT OF NEED

It is the responsibility of the Parks and Recreation Department to offer comprehensive recreational opportunities and provide public accessibility to parklands. Because of the heavy demands for use and expanded services along with the rapid increase in operating and maintenance costs, it is necessary to adopt a formal and consistent policy that will guide the search and generation of supplementary revenues to tax dollars. Programming fees and charges will only assess the direct cost of the program or service and will not factor in the indirect cost of operational expenses. Refer to Attachment #1: Direct vs. Indirect Cost. The theory being, that by assessing only direct cost, the fees can be kept at a minimum and secondly, the program participants are the only benefactors of the service and therefore tax dollars should not off-set the cost of these expanded services. Sources of funds other than local taxes will include but not be limited to:

- Gifts and bequests
- Grant-in-aid
- Contractual receipts
- Concessions and leases
- Fees and charges
- Selective private/public partnerships
- Sponsorships & donations
- Advertisement

II. AUTHORITY AND RESPONSIBILITY

The Revenue and Pricing Policy has been formally adopted on this date, July, 1997 by the Salisbury City Council members and any revision must come before Council for approval. Council has authorized and charged the Parks and Recreation Advisory Board with providing oversight and input in the implementation of this policy, and directed the Parks and Recreation Director to establish appropriate procedures to administer the policy's goals and guidelines. All fee schedules will be approved by the Council membership. Refer to Attachment #2: Fee Schedule. The Finance Director should each year, in the beginning of the budget preparation cycle, agree on a desired revenue level for the upcoming fiscal year. The Parks and Recreation Department will then develop its revenue plan, including rate structure revisions and new revenue sources to meet the agreed upon revenue objectives.

III. STATEMENT OF PHILOSOPHY

The basic philosophy of the Salisbury Parks and Recreation Department is to offer year round diversified recreational services ensuring that all citizens have equal opportunity and participation. The department will provide the highest quality leisure experiences possible within its appropriated budget. Funds have traditionally come from property taxes paid by its residents who receive benefits in varying degrees from the services provided. With this in mind, the department attempts to balance the cost-to-benefit ratio by implementing the following guidelines:

- Providing certain basic facilities, park resources and services at no, or minimal cost to patrons.
- Providing additional extended or specialized facilities and programs and charging a fee to the user, patron, participant or consumer in order to recover all the direct costs.
- Certain programs or facilities that require specialized or extensive expenditures may carry a supporting fee for such service (i.e. adult sports activities, afterschool program)
- Whenever possible, the department shall work with outside organizations or business' to provide sponsorships or subsidized pricing of recreational programs for youth and senior citizens.
- The Department should survey other agencies and comparable private sector rate structures, with the goal of establishing rates that are within the high and low ends of the spectrum.

The Parks and Recreation Department's revenue programs, aimed at helping to provide this basic responsibility, must take other factors into consideration. It should (1) avoid revenue policies and practices that would result in an unfair burden on the City taxpayers, and (2) strive to achieve a balance among operating with self sufficiency, fairness to and among taxpayers, environmental concerns and general acceptance by elected officials.

IV. DEFINITIONS

A. Types of Fees and Charges

Entrance fees: charges to enter a developed park, recreation area, and cultural or historic area.

Admission fees: charges to enter a building or enclosed structure, as in a fee to enter a sports facility for an event.

Reservation fees: payments made for the privilege of exclusive use of park property of any kind.

User fees: charges for the use of a facility, participation in an activity such as a group program or instructional class or fee associated with a controlled activity.

Special Services fees: charges for supplying extraordinary articles, commodities, activities or services not usually considered to be standard or routine functions of a public agency, such as photo/video location fees for advertising/motion picture agencies, tournament set-ups and/or maintenance or security provisions.

Non-resident fees: those additional fees charged to non-city taxpayers for the use of city facilities, programs, services, etc. For all classes and programs this fee is designed to recover 100% of the direct cost plus a 100% increase. For adult leagues a rate of \$10.00 per non-resident listed on the roster, per sport will be charged.

Permit fees: fees paid to obtain a written consent to do some lawful thing, usually issued by a division of government. Examples include payment for fishing license, concession permit or tent permit.

Sales revenues: revenues obtained from the operation of stores, concessions, and restaurants and from the sale of merchandise and other property.

Nominal fees: a minimal fee intended to recover a portion, no greater than 50%, of the costs associated with a basic service, as in a field light fee for a youth athletic game or league.

B. Types of Revenues/Revenue Sources

Compulsory Revenues: revenue from mandatory payments such as tax revenues or special assessments.

Alternative Revenues: revenue sources other than compulsory revenues that may include gifts, donations, grants, fees and charges.

- Contractual Revenues – classified as alternative revenues may include vending contracts, performance agreements, advertisement agreements and management agreements.
- Vending Contracts – contracts awarded to properly licensed individuals or businesses to sell goods in or on city properties. A permit to sell is purchased by the vendor and the Department receives a percentage of the vendor's gross receipts.
- Performance Agreements – agreements initiated by staff to an individual or group to provide limited services for the department. When applicable, the department receives a percentage of the gross receipts. Attachment #3: Sample Performance Agreement/Contract
- Management Contracts – contract awarded for the complete operation and/or maintenance of a special facility (i.e. golf course, equestrian

center, BMX track, skateboard center). The department receives a percentage of the gross receipts and/or a minimum monthly rental fee.

C. Other Definitions used within the Policy

Service: any program, class, event, activity, sales or rental opportunity provided by the department.

Special Facility: also referred to as revenue facility. These facilities are approved and constructed with the understanding that all or a major portion of the construction and/or operation and maintenance costs will be recovered through the collection of user fees and charges.

Direct Costs: those costs that can be directly and exclusively attributed or assigned to a specific service.

Indirect Costs: those costs that can be attributed to more than one program or service. Examples would include departmental administrative staff salaries, insurance, acquisition/construction depreciation or the costs of operating an activity bus that may be used for several different programs.

City Sponsored: services that are organized, promoted and conducted exclusively by City staff and are the responsibility of the City.

City Co-Sponsored: services that are organized, promoted, and conducted in-part by City staff and in-part by an outside agency, organization or individual(s) and are the negotiated responsibility of both parties as defined by a performance agreement. Any fees assessed to the outside group for facility use or staff time shall be established to recover the City's direct costs at minimum.

City Facilitated: services that are organized promoted and conducted by an outside agency, organization or individual(s) with limited assistance from City staff. These services are the responsibility of the outside group. City involvement often includes permission to use a city facility or promotional assistance. Normally, these levels of service are defined in a "Facility Use Contract". Attachment #4: Facility Use Contract form. Any fees assessed to the outside group for facility use or staff time shall be established to recover the City's direct and indirect costs.

Director: The director of the Parks and Recreation Department or designee.

V. SERVICE CLASSIFICATIONS

Services offered by the Parks and Recreation Department may be broadly identified as "basic services", "extended services", and "special services". These categories are defined and identified with a listing of typical services in each classification.

Basic Services: These services generally represent a minimal level of leisure opportunity available to all City residents. These services are often provided free of

charge, such as greenway trails and playgrounds. Nominal fees and charges may be required for some basic services in order to control use or to hold a reservation for exclusive use.

Extended Services: These services may be described as traditional public leisure services. Considerable staff planning and supervision is required. These services benefit both the participant and the community due to their educational, cultural, physical and economic value. Generally, the direct costs of these services will be recovered through fees and charges. Examples include adult athletic leagues, trips, etc.

Special Services: These may be described as services beyond the scope of traditional public leisure services. Almost exclusively the participant enjoys the benefits from these services. Direct costs and a portion of the indirect costs will be recovered through fees and charges. Examples include instructional classes, camps, golf course fees, civic center rentals, recreation center rentals, campground rentals, stadium rentals, etc.

VI. FEE ADJUSTMENTS

In some circumstances it may be necessary to adjust fees and charges to allow for individual(s) participation in services and programs. The following considerations have been established:

- A. Youth: Reduced fees shall be established for youth eighteen years of age or younger. Youth fees for basic services shall be nominal. Fees for extended services shall generally recover 50% of direct costs. Fees for special services shall generally recover 100% of direct costs.
- B. Senior Citizens: Due to fixed income of many residents sixty-two years of age and over, the Department shall establish senior adult fees. Fees for basic services shall be nominal. Fees for extended services shall generally recover 50% of the direct costs. Fees for special services shall generally recover up to 100% of direct costs. Most senior programming shall be provided through Rufty-Holmes Senior Center, a co-sponsored City program.
- C. Employees: In an effort to motivate employee performance, which directly benefits all the citizens of the City, all full-time employees shall pay resident rates for programs.
- D. Scholarships: In some cases where community support and corporate support assist with the programming expenses the City will provide to low income cases requesting assistance, a scholarship into a specific program. These scholarships will be based on available funding at the time.

Attachment #5: Salisbury Parks & Recreation Department Scholarship Application form.

- E. Waivers: On rare occasions, fees and charges may be waived completely when such action is determined by the Director to be in the best interest of the City of Salisbury and the Parks and Recreation Department. Written request for waiver must be received 14 working days in advance, in letter form to the Director. Criteria needed to be considered shall include: non-profit status as a 501c3, non-fundraising activity and positive community interest.
- F. Non-residents: Because many out-of-city residents use Salisbury Parks and Recreation services without making compulsory tax contributions to help support these services, it is reasonable to establish non-resident fee rates. In general, fees and charges for non-residents shall recover 100% of a service's direct costs and up to an additional 100% for the service's rendered. Proof of residency may be required at registration.
- G. Multiple Family Members: The City of Salisbury strives to meet the Needs of the public and will make considerations for families registering multiple family members for summer camps and other designated programs at the Civic Center, City Park Center, Hall Gymnasium and the Miller Center. An individual who resides in the city that is registering their immediate family member (i.e. son, daughter, brother, sister) will receive a discounted fee when registering for summer camps and other designated programs.

Two criteria must be met to receive this consideration:

1. The youth must be an immediate family member (proof may be required at registration)
2. The individual participant fee must equal or exceed the amount of \$30.00 for residents for discount to apply for additional family member.

Fee scale for multiple family member (understanding that the first youth will pay the regular program fee):

Second child – will pay 75% of program fee

Third child and more – will pay 50% of program fee

VII. DETERMINING FEES AND CHARGES

During the annual budget process of each fiscal year, fees and charges for all services will be determined by the department staff, reviewed by the Parks and Recreation Advisory Board and submitted to the City Council Members for

approval. All fees and charges will be evaluated in the same manner, with the following criteria used:

- A. Determine the direct and indirect costs of providing the service
- B. Determine the service classification (section V).
- C. Make adjustments to the fee or charge as outlined below.
- D. Identify the market rate or current fee being charged for a similar service by other service providers.
- E. Consider inflationary factors for services.
- F. Take into consideration any budget mandates as related to revenues to relieve tax burden on the public.
- G. Present the recommended fees or charges to the Parks and Recreation Advisory Board for review and then recommend to the City Council for approval.

Generally, because the fiscal year begins July 1, in the middle of the “peak” season, increases in fees will become effective September 1. This time frame for implementation will allow for the prevention of sudden price changes during the middle of many summer programs. Fees may be adjusted at the beginning of the fiscal year when it is essential due to increased service costs or market demands warrant a price change. All fee increases or reductions must be approved by the City Council and become part of the local budget ordinance for the fiscal year. For this reason, staff members may not be able to quote or guarantee fees beyond the beginning of the next fiscal year. However, reservations for facility use and programs may be held for dates in the next fiscal year, without a guaranteed fee or charge. When the new fee or charge has been established, these reservations may be finalized providing the new fee or charge is acceptable to the individual or group making the reservation(s). Pre-paid reservations for facilities such as picnic shelters shall be “grandfathered in” with no additional fee due with a price increase.

Additionally, the department may utilize on occasion fee discounts and other strategies to promote pre-registration periods and other promotional opportunities. An example of this is the pre-registration and “day-of” prices for dances, road races, in which the pre-registration fee may be several dollars less than that of the “day-of” fee to encourage early sign-ups. The same strategy or incentives can be applied to class registrations, events, etc.

VIII. FACILITY RENTAL

This policy describes the specific regulations under which the Salisbury Parks and Recreation Department shall make its facilities available for use by departmental/non-departmental groups.

The facilities of the department are first and foremost for the use of department sponsored and scheduled programs and services. When its facilities are not in use by its related service divisions, the department at its discretion may make certain facilities available to other groups. Priority use will be as follows:

- A. Parks and Recreation Department sponsored programs.
- B. City of Salisbury Departments and affiliates such as Rowan-Salisbury Schools, Housing Authority, County Extension Service, etc.
- C. Civic functions, church functions, private functions and others.

With revenue producing facilities such as the Civic Center, smaller department sponsored events/programs may be relocated to accommodate a major revenue producing event at the discretion of the Director.

Other rentals of facilities considerations are as follows:

- A. Use of Department Name – use of a facility by any non-departmental/City group does not imply endorsement or sponsorship of the event by the department or the City. Therefore, publicity shall be designed in such a way that no suggestion of endorsement and/or sponsorship is implied. All such publicity shall be reviewed in advance by the designated department staff and upon their recommendation be approved.
- B. Administration of Facility Rentals – execution of this policy shall be the responsibility of the Parks and Recreation Director. The Director shall decide whether any group qualifies for facility use under this policy and shall have the authority to cancel a facility use contract at any time for cause. The Director shall initiate the involvement of the Parks and Recreation Advisory Board to give any special interpretation or to make any decision concerning the use of facilities not covered specifically in this policy or when there is a question concerning the use of facilities.
- C. Types of Facilities – the department offers the following facilities for rental/use:

Picnic Shelters	Classrooms/meeting rooms
Hall Gymnasium	Athletic fields
Lincoln Pool	Cross-Country Running Course
Miller Center	City Park Recreation Center
Civic Center	Other facilities by special request

Fees for rental/use of the above named facilities and locations are listed on the Fee Schedule (Attachment #2).

IX. OTHER REVENUE SOURCES

As previously mentioned in section IV. Definitions, alternative sources of revenue/funding will be used to fund projects, programs and the development of new facilities. The following are types of alternative funding that the department will seek:

- A. Gifts and Donations – patrons are able to donate funds and/or materials and supplies to the department to purchase or provide equipment, landscaping, programs, buildings, vehicles, service in-kind, or land for future parks. Individuals, groups, organizations, service clubs, businesses, companies, scout groups and churches are welcome to participate. A gift through the Parks and Recreation Department may be either cash for a specific item or the item itself. Stocks may also be donated through the Department Foundation Board.
- B. Grants – professional staff or the department may investigate the possibilities of securing a grant or outside funding source for department facilities and programs. The Director must approve all applications prior to their submittal. All department grant applications must be reviewed and approved by the Director as considerations for fiscal planning purposes.
- C. Corporate Sponsorships – corporate sponsorship of events and programs shall be pursued by staff on an ongoing basis. These arrangements may involve the donation of funds, volunteer time, equipment, supplies and/or labor by the corporate sponsor in return for the recognition of that sponsor's contribution and involvement. Recognition could be in the form of advertising agreements such as the adoption of sections along the Greenway or signage on athletic fields.
- D. Vending Revenues – contractual agreements with vending companies will be established in the future as the need arises. These agreements will be based on a percentage of profit or a set dollar amount per month/quarter.

- E. Performance Agreements – these agreements describe the provision of limited services for the department by individuals normally offering instructional classes, specialized service or activity lessons. When revenues are generated, the City and contractor shall share gross receipts earned according to the terms of the negotiated agreement and a percentage of the gross will be paid to the City. Typically these agreements will be program specific and no more than one (1) year in length.

X. PAYMENTS AND REFUNDS

A. Payment Schedule

Generally, all payments or deposits must be received one (1) week in advance before services will be rendered and made payable to Salisbury Parks and Recreation Department. Payments specified to instructors shall be listed with program information and collected one (1) week in advance of program beginning. Personal checks, cashiers check, cash or money orders are accepted. Credit card payments (Visa & MasterCard) can be made, however they must be processed through the City Park Recreation Center during their normally working hours. Payments will only be accepted for the specified amount.

B. Non-payments

Individuals or groups that fail to meet established payment deadlines will receive a standard notification letter from the Department indicating the balance due, location of remittance and final payment deadline. The payment deadline will be ten (10) days from the correspondence date. Individuals or groups that do not submit payment in full or partial payment as indicated in the notification letter within this period will have their registration/reservation canceled immediately and will be denied future participation in department programs or future facility rental until their account has been settled.

C. Returned Checks

All checks returned will be assessed a \$25.00 service fee in addition to the payment being remitted in person to the City of Salisbury Finance Department, 132 N. Main Street, 1st floor, Salisbury, NC between the hours of 8:30am – 5:00pm, Monday – Friday.

D. Full Refunds

For Departmental Services: a full refund will be issued in the event of insufficient program enrollment or inclement weather for departmental programs. This includes activities planned and/or sponsored by the department. Services by Independent Contractors shall be inclusive and may vary according to terms of an agreement. A full refund may also be granted and/or approved, if the request is received ten (10) days prior to the first session or activity (especially athletic leagues) and accompanied by a physicians letter advising against participation by that individual.

For Non-Departmental Services: the Department reserves the right to approve or deny requests for refunds due to inclement weather for non-departmental activities such as family picnics, athletic field reservations, room rentals, etc. In the case of reservations for athletic fields where use may be canceled due to inclement weather, a credit for a future reservation for the same type of facility will be granted.

E. Partial Refunds

A refund, less a 20% service charge, will be approved when the registrant submits a written request for a refund at least ten (10) working days before the service date for program classes and (20) working days before an activity, first class of an instructional session or registration period ending (especially athletic leagues).

No refund will be approved less than ten (10) days before the first session (without a physician's letter) or after the first session of any service. In the case of services for passes or memberships whereby fees are paid in advance, the balance of remaining value will be refunded less 20% from the point of request. The request must be in writing.

In the case of special facility rentals and athletic field rentals, there will be no refund of the facility fee (or down payment if applicable) if the cancellation is made less than thirty (30) days prior to the reservation date. Cancellations made less than thirty (30) days in advance provide little opportunity for rental to another party.

F. Facility Rentals

A full refund will be approved if the facility is unavailable on the rental date requested. These refunds will be processed automatically without a request from

the renter. A refund less a 20% service charge will be approved when the renter submits a written request at least thirty (30) days before the rental date. Exception: a non-refundable deposit is required to reserve major revenue producing facilities: 1) Civic Center and 2) Community Park and Sports Complex. The deposit will be credited toward the final payment of facility rental. If the reservation is canceled, the deposit is forfeited. The Parks and Recreation Director, at his/her discretion, may allow the deposit to be credited to another event or reservation provided the renter is in good standing with no previous history of cancellations or non-payments. No refund for rentals will be allowed less than thirty (30) days before the rental date or after the rental date. The Parks and Recreation Director will review special requests when submitted in writing.

Extraordinary damage fees may be assessed after rentals if it is determined that the amount of the deposit does not cover the replacement cost or labor cost involved in returning the facility or supplies to there prior level. This clause will be identified in the contractual/rental agreement form that is signed prior to rental date.

XI. COMPETITION AND PRICING

A primary goal of the Salisbury Parks and Recreation Department is to provide a comprehensive leisure service delivery system to meet or exceed the needs and desires of all city residents. Generally, the services provided by the department are not offered by local private businesses. The department shall neither attempt to duplicate nor compete with services offered by private businesses. However, in the event that services provided by the private sector businesses do not meet the leisure and recreational needs or desires of all city residents, the department may establish alternate service delivery opportunities. Should any business claim that these alternative services create unfair competition; the department shall provide reason to justify the service in question. These claims shall be reviewed by the Parks and Recreation Advisory Board and submitted to the City Council if required.

Fee levels for services similar to those offered by the private sector shall be reviewed as part of the fee determination process and departmental fees shall not be intentionally lowered to create undue competition.

DIRECT VS. INDIRECT COST

A. Definitions

Direct Cost: refers to those expenses that are exclusively and totally related to a single program or event. This would include such expense items as equipment, publicity, leadership, trophies, materials and instructors fees.

Indirect Cost: refers to budget expenses of a related and peripheral nature that have been incurred in presenting the program, yet may appear as hidden or unaccounted costs. This category would include portions of program administrators' salaries, utility fees, such as heat, lighting, and custodian services.

B. Sample Program

In preparing programs, you need to factor in the direct cost of each program when determining the fee. A general rule of thumb is to anticipate 80% of the expected and/or maximum number of participants to establish the program fee. An example is below:

Program: Watercolor Painting Class

Direct Cost:

Instructor:
10 weeks @ 2 hours/wk x \$20 per hour = \$400.00

Revenue:
10 @ \$40/per person = \$400.00

80% Adjustment: 8 @ \$50/per person = \$400.00

*Program fee would be \$50 per person.

Determining program fees by direct cost allows the programmer to keep the fees to a minimum. If indirect cost is factored in, the fees will increase substantially in some instances.

**Salisbury Parks and Recreation Department
Scholarship Application**

Name of Applicant: _____

Address of Applicant: _____

(must show proof of residency)

Phone #: _____ (Work)

_____ (Home)

Child's Name: _____

Relationship to child: _____

Is this child an immediate member of your family? Please circle one:

Yes

No

(an immediate member of family is defined as one who lives with you full-time and you have custodial rights)

Program for which scholarship would apply: _____

Program Location: Please circle one: Civic Center City Park

Hall Gym

Miller Center

Cost of Program: _____

I certify that the above information and the attached information is accurate and truthful.

Applicant's signature

Date

*Attach supporting documentation (ex. copy of most recent Federal Tax Return, proof of salary, and any other applicable verification (ex. approved form for food stamps, public-housing verification))

For Staff Only

Received by: _____

Reviewed by: _____

Parks & Recreation Director

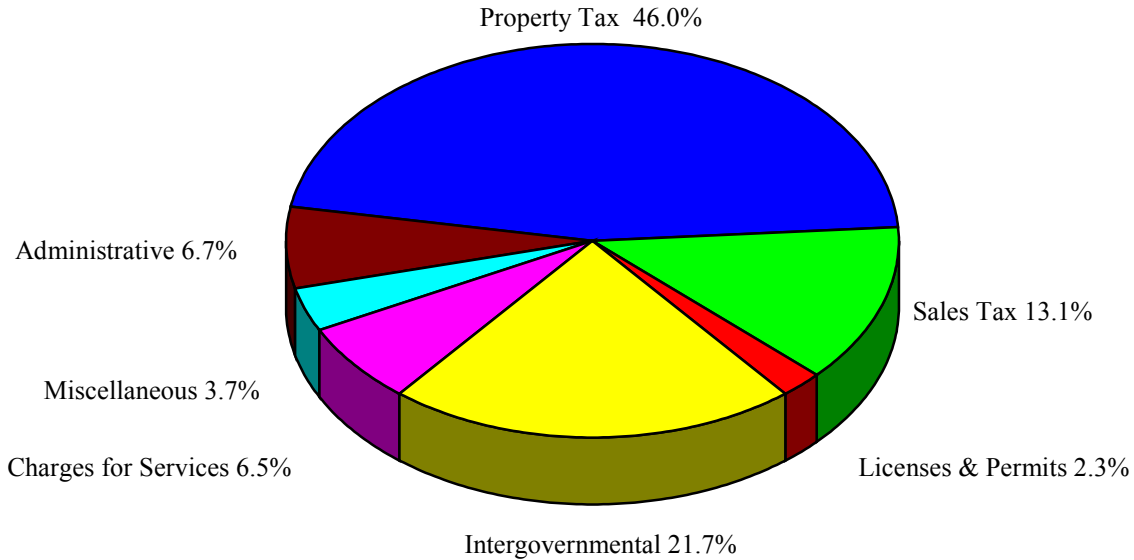
Please circle one:

Approved

Disapproved

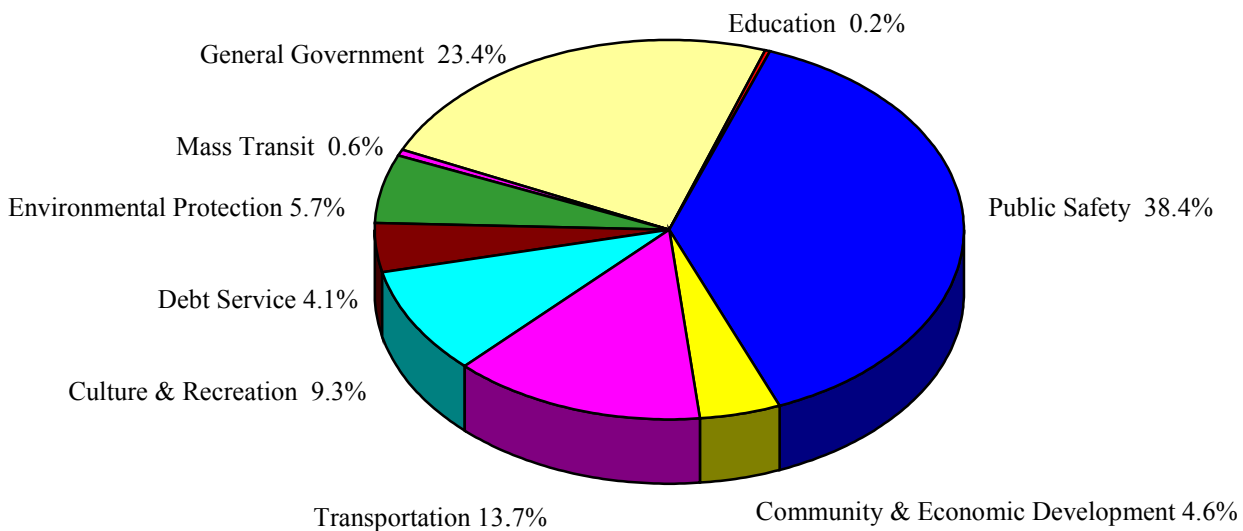
FY 2002-03 GENERAL FUND

Revenues - \$24,704,628



Where the Money Comes From

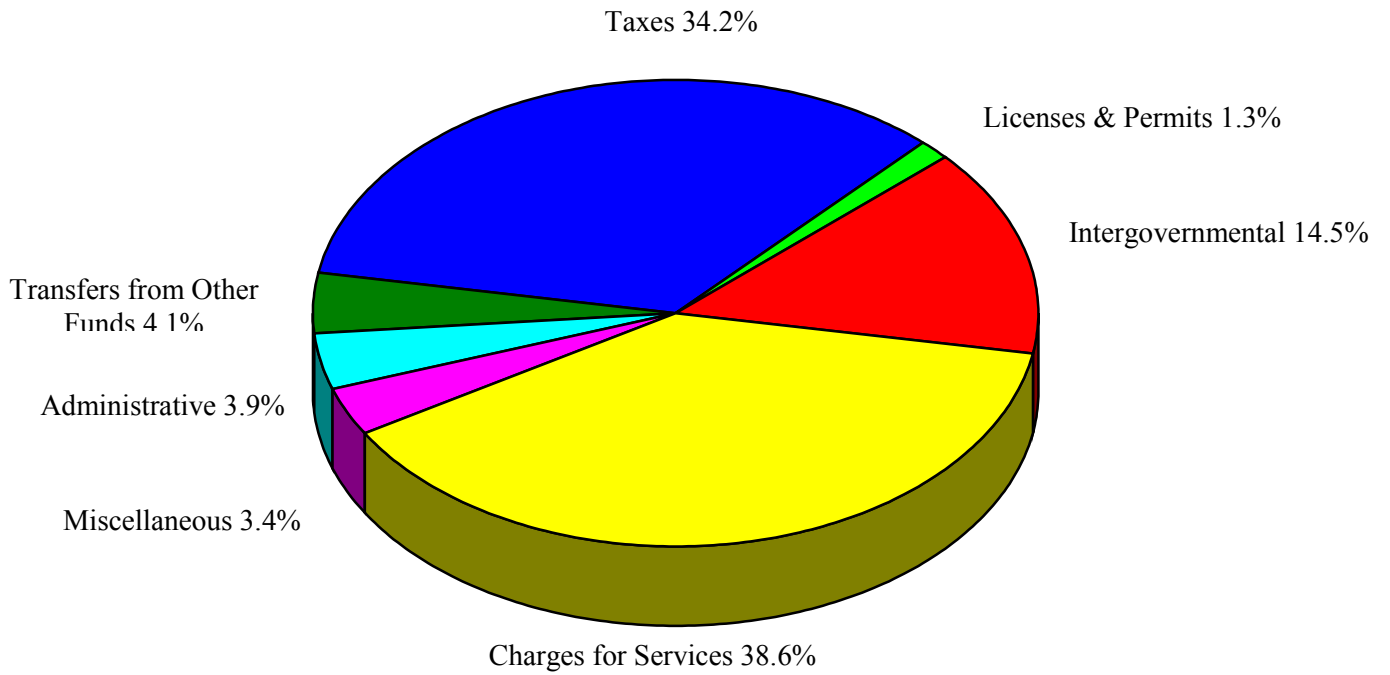
Expenditures - \$24,704,628



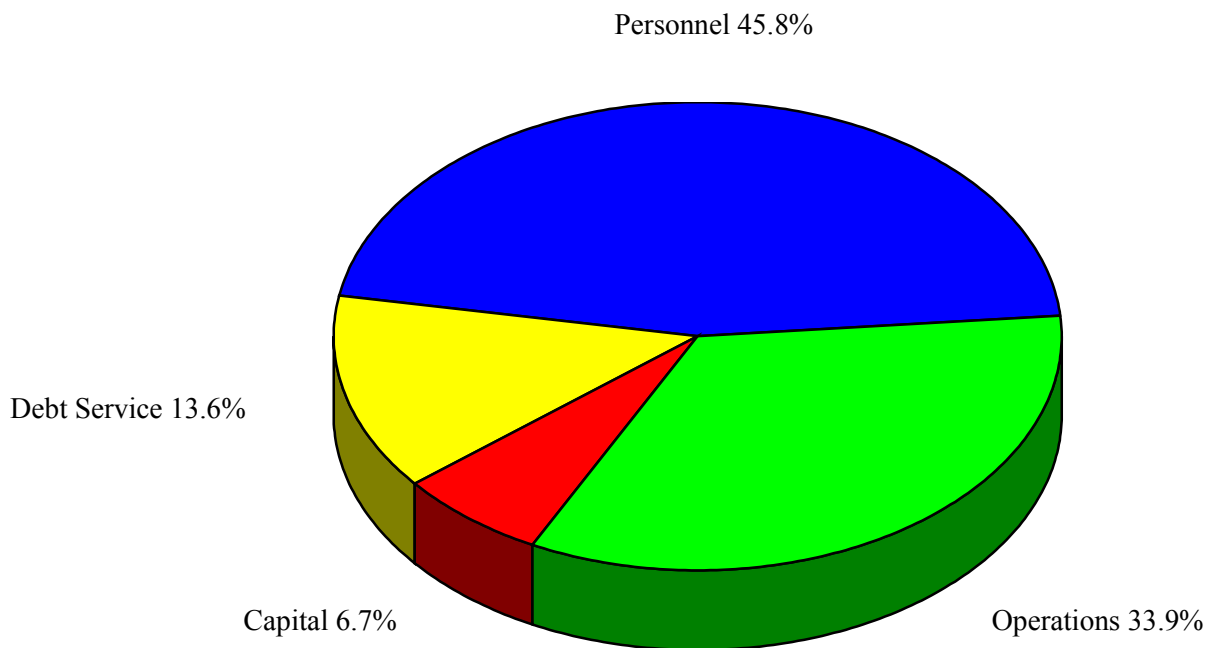
Where the Money Goes To

Includes General Fund and General Fund Capital Reserve Fund Less Interfund Transfers

CITY REVENUES BY TYPE (All Funds)



CITY EXPENDITURES BY CATEGORY (All Funds)



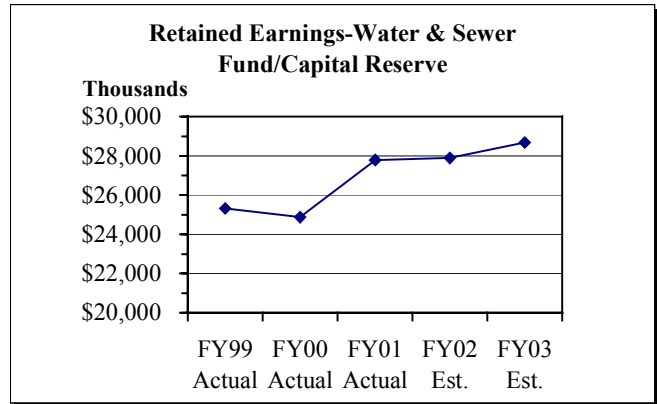
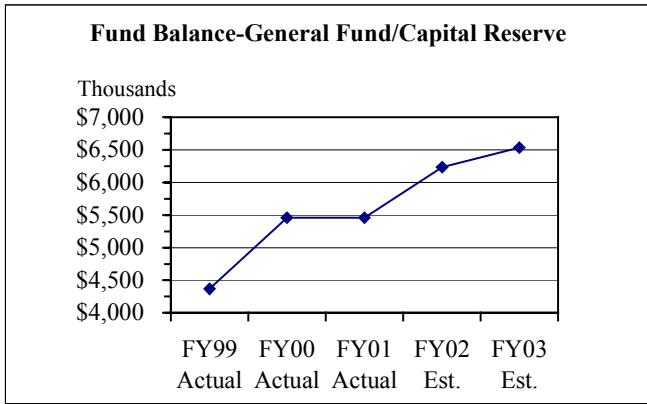
CITY OF SALISBURY, NORTH CAROLINA
BUDGET SUMMARY
For the Year Ending June 30, 2003

	General/Special Revenue Funds			Enterprise Funds			Total
	General	General Fund	Entitlement	Water/Sewer			
	Fund	Capital Reserve	Fund	Water/Sewer	Capital Reserve	Transit	
Estimated Fund Balance/ Retained Earnings 6/30/02	\$ 4,656,746	\$ 1,576,621	\$ 5,000	\$ 27,167,427	\$ 733,113	\$ (1,251,842)	\$ 32,887,065
Budgeted Revenues & Other Financing Sources:							
Taxes	\$ 14,604,651	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,604,651
Licenses and Permits	565,202	-	-	-	-	-	565,202
Intergovernmental	5,359,786	-	501,000	-	-	335,380	6,196,166
Charges for Services	1,607,360	-	-	14,779,245	-	113,080	16,499,685
Miscellaneous	877,579	30,000	150,000	364,160	20,000	16,000	1,457,739
Administrative	1,660,050	-	-	-	-	-	1,660,050
Capital leases	-	-	-	-	-	-	-
Sale of Bonds	-	-	-	-	-	-	-
Appropriated Fund Balance	-	-	-	-	-	-	-
Transfers From Other Funds	-	1,298,726	-	-	312,101	160,282	1,771,109
Total Available Resources	\$ 24,674,628	\$ 1,328,726	\$ 651,000	\$ 15,143,405	\$ 332,101	\$ 624,742	\$ 42,754,602
Expenditures:							
General Government	\$ 5,308,446	\$ 162,500	\$ -	\$ -	\$ -	\$ -	\$ 5,470,946
Public Safety	8,859,252	628,226	-	-	-	-	9,487,478
Transportation	3,380,712	9,200	-	-	-	-	3,389,912
Environmental Protection	1,402,662	1,500	-	-	-	-	1,404,162
Culture and Recreation	2,266,430	36,600	-	-	-	-	2,303,030
Community & Economic							
Development	1,100,958	23,650	651,000	-	-	-	1,775,608
Education	42,342	-	-	-	-	-	42,342
Water & Sewer	-	-	-	9,871,654	132,450	-	10,004,104
Mass Transit	-	-	-	-	-	624,742	624,742
Debt Service:							
Principal	617,710	152,569	-	2,645,818	-	-	3,416,097
Interest	237,108	14,327	-	2,313,832	-	-	2,565,267
Transfers to other funds	1,459,008	-	-	312,101	-	-	1,771,109
Total Expenditures	\$ 24,674,628	\$ 1,028,572	\$ 651,000	\$ 15,143,405	\$ 132,450	\$ 624,742	\$ 42,254,797
Budgeted Increase (Decrease) in Fund Balance	\$ -	\$ 300,154	\$ -	\$ -	\$ 199,651	\$ -	\$ 499,805
Full Accrual Adjustments: ¹							
Budgeted Capital Outlay	-	-	-	621,800	132,450	26,200	780,450
Budgeted Contributed Capital	-	-	-	-	-	(23,580)	(23,580)
Budgeted Debt Principal	-	-	-	2,645,818	-	-	2,645,818
Estimated Depreciation	-	-	-	(2,810,729)	-	(31,272)	(2,842,001)
Estimated Fund Balance/ Retained Earnings 6/30/03	\$ 4,656,746	\$ 1,876,775	\$ 5,000	\$ 27,624,316	\$ 1,065,214	\$ (1,280,494)	\$ 33,947,557

¹ See explanation on page 2-4

As of June 30, 2002, the City estimates an unreserved General Fund balance of \$2,000,000. Due to the Governor's actions as discussed in the Budget Message, the City will incur a loss in excess of \$2,000,000 in FY2001-02. This loss results in a balance which is 8.1% of the General Fund operating budget, as opposed to the 10% required by the City's Reserve Policy as explained on page 2-4 of this document.

The retained earnings deficit in Mass Transit is offset by contributed capital, which results in a positive fund equity in the Mass Transit Fund.



Through conservative fiscal management, the City has been able to increase fund balances/retained earnings for the past five years.

**SUMMARY OF INTERFUND TRANSFERS
For the Year Ending June 30, 2003**

FUND		TO			
		General Fund Capital Reserve	Water & Sewer Capital Reserve	Transit	TOTAL OUT
F R O M	General	\$ 1,298,762	\$ -	\$ 160,282	\$ 1,459,044
	Water & Sewer	-	312,101	-	312,101
	TOTAL IN	\$ 1,298,762	\$ 312,101	\$ 160,282	\$ 1,771,145

GENERAL FUND REVENUE STRUCTURE

The City's General Fund has five major sources of revenue: taxes, licenses and permits, intergovernmental revenue, charges for services, administrative revenue, and miscellaneous revenue. Taxes are composed of property, sales, and dog taxes. Licenses and permits are composed of privilege licenses and cable television franchise fees. Intergovernmental revenues are composed of grants, state-shared revenues, and reimbursements. Charges for services are composed of user fees and reimbursed charges. Administrative revenue represents the Water and Sewer Fund contribution to the operations of the General Fund. Miscellaneous revenues are composed of interest revenue, sales, and revenues not allocated elsewhere.

It would appear that with these various revenue sources, the generation of revenue to meet service level expenditure requirements would be a simple task. This, however, is not the case.

Revenues available to finance our local government can be characterized as either "elastic" or "inelastic." Elastic revenues are highly responsive to changes in the economic base and inflation. As the economic base expands or inflation goes up, elastic revenues rise in roughly proportional or greater amounts. Likewise, they go down during times of deflation and recession. For example, sales tax revenue, though the tax rate remains the same, increases during better economic periods due to the increase in retail business and declines during poor times. Yields from inelastic revenue sources, such as user fees and charges, are somewhat unresponsive to changes in economic conditions and require that government officials change fees and charges to obtain a change in revenue.

Most City revenue sources are inelastic. Two of the few remaining elastic revenues the City has are sales tax revenue and privilege licenses.

Several revenue types such as Powell Bill, intangibles taxes, sales taxes, and 80% retailers' and wholesalers' inventory reimbursement are distributed within Rowan County based on either population or tax levy. As Rowan County has raised their tax levy over the past several years, our percentage of those revenues based on tax levy has decreased. Additionally, increased population in Rowan County and other County municipalities has decreased Salisbury's share of those revenues based on population. Without the annexations or other major growth within the City limits, the City will continue to receive a smaller share of the total revenue pool each year.

City revenues also face another limitation; the State tampering with state-shared revenues and reimbursements. In the past, the State has eliminated property tax on retail, wholesale, and manufacturers' inventories. They then placed a cap on income to municipalities from intangibles taxes, utility franchise taxes, and inventory reimbursements. This cap on utility franchise taxes expired in FY1994-95. However, growth has been minimal without annexation. Intangibles taxes have been repealed by the General Assembly and replaced with an annual appropriation. Both the intangibles tax and inventory reimbursements are subject annually to the whims of the General Assembly for funding.

The City directly controls only property taxes, user fees and charges, privilege licenses, and the Water and Sewer Fund contribution. These four revenue sources are the only ones that City Council can increase or decrease at will. During FY2001-02, these four sources in the General Fund accounted for 69.5% of total revenue. The City lacks control over all other revenues.

Property taxes may be adjusted in two ways. The tax rate can be either changed, and/or the assessed value of the property can be raised or lowered. Each year, City Council sets the property tax rate as part of adopting the annual budget ordinance.

User fees and charges for some services have been established to reimburse the City for all or part of the cost for that service. City Council has absolute control over the services for which a fee is levied and the amount of the fee.

Privilege licenses are controlled both by the State and City Council. A city may levy a privilege license on certain types of businesses and professions as established by State Statutes. The State also sets a maximum rate for some businesses and professions. Most businesses, however, do not have a maximum license rate or amount. City Council has the authority to set a license rate and/or amount for these businesses.

Administrative revenue is the Water and Sewer Fund's contribution to the operations of the General Fund. It represents the Water and Sewer Fund's share of expenses incurred in the General Fund for such things as water and sewer billing, financial administration, fleet management, purchasing, personnel administration, legal, and general management services. The funding of the contribution is a component of the water and sewer rates set by City Council and should not exceed the actual costs incurred in the General Fund for the Water and Sewer Fund's operations.

In summary, most City revenues can be characterized as inelastic with no City control. The City controls only property taxes, user fees and charges, privilege licenses, and administrative revenue.

REVENUE ASSUMPTIONS FOR FY2002-03

General Fund Revenue

Taxes:

Property Taxes - Real property is estimated to increase by 2%, personal property by 3%, and public service property 1% over the 2001 assessed values. This estimated growth for real and personal property and public service property is based on historical trend analysis combined with a slowing of the economy within the area due to plants' closings. A 3.0% uncollectible rate was used.

Prior Year Property Taxes - Based on historical trends adjusted by the size of the 2001 property tax receivable balance projected as of June 30, 2002.

Interest on Delinquent Taxes - Based on historical trends.

Local Option Sales Tax - Based on estimates provided by the North Carolina League of Municipalities and last year's sales data.

Other Taxes - Based on historical trends.

Licenses and Permits:

Privilege Licenses - Based on a projection of all currently licensed business in Salisbury at the current license rates.

Franchises - Based on historical trends for receipts from the cable television company (see graph on page 1-8).

Intergovernmental:

Federal - Based on anticipated and existing grants. The City will receive a grant to help design a replacement bridge and continue a grant to fund six police officers.

State - Based on FY2002-03 state shared receipts plus anticipated state grants. As mentioned in the previous section, the City receives funding from the State for intangible taxes, utility franchise taxes, and inventory reimbursements. The City also receives funding for street maintenance through the Powell Bill Fund, which is allocated based on population and city-maintained street mileage. The City is anticipates receiving a grant for Greenway construction.

Local - Based on historical trends and anticipated grants (see graph on page 1-9).

Charges for Services:

Supportive Court Services - Based on historical trends.

Community Services - Based on historical trends for fees relating to development and zoning.

Environmental Protection - Based primarily on existing user charges for recycling and landfill tipping fees and the fee for commercial and industrial waste collection costs.

Culture and Recreation - Based on projected activities, participation, and fee levels.

Public Safety - Based on historical trends (see graph on page 1-9).

Miscellaneous:

Interest Earned on Investments - Based on estimated cash balances during FY2002-03 and estimated interest rates.

Insurance Proceeds - Based on historical trends.

Rentals and Sale of Property - Based on historical trends (see graph on page 1-9).

Other - Based on historical trends (see graph on page 1-9).

Administrative:

Interfund Revenues - Based on estimated expenditures for services provided by General Fund departments that are reimbursed by the Water and Sewer Fund. These expenditures are the sum of the estimated percentage of time each General Fund department expends on behalf of the Water and Sewer Utility multiplied by the departmental budget. This transfer amount is calculated annually.

General Fund Capital Reserve Fund Revenue

Miscellaneous:

Interest Earned on Investments - Based on estimated cash balances during FY2002-03 and estimated interest rates.

Other - Based on historical trends.

Other Financing Sources:

Operating Transfer from General Fund - Funding based on vehicle and computer replacement schedules that the General Fund will place in reserve for future vehicle and computer purchases.

Water and Sewer Fund Revenue

Operating Revenues:

Charges for Services - Based on estimates using historical volumes, trends, projections, and revised rates based on a comprehensive rate review completed in April 2002.

Nonoperating Revenues:

Interest Earned on Investments - Based on estimated cash balances during FY2002-03 and estimated interest rates.

Miscellaneous Revenues - Based on historical trends.

Water and Sewer Capital Reserve Fund Revenue

Miscellaneous:

Interest Earned on Investments - Based on estimated cash balances during FY2002-03 and estimated interest rates.

Other Financing Sources:

Operating Transfer from Water and Sewer Fund - Funding based on vehicle and computer replacement schedules that the Water and Sewer Fund will place in reserve for future vehicle and computer purchases.

Transit Fund Revenue

Operating Revenues:

Charges for Services - Based on estimates using historical ridership and trends.

Nonoperating Revenues:

Intergovernmental - Based on estimates provided by the State of North Carolina.

Miscellaneous Revenues - Based on historical trends.

Other Financing Sources:

Contributed Capital - The amount of funds to be provided for purchase of capital items.

Operating Transfer from General Fund - The amount of subsidy that the General Fund will provide the Transit Fund during FY2002-03.

Special Revenue Funds Revenue

Intergovernmental:

Federal - Based on an estimate provided by the U.S. Department of Housing and Urban Development.

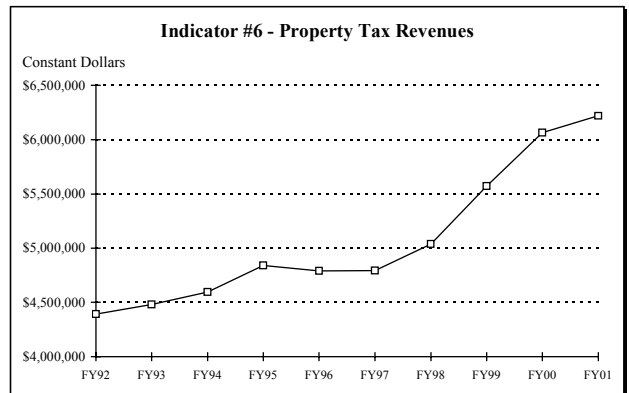
Miscellaneous:

Other - Based on anticipated program income.

TREND MONITORING

As noted previously, many revenues are budgeted based on historical trends. Trend monitoring is an essential element in the budgeting process for the City of Salisbury. Revenue information by line item is available for the current fiscal year, along with actual revenues for the past two fiscal years. The information is then evaluated based on past trends in conjunction with current estimates.

At the end of each fiscal year, trend information is gathered using the Financial Trend Monitoring System, which allows the City to monitor its financial condition. The Financial Trend Monitoring System is based on financial, organizational, and environmental factors that influence financial condition. The factors are translated into indicators, which are then converted into graphs. Each graph has a warning sign that can necessitate appropriate action from the City. On the right is an example of a trend the City monitors. As shown in the graph, the City has experienced growth in property tax revenues in the past few years.

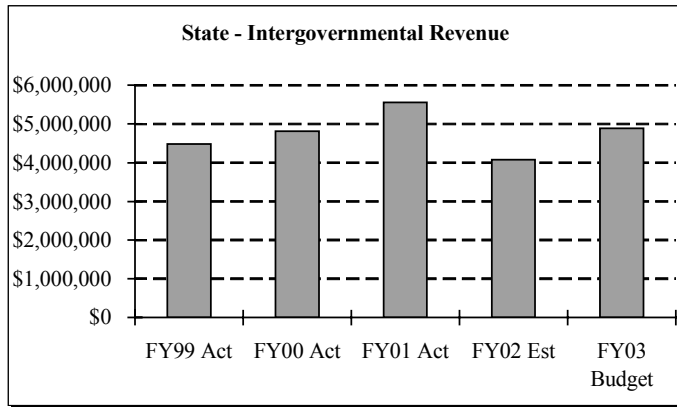


WARNING TREND:

Decline in property tax revenues (constant dollars)

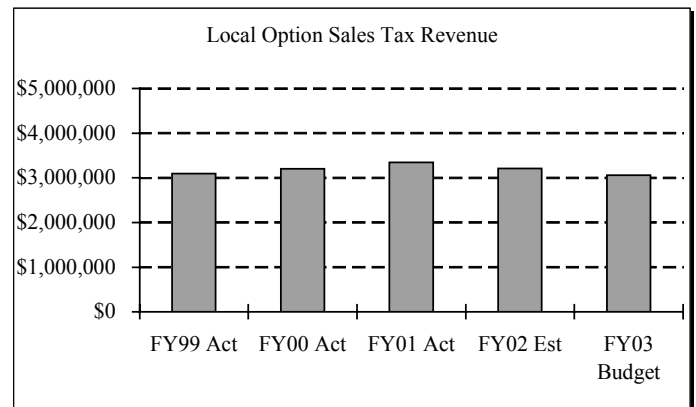
OTHER REVENUE TRENDS

The following graphs are two of the other major revenue sources for the General Fund.

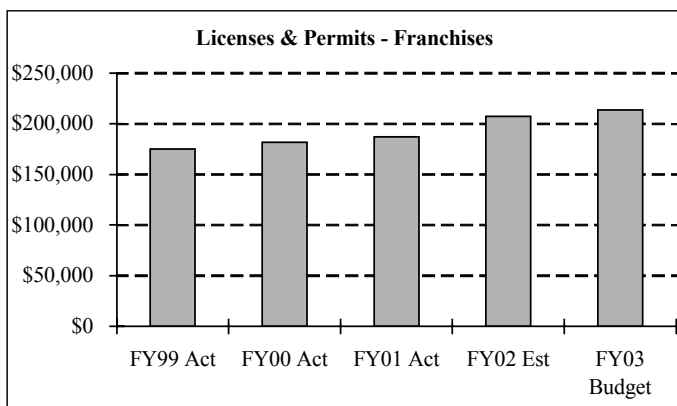


As stated in the assumptions, this revenue source is comprised of state-shared receipts and state grants. Due to the North Carolina State budget crisis, the Governor has withheld inventory reimbursements and utilities franchise tax from local governments in FY02.

This revenue is based on the 1% and ½% local option sales tax. As discussed under General Fund Revenue Structure, this revenue source is elastic. Due to the slowing retail climate and retail construction in the past year and impact from the census population redistribution, the City is projecting flat growth from the sales tax.

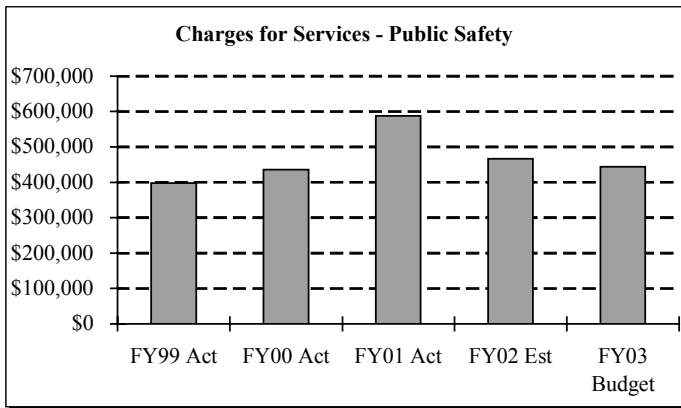
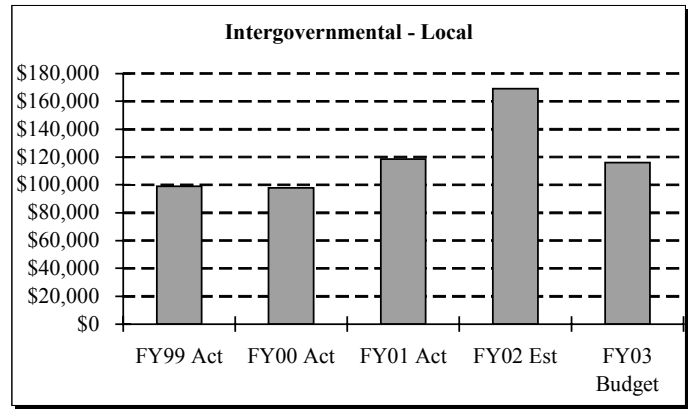


The following graphs depict major revenue sources that are based on historical trends. Each graph has a brief description of that particular revenue source along with an analysis of the trends.



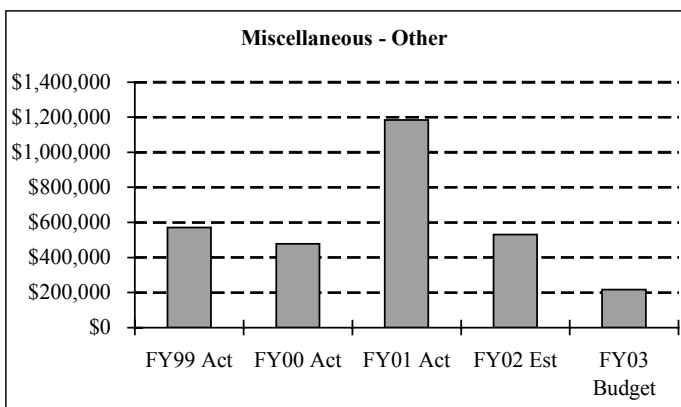
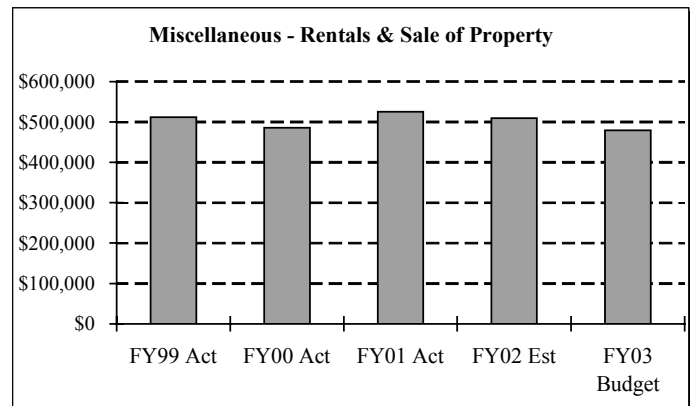
These revenues are based on gross revenues within the City limits of the cable television company. As revenue base for the cable company increases, so does the revenue received by the City.

These revenues are from the Salisbury Housing Authority. Part of the revenue is payment in lieu of taxes as partial compensation for the property tax for which the agency is exempt. The Housing Authority also reimburses the City for the personnel costs for police officers working within the Housing Authority. In FY02, the Housing Authority received a grant to enhance police patrol. But in FY03, funding was discontinued for the reimbursement of one officer.



These revenues are derived from police and fire protection, and charges for radios and pagers to public agencies within the area. Over the years, charges for radios have been steadily increasing, to approximately \$221,000 in FY03 along with an increase in radio antenna rentals. In FY96, the City implemented a fee for permits and inspections by the Fire Department. Beginning in FY97, the Rowan-Salisbury School System started paying for one-half the cost of a third School Resource Officer as they have for the previous officers hired.

For FY03, fifty-nine percent of this revenue category is comprised of rentals. Rental revenue, both residential and commercial, from the Plaza continues to increase along with rental of the Salisbury West Community Center and revenue from a parking lot. Other revenue sources for this category include sale of assets, sale of materials, cemetery sales, and rental of Hurley Park.



This revenue is subject to significant fluctuation due to General Fund donations and miscellaneous revenue. In FY01, the City received large one-time donations from various foundations for community projects.



FINANCIAL MANAGEMENT AND BUDGET PROCESS

FINANCIAL MANAGEMENT PROGRAM

The City's financial management program continues to provide the citizens of the City with an approach which has served to enhance the City's excellent financial position by:

1. Investing all available funds not needed on a daily basis in order to maximize interest earnings
2. Allocating City resources only to program areas that meet community needs
3. Monitoring these program areas to ensure they are carried out within authorized levels

This financial management program allows the City to achieve its goal of expanded and improved services to the citizens of Salisbury. Additionally, the City's bond rating of "A1" by Moody's Investors Service, Inc. was reaffirmed in April 2002. The City issued \$20.4 million Combined Enterprise System revenue bonds in April 2002 and Moody's Investor Services assigned an A2 initial underlying rating to this issue. Concurrently, Fitch Ratings assigned an A+ rating to this issue along with rating the system's \$1.8 million in outstanding parity revenue bonds A+. This is a reflection of the City's continued sound financial condition.

FINANCIAL MANAGEMENT SYSTEMS

FUND ACCOUNTING

The accounts of the City are organized on the basis of funds and account groups, each of which is considered to be a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The budgeted funds are as follows:

GOVERNMENTAL FUND TYPES

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. A separate equipment replacement subfund is maintained for accounting and budgeting purposes. For financial reporting purposes, this subfund has been consolidated into the General Fund. The primary revenue sources are ad valorem taxes and State-shared revenues. The primary expenditures are for public safety, transportation, environmental protection, recreation, community development, and general government services.

Special Revenue Fund - Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The City budgets one special revenue fund – a Community Development Fund.

PROPRIETARY FUND TYPES

Enterprise funds - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The enterprise funds include the Water and Sewer Fund and Mass Transit Fund. An equipment replacement subfund for Water and Sewer is maintained for accounting and budgeting purposes. For financial reporting purposes, this subfund has been consolidated into the Water and Sewer Fund.

BASIS OF ACCOUNTING

Governmental funds are those through which governmental functions typically are financed. The acquisition, use, and balances of the government's expendable financial resources and the related current liabilities, except those accounted for in the proprietary fund, are accounted for through governmental funds. The governmental fund measurement focus is based upon determination of financial position and changes in financial position (sources, usage, and balances of financial resources), rather than upon net income determination. The statement of revenues, expenditures, and changes in fund balance is the primary governmental fund operating statement. It may be supported or supplemented by more detailed schedules of revenues, expenditures, transfers, and other changes in fund balance.

The City's accounting records for governmental funds are maintained on a modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized in the accounting period in which the liability is incurred except for unpaid interest on general long-term debt. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Major revenues that are determined to be susceptible to accrual include intergovernmental revenues and interest. Major revenues that are determined to not be susceptible to accrual because they are either not available or are not objectively measurable include all ad valorem taxes, licenses, permits, and certain miscellaneous revenues.

Proprietary funds are used to account for a government's ongoing organizations and activities which are similar to those found in the private sector. All assets, liabilities, equity, revenues, expenses, and transfers relating to the government's business and quasi-business activities (where net income and capital maintenance are measured) are accounted for through proprietary funds. The generally accepted accounting principles here are those applicable to similar businesses in the private sector; and the measurement focus is upon determination of net income, financial position, and cash flows.

Proprietary fund revenues and expenses are recognized on the accrual basis whereby revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.

The Water and Sewer Fund reimburses the General Fund for expenditures made on its behalf in certain central services. The General Fund pays the Water and Sewer Fund for its normal billable charges. Both of these types of transactions are considered to be quasi-external transactions and are recorded as revenues and expenses in the appropriate funds.

FINANCIAL MANAGEMENT POLICIES

INVESTMENT POLICY

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. Salisbury City Council has approved this policy.

Policies

- Always consider the risk factor of an investment.
- Maintain liquidity in the investment portfolio at all times.
- Consider yield only after risk and liquidity are assured.
- Only purchase investments that can be perfected.
- No purchase of derivatives.
- Use only brokerages with offices in Salisbury.
- Maintain a mix of investments with no over-reliance on a single type of investment.
- Avoid long term investments.
- Always purchase investments with the intent to hold to maturity.
- Investments are made with cash not required to meet current disbursement needs after projecting cash requirements.
- Investments are competitively bid.
- All investments require the approval of two authorized employees to complete the transaction.

Investments Used By City

- US fully guaranteed investments.
- NC State Banks' and Savings and Loan Associations' CDs, NOWS, SuperNow, Shares, and Deposits in Savings.
- Obligations of the Federal Farm Credit Bank, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, and the Government National Mortgage Association.
- Prime quality commercial paper and bankers acceptance.
- North Carolina Capital Management Trust.

Custodial Risk Assumed By City

- GAAP requires that governments classify their investment's custodial risks into categories with least risk being Category 1 and highest risk being Category 3.
- Category 1 includes investments that are insured or registered, or for which the securities are held by the City or its agent in the City's name.
- All City investments are purchased and held as Category 1 investments.

FISCAL POLICIES

Revenue Policy

1. The cumulative increase of revenue from the levy of property tax will not exceed five (5%) from the preceding year. The increase excludes: taxable value gained through annexation; the taxable value gained through new construction; tax increases mandated by the voters, courts, State, or federal governments.
2. The City will project revenues for five years and will update the projections annually prior to the beginning of the preparation of the annual budget.
3. The City will utilize user charges in lieu of ad valorem taxes for services that can be individually identified and where the costs are directly related to the level of service:
 - a) Recreational programs will be funded from user charges for all programs in which it is practical to charge. User charges should represent at least 15% of the total recreational budget.
 - b) Cemetery activities should be partially funded from user charges. User charges should represent at least 50% of the total Cemetery budget.
 - c) Waste Management Division's cost to use the County's landfill will be recovered completely from users.
 - d) User charges will pay for the cost of operating a recycling program.
 - e) The user charge fees for water and sewer will be sufficient to finance all operating, capital, and debt service costs for the Water and Sewer Fund.
4. All City charges and fees will be reviewed and updated annually.

Operating Budget Policy

1. Current operating revenues will be sufficient to support current operating expenditures.
2. Debt or bond financing will not be used to finance current expenditures.
3. Annually recurring revenues will not be less than annually recurring operating budget expenditures (operating budget minus capital outlay).
4. The City will prepare a five-year operating budget which will include projections of annual growth plus allowances for operating costs of new facilities.
5. The City will develop a program to replace all information systems hardware at least once every three years.
6. The City will establish a Equipment Replacement Fund for the replacement of vehicles. The Fund will purchase each vehicle and lease it back to the appropriate department over its useful life. These lease payments will create a sinking fund to be utilized to purchase a new vehicle to replace the existing one.
7. The City will establish a Risk Management Program to provide for protection against loss and a reduction in exposure to liability. The City will establish a safety program to minimize the City's exposure to liability and thereby reduce the number of claims against the City.
8. The City will avoid budgetary practices that balance current expenditures at the expense of meeting future year's expenses.
9. The City will only use one-time revenues for the funding of capital improvements or other non-recurring expenditures.

Capital Improvement Policy

1. The City will prepare and adopt a five-year Capital Improvement Program which will detail each capital project, estimated cost, description, and funding source.
2. Operating expenditures will be programmed to include the cost of implementing the Capital Improvement Program and providing all manpower, operating costs, and capital outlay required.
3. The City will prepare and update annually a resurfacing and replacement policy for street and sidewalk improvements.

Accounting Policy

1. The City will establish and maintain the accounting systems according to the generally accepted principles and standards of the Government Accounting Standards Board (GASB) and the National Committee on Governmental Accounting.
2. An annual audit will be performed by an independent public accounting firm which will issue an official opinion on the annual financial statements, with a management letter detailing areas that need improvement if required.
3. Full disclosure will be provided in the financial statements and bond representation.
4. Financial systems will be maintained to monitor expenditures and revenue on a monthly basis with a thorough analysis and adjustment (if required).
5. All revenue collections will be consolidated under the City's Finance Department.
6. The City will continue to obtain the Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award from the GFOA.

Debt Policy

1. Capital projects, financed through the issuance of bonds, shall be financed for a period not to exceed the expected useful life of the project.
2. The general obligation debt of the City will not exceed 8 percent of the assessed valuation of the taxable property of the City.
3. Interest, operating and/or maintenance expenses will be capitalized only for facilities or enterprise activities and will be strictly limited to those expenses incurred prior to actual operating of the facilities.

Reserve Policy

1. The City will maintain an unreserved fund balance of 10% of the General Fund Operating Budget. These funds will be used to avoid cash flow interruptions, generate interest income, reduce need for short-term borrowing and assist in maintaining an investment grade bond rating.
2. The City will maintain a two-to-one ratio of total current assets over total current liabilities in the Water and Sewer Utility Fund.

BUDGETS AND BUDGETARY ACCOUNTING

Budgetary control is an essential element of governmental accounting and reporting. The City Council is required by State law to adopt an annual balanced budget for all funds except for the fiduciary funds and to utilize "encumbrance accounting" as defined in the statutes. Budgetary control is maintained at the departmental level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders which result in an overrun of departmental balances are not released until additional appropriations are made available. Open encumbrances lapse at year end and are reinstated against the subsequent year's appropriation. They are shown as a reservation of fund balance in the Comprehensive Annual Financial Report. Appropriations are made at the departmental level and amended as necessary. A portion of fund balance may be appropriated to balance a fund's budget. All annual appropriations lapse at year end.

The City follows these procedures in establishing the budgetary data:

1. Prior to June 1, the City Manager submits to the City Council a proposed operating and capital budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of an ordinance.
4. The City Manager is authorized to transfer budgeted amounts between departments; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, special revenue funds, and enterprise funds. Budgetary performance can be quantitatively measured and accounted for throughout the year.

Budgets for the General Fund and special revenue funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Budgets for the enterprise funds are adopted on a basis consistent with GAAP except that bond proceeds and contributed capital are treated as other financing sources, bond principal

payments and additions to fixed assets are treated as expenditures, depreciation expense is not budgeted, and no accruals are made for interest expense and vacation pay.

GOAL SETTING AND BUDGETARY PROCESS

The City Council and Management Team meet at an annual Goal Setting Retreat held for the purpose of establishing goals and priorities for the City.

In preparation for this Retreat, the City's Management Team meets with the City's Boards and Commissions for goal setting sessions and with their own departments to clarify and establish goals. Goals from the Boards and Commissions are presented to City Council prior to their Retreat.

At the Retreat, City Council adopts goals in strategic areas, either multi-year or on an annual basis. Goals guide the development of the budget for the upcoming year with the resources of the entire City organization being focused on achieving the goals. These goals are outlined in the Budget Message.

During the Retreat, the report *Balancing Costs and Services: A Five Year Service Level and Revenue Projection with Analysis* is presented to the City Council. This report describes three service levels and the related costs for each budgetary unit within the General Fund. *Balancing Costs and Services* serves as a tool for City Council to determine the financial impact of selecting various levels of municipal services for the citizens of Salisbury. This report is considered an integral part of the budgetary process and is included in its entirety in Section XII of this budget document.

The City Manager and staff assign Retreat Goals to the staff for inclusion in the upcoming budget after the Retreat. Each department manager begins considering the personnel needed, operational costs and capital outlay associated with performing the goals as set forth by City Council.

The Finance Director and staff prepare and have available on the City's server the following budgetary request forms in accordance with the Budget Calendar:

- Personnel request forms along with current staffing patterns and request information
- Operations and Maintenance request sheets along with last year's actual expense, this year's budgeted appropriation, and actual expense through seven months
- Five-Year Capital Improvement Program request forms

Upon return of the completed forms, the City Manager and Budget Team meet with each member of the City's Management Team to review his respective budget requests and justifications. The City Manager and Budget Team then evaluate each department's request for personnel, operational items, and capital outlay. The evaluation process is detailed and time-consuming. For each department, every line item justification is reviewed in light of the departmental goals and needs. Any additional personnel must be justified by the department and then assessed by Human Resources and Finance for need and appropriate staffing. Operational items are usually held to an increase no greater than that of the inflation rate.

A large impact on budgetary dollars is the amount spent on capital outlay. All departments submit a five-year capital improvement program with each item justified and ranked as to priority. Every capital outlay item is reviewed regarding need and whether the capital acquisition assists in accomplishing the stated goals. The budget document is then assembled using a file downloaded from the financial system and combined with personal computer spreadsheets and word processing files.

The Budget Message is prepared by first outlining the issues facing the City and the results of the Goal Setting Retreat. The City Manager highlights the major budgetary discussions with supporting analyses for his recommendations. Any change in a service level is analyzed and its subsequent effects discussed.

The availability of the budget document, before and after adoption, is made known through published newspaper notices and announcements at regularly scheduled Council meetings. Additionally, the recommended and adopted budget document is accessible for downloading through the City's web site at www.salisburync.org.

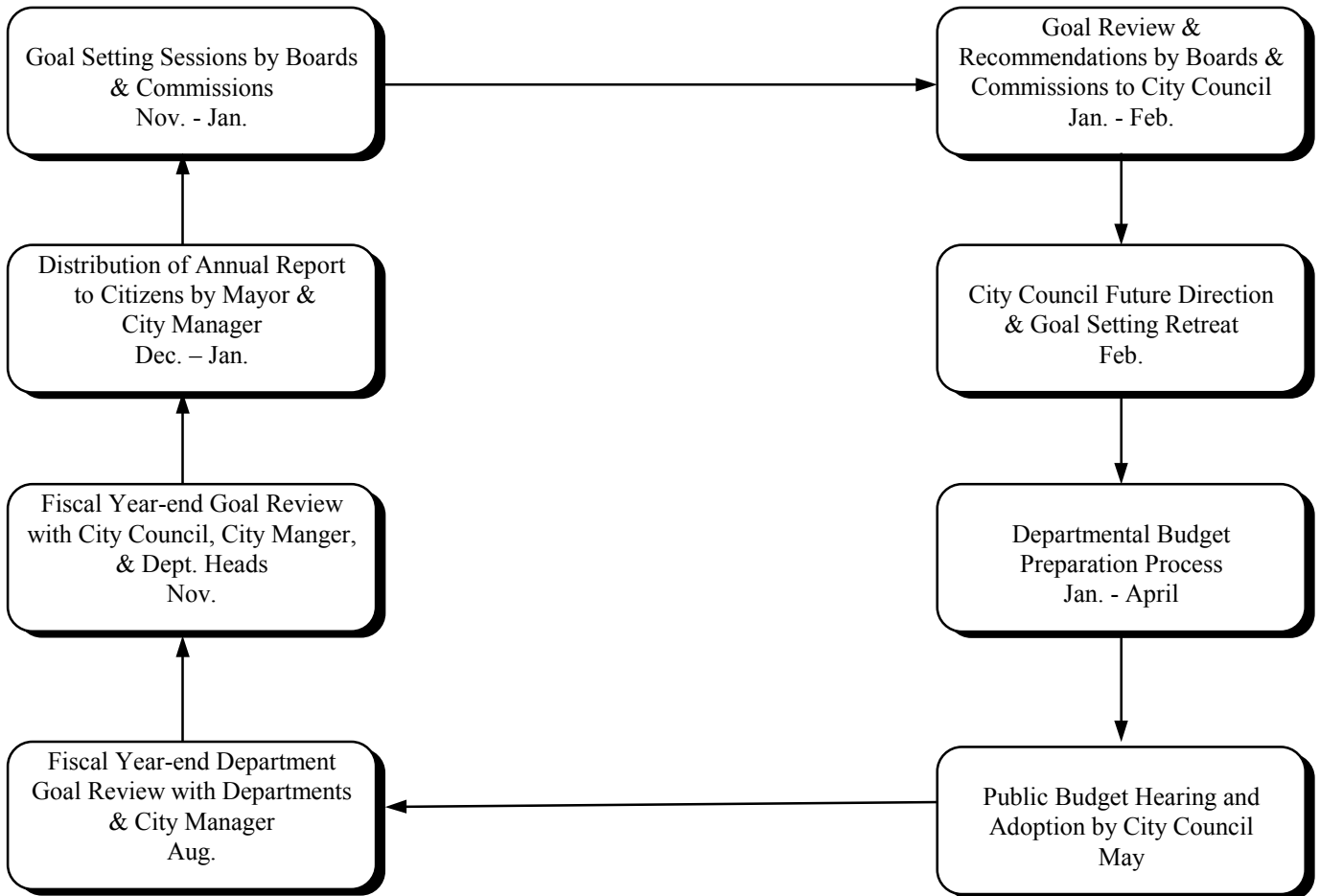
The City Manager submits the budget to City Council and after proper public notice, the City Council conducts public hearings and a budget work session. The City Council then adopts the budget through the passage of an ordinance before June 30.

Even after the budget is adopted, the goal setting process continues. After the fiscal year is ended, each department meets with the City Manager to review its previously established goals. Afterward, the City Manager and Management Team meets with City Council in a goals review session. The status of each goal is identified, i.e. on-target, behind schedule, delayed, needs clarification, rescheduled, or completed.

In December/January of each year, the City publishes an annual report and mails a copy to each address within Salisbury. This report highlights information about the various services, departments, and projects of the City.

At this point, the cycle begins again for the goal setting and budgetary process. The various Boards and Commissions meet for their goal setting sessions while the City is gathering input from its citizens via surveys and group meetings. The cycle is shown below.

GOAL SETTING/BUDGET CYCLE





CITY OF SALISBURY FY2002-03 BUDGET CALENDAR

12/13/01	Distribute 5-Year Service Level Report to be completed by Department Managers.	City Manager, Assistant City Manager and Finance Director
1/11/02	Complete 5-Year Service Level Report and return to City Manager.	Management Team and Division Managers
1/14/02	Present proposed Budget Calendar to Budget Team for review and comment.	City Manager, Assistant City Manager and Finance Director
1/15/02	City Manager's Budget Team to prepare FY2002-03 Budget Calendar for approval by Mayor and Council and distribution to the City Management Team.	City Manager, Assistant City Manager and Finance Director
1/ 1 - 1/31/02	Prepare Personnel Request forms; present staffing patterns and Personnel request information.	Finance Director
Distribute to Mgmt Team on or before 2/ 4/02	Prepare Operations and Maintenance request sheets. Finance Dept. distributes end of year Budget estimates. The Management Team and/or the appropriate Division Manager will determine departmental line item budget requests.	
	Prepare FY2002-03 -- 2006-07 Capital Improvement Program request forms.	
1/23/02	Vehicle Review Committee meeting for evaluation of vehicles	Vehicle Review Committee
2/ 05/02	Hold CDBG Public Hearing on citizens needs and concerns.	CDBG Consultant
2/11 – 2/15/02	Hold a budget workshop session for each Department Head and Division Manager as needed.	Budget Team
2/14/02	Chairmen of Boards and Commissions to present goals to City Council.	Chairmen of City Boards and Commissions and appropriate City Staff
2/21 - 2/22/02	Hold Goal Setting Retreat to establish goals.	Mayor, City Council, City Manager and Staff
2/25 - 3/29/02	Prepare FY2001-2002 year-end revenue estimates and FY2002-03 revenue estimates on all funds.	Finance Director, Utilities Director and Transit Manager
2/27/02	Assign Retreat Goals to Staff for inclusion in Budget.	City Manager and Staff
3/ 4/02	Complete all budget request forms no later than March 4, 2002.	Management Team and Division Managers
3/ 4/02	Evaluate all Personnel Requests for any changes from current staffing patterns.	Human Resources, Department Heads and Finance



Salisbury - The Place!

CITY OF SALISBURY FY2002-03 BUDGET CALENDAR

3/ 5/02	Hold CDBG Public Hearing to receive citizens' comments and receive proposals.	CDBG Consultant
3/ 5 and 3/19/02	Presentation of oral and written Budget requests to Mayor and Council.	Special Interest Groups
As Returned	Review of Specific Budget Proposals.	Budget Team, Department Head and Division Manager
3/19/02	Present draft of 2002-03 CDBG Budget and Home Budget to City Council for review and consideration.	City Council
4/ 2/02	City Council to approve 2002-03 Action Plan for CDBG and HOME application after second reading.	City Council
4/15 – 4/19/02	Review recommended Budget with Departments.	Finance Director, City Manager and Staff
4/26/02	Distribution of City Manager's recommended Budget.	City Manager and City Management Team
5/ 7/02	City Manager to preview recommended Budget for City Council.	City Manager
5/ 8/02	Place ad in THE SALISBURY POST to advertise one time for public hearing on May 21, 2002.	City Clerk
Based on Scheduling	City Council Budget shirt sleeve work session on proposed Budget.	City Manager, City Management Team and City Council
5/21/02 4:00 P.M. Council Chambers	Hold a public hearing on the adoption of the Budget.	City Council
5/21/02	City Council to adopt Budget.	City Council
7/12/02	Report tax rate to Rowan County Tax Supervisor.	City Clerk
Summer 2002	Brief Boards and Commissions Chairmen on Adopted Budget.	Chairmen of City Boards and Commissions and appropriate City Staff

FACTS AND INFORMATION ABOUT THE CITY OF SALISBURY, NORTH CAROLINA

LOCATION

Salisbury, the county seat of Rowan County, is located in the heart of the beautiful Piedmont area, the industrial heart of the State. Salisbury is located midway between Charlotte and Winston-Salem, 296 miles from Atlanta, Georgia and 368 miles from Washington, D.C.

CLIMATE

The climate of the Salisbury area is moderate, a definite advantage to those who live and work here. The massive mountains of Western North Carolina form a natural barrier against the cold east-west winds. While definitely southern in climate, Salisbury is far enough north, and has sufficient altitude to escape the humid summers of many other southern regions. Extremes in climate are very rare and short-lived. In winter the high temperature is about 50 degrees, with a low around 32 degrees. The total snowfall is normally about 6 inches each year. In the summer, the high averages about 87 degrees, with a low of 66 degrees.

POPULATION

The City of Salisbury has been slowly increasing its population during the 90's. This is due to both annexations and internal growth stimulated by the local economy. Population currently is estimated to be 26,462 based upon the census.

HISTORY

Scotch-Irish, who originally settled in Lancaster County, Pennsylvania, moved down the "Great Wagon Road" 435 miles to Trading Ford on the Yadkin River to become the first settlers in Rowan County.

The County of Rowan was established in 1753. At this time, Rowan included all territory north to Virginia and east to what we know now as Guilford County and west to the mountains. Eventually, 26 counties were formed from Rowan. Rowan County was named for Matthew Rowan, acting governor for the colony in 1753.

The deed for Salisbury is dated February 11, 1755. The court center, called prior to this time Rowan Court House, was a bustling little village of seven or

eight log cabins, a courthouse, jail and pillory, according to Governor Arthur Dobbs who visited here in late 1755.

The Court House dates to 1753 and consists of deeds, marriages, and miscellaneous records of value. Papers formerly in the Clerk's Office such as the early court minutes are stored at the State Department of Archives in Raleigh. Familiar names in American history adorn these records.

Andrew Jackson, Archibald Henderson, William R. Davis, Daniel Boone, Lord Cornwallis, Richard Caswell and many other prominent local families as the Barkleys, Hoovers, and Polks, all ancestors of presidents or vice-presidents, appear time and again in the deeds and court minutes of the county.



Henderson Law Office

Two years before the national Declaration of Independence and one year before the Mecklenburg Declaration of Independence, a group of patriotic citizens of Rowan County, serving as a Committee of Safety, on August 8, 1774, adopted the Rowan Resolves containing the pioneer element toward liberty and independence from Britain. These resolves reached the highest note of any passed in the colony in calling for the abolishment of the African Slave trade and urging the colonies to "unite in an indissoluble union and association". These resolves are located in the State Archives and are the only ones of the many passed in this period that are preserved.

So many legends and lifestyles have been passed down over the passage of time. Daniel Boone began his exploration of the Blue Ridge Mountains from

here in Salisbury. Near the present-day library is the small office where Andrew Jackson studied law and was admitted to the bar before he moved westward.

For all the struggles and hardships our ancestors endured, they have provided Salisbury with character and a rich heritage.

GOVERNMENT

The City of Salisbury's government is organized according to the Council-Manager form of government. The City Council, which formulates policy for the Administration of the City, together with the Mayor, constitutes the governing body of the City. The five (5) members are elected to serve two (2) year terms of office. The Mayor is elected from the five (5) Council members. The Mayor presides at City Council meetings. Also, a Mayor Pro Tem is elected by City Council members from the five (5) to serve as Mayor during her absence or disability.

The City Council appoints the City Manager to serve as the City's Chief Executive Officer. The City Manager is responsible for implementing the policies of the City Council, directing business and administrative procedures, and appointing departmental officers. At the present time, the City Manager is assisted by the City Clerk and eight staff departments: Finance, Human Resources, Fire, Police, Community Development, Public Services, Parks and Recreation, and Utilities. The City provides a full range of municipal services allowable under State law including law enforcement, fire protection, zoning and code enforcement, recreation centers and parks, cemeteries, street maintenance, sanitation, and water and sewer systems.

The City of Salisbury is a separate legal entity from Rowan County as permitted by the State of North Carolina. The City is independent of county government, but does provide some overlapping services such as police protection and recreational facilities. The county, not the city, is held responsible by State Statutes to provide health and social services and court services.

UTILITIES

Salisbury operates its own water and sewer system. The Yadkin River, which forms the northeast boundary of Rowan County, provides Salisbury with an abundant supply of good water. The average

daily flow is nearly 2 billion gallons per day, and the minimum recorded one-day flow is 300 million gallons. The Salisbury water system, conventional in design and closely controlled, has a treatment capacity of 12 million gallons per day (MGD). Average daily usage during 2001 was 6.2 MGD. The City completely renovated the filtration system in 1999 to increase the capacity of the filtration system to 18 MGD. An arterial system of distribution mains has been constructed to assure maximum fire protection to all parts of the city. In addition, the Salisbury water system supplies three smaller towns in the County, Spencer, East Spencer, and Granite Quarry, and has been extended to a number of industrial sites well beyond the city limits. Additionally, Salisbury operates and maintains the well system for the Town of Rockwell, but currently construction is underway that will extend treated water to Rockwell. The water supply meets all Federal and State quality requirements. Salisbury's water is fluoridated on a continuing basis. Salisbury's three wastewater treatment facilities serve as the area's regional wastewater utility with service expansion to the towns of Landis, China Grove, East Spencer, Granite Quarry, and Rockwell. Total treatment capacity is 12.5 MGD. Average daily wastewater flow during calendar year 2001 was 6.84 MGD.

The City of Salisbury owns and operates the water and sewer systems in Granite Quarry, Spencer, and Rockwell and their surrounding area.

Duke Energy, Piedmont Natural Gas Company, Bell South, CTC, and Time Warner Cable, are primary providers of other utilities.

TRANSPORTATION

Salisbury, nearly the geographic and population center of North Carolina, is located on Interstate Highway 85, 42 miles from Charlotte, 53 miles from Greensboro and 38 miles from Winston-Salem. It is the crossroads of I-85, U.S. 29, 52, 70, 601 and N.C. 150. Over 3 million people live within 90 miles of Salisbury, 1.5 million within 55 miles and 60% of the population of the United States within an overnight truck haul. The seaports of Wilmington, Morehead City, Charleston, and Norfolk are less than a one-day truck haul away.

Rowan County Airport, three (3) miles from downtown Salisbury, has a 5,800 ft. x 100 ft. paved and lighted runway. Hangar space and private plane servicing are available.

The major commercial airports at Charlotte and Greensboro-High Point are less than an hour's easy drive from Salisbury. These airports provide excellent service to all parts of the United States via Delta, United, USAirways, TWA and American Airlines. There are also direct flights available to London and Frankfurt.

Carolina Trailways and Greyhound provide bus service with daily arrivals and departures. Their service also includes parcel shipments. Local bus service is provided by the City's Transit System.

Amtrak provides rail transportation with service on the Piedmont and Carolinian from New York City to Charlotte, North Carolina. Arrivals and departures are from The Depot, a renovated station of the Salisbury Railroad Station Depot, originally built in 1907.



The Depot

MOTELS

An ideal area for small conventions, Salisbury has eleven motels, with over 1028 rooms, and two (2) bed and breakfast establishments in our historic district.

EDUCATION

Salisbury is home to two (2) colleges and a technical college. Catawba College has thirty (30) buildings comprising a physical plant unsurpassed in the East for a college of this size and style. It has a total enrollment of approximately 1,300 Liberal Arts Co-ed students and is affiliated with the United Church of Christ. Catawba College was founded in Newton, North Carolina in 1851, and opened in Salisbury in 1925.

Livingstone College was founded in 1879, and has approximately 900 Liberal Arts Co-ed students. It is supported by the African Methodist Episcopal Zion Church; Hood Theological Seminary is located at Livingstone.

Rowan-Cabarrus Community College offers two-year educational programs leading to the associated degree in applied science. In addition, one-year diploma programs are offered in five fields. There is a total enrollment of approximately 3,500 full-time equivalent students.

There is also one Beauty College in Salisbury. In addition to the public school facilities, there are several private schools.

ARTS AND ENTERTAINMENT

The outstanding programs of Catawba and Livingstone Colleges and the other colleges in the area significantly enrich the cultural atmosphere of the Salisbury area. Each year the Catawba College Shuford School of Performing Art brings a minimum of four musical events to Salisbury. Catawba's fine Drama department offers several professional type drama productions each year. Livingstone College also has a cultural series that brings artists to the community as well as an excellent drama group, The Julia B. Duncan Players.

The Piedmont Players, a community theater organization, provides excellent entertainment as well as a chance to participate in both its acting and technical activities. They have completely restored the historic Meroney Theater, built in 1905, for their home. They present five shows each season. In addition to these five shows, all fourth and fifth graders in the Rowan-Salisbury School System attend the theater for an annual production that the Piedmont Players have cast entirely with children.

The Salisbury-Rowan Symphony, consisting of musicians from the area, presents four concerts each season. In addition to participation in the regular concert series, the string quartet of the Salisbury Symphony visits the elementary schools to present programs. The object of this mini-concert series is to give the students some knowledge of music and famous composers.

Rowan-Cabarrus Community College participates in the North Carolina Visiting Artist Program. Each year a professional artist is employed and in residence at the college. Concerts and musical

programs are provided regularly by many artists throughout the state as well as the Visiting Artist. In addition, Rowan-Cabarrus Community College sponsors a Folk Heritage Center. This center serves as a network for professional and local folk artists and presents classes, concerts, and other folk artist activities for the general public.

COMMUNITY FACILITIES

The Salisbury Post serves Salisbury daily. Four (4) radio stations provide for local programming. WBTV has a satellite newsroom located in Salisbury. Local reception provides coverage of all major networks in addition to cable television facilities. A full-time year-round recreation staff offers activities for both young and old. In addition to organized activities, the City provides several parks and facilities for general use.

City Park has a completely equipped playground, tennis courts and a five (5) acre lake for fishing. Salisbury has a Civic Center with weight room, racquetball courts, auditorium, tennis courts and a handicap exercise trail.

Kelsey-Scott Park is a fifteen (15) acre park located on Old Wilkesboro Road. Jaycee Sports Complex is a multi-use area with four (4) ball fields. Miller Recreation Center is referred to as the "Youth Center".



Gazebo at Hurley Park

In addition to these parks, the City of Salisbury is currently constructing a new community park that will total over 350 acres. The park will include athletic fields, passive areas, trails, and a lake. The initial phase of the project opened in Spring 2001.



Ballfield at the Community Park

SPECIAL EVENTS

Each year, the Salisbury-Rowan Chamber of Commerce presents the National Sportscasters and Sportswriters Awards Program. Each year, outstanding guests visit Salisbury to attend the Annual Awards Program.

MISCELLANEOUS STATISTICS

Public Safety:		Area - Square Miles	17.79
Number of Fire Stations	3	Miles of Streets	147
Number of Police Stations	1	Municipal Utilities Department:	
Recreation Facilities:		Number of Customers	15,100
Number of Parks	15	Miles of Water Lines	450
Number of Recreation Centers	4	Miles of Sewer Lines	477
Number of Tennis Facilities	2	Number of Cemeteries	7
Number of Acres	444	Business Licenses Issued	2,350

**TAX BASE FOR THE CITY OF SALISBURY
ASSESSED VALUE OF TAXABLE PROPERTY FOR THE LAST TEN FISCAL YEARS**

Fiscal Year		Personal	Public Service	
Ended	Real Property	Property	Property	Total
June 30,				
2003 ¹	\$ 1,411,964,792	\$ 440,022,980	\$ 68,215,842	\$ 1,920,203,614
2002 ¹	1,384,279,208	423,885,600	67,540,438	1,875,705,246
2001 ¹	1,337,944,798	417,818,187	64,805,231	1,820,568,216
2000	1,287,042,497	408,306,143	67,811,314	1,763,159,954
1999	1,042,366,457	382,196,263	57,889,345	1,482,452,065
1998	967,242,955	357,072,088	57,825,316	1,382,140,359
1997	933,861,596	328,554,542	56,458,430	1,318,874,568
1996	922,430,180	299,703,247	58,451,552	1,280,584,979
1995	809,239,122	288,959,801	48,746,576	1,146,945,499
1994	805,310,028	294,329,533	52,053,034	1,151,692,595

¹Estimated

Note: The levy of property taxes each year is based on the assessed value of taxable property as of January 1 preceding the beginning of the fiscal year on July 1. All taxable property is assessed at one hundred percent (100%) of its estimated value at time of revaluation. Revaluation of real property, required at least every eight years, was completed for the levy of taxes in the year ended June 30, 1996 and has been revalued again for the FY2000 assessment. The assessment of taxable property being assessed after revaluation is accomplished in accordance with North Carolina G.S. 105.287.

SCHEDULE OF PRINCIPAL TAXPAYERS FOR THE CITY OF SALISBURY
For the Year Ended June 30, 2001

<u>Business</u>	<u>Type of Enterprise</u>	<u>2000 Assessed Valuation</u>	<u>Percentage Value of Total</u>
Food Lion, Inc.	Commercial	\$ 66,704,201	3.66%
Belle Realty Co.	Real Estate	30,985,510	1.70%
Norandal USA	Industrial	27,920,968	1.53%
ICI Americas	Industrial	25,962,701	1.43%
Heritage Realty Limited Partnership	Real Estate	23,473,338	1.29%
Duke Energy Corp.	Utility	22,841,972	1.25%
Bellsouth Telephone	Communication	18,912,449	1.04%
Salisbury Mall Ltd.	Commercial	15,399,142	0.85%
Ball Metal Beverage Container	Manufacturing	14,259,412	0.78%
Cone Mills Corporation	Industrial	12,670,814	0.70%
Totals		<u>\$ 259,130,507</u>	<u>14.23%</u>

Source: Comprehensive Annual Financial Report, Fiscal Year ending June 30, 2001

DEMOGRAPHIC STATISTICS FOR THE CITY OF SALISBURY
For the Year Ended June 30, 2001

<u>Fiscal Year</u>	<u>Population Estimate</u>	<u>Per Capita Income</u>	<u>Median Age</u>	<u>Unemployment Rate</u>
2001	26,462	\$22,820	38.1	6.5%
2000	27,500	23,634	38.8	3.8%
1999	26,792	22,509	38.7	3.4%
1998	26,884	21,631	38.5	3.0%
1997	26,177	20,787	38.3	2.9%
1996	24,543	19,976	38.1	3.6%
1995	25,444	19,165	37.9	3.8%
1994	24,072	17,600	37.7	3.3%
1993	23,916	16,841	37.5	3.9%
1992	23,852	16,138	37.4	5.5%

Source: Comprehensive Annual Financial Report, Fiscal Year ending June 30, 2001

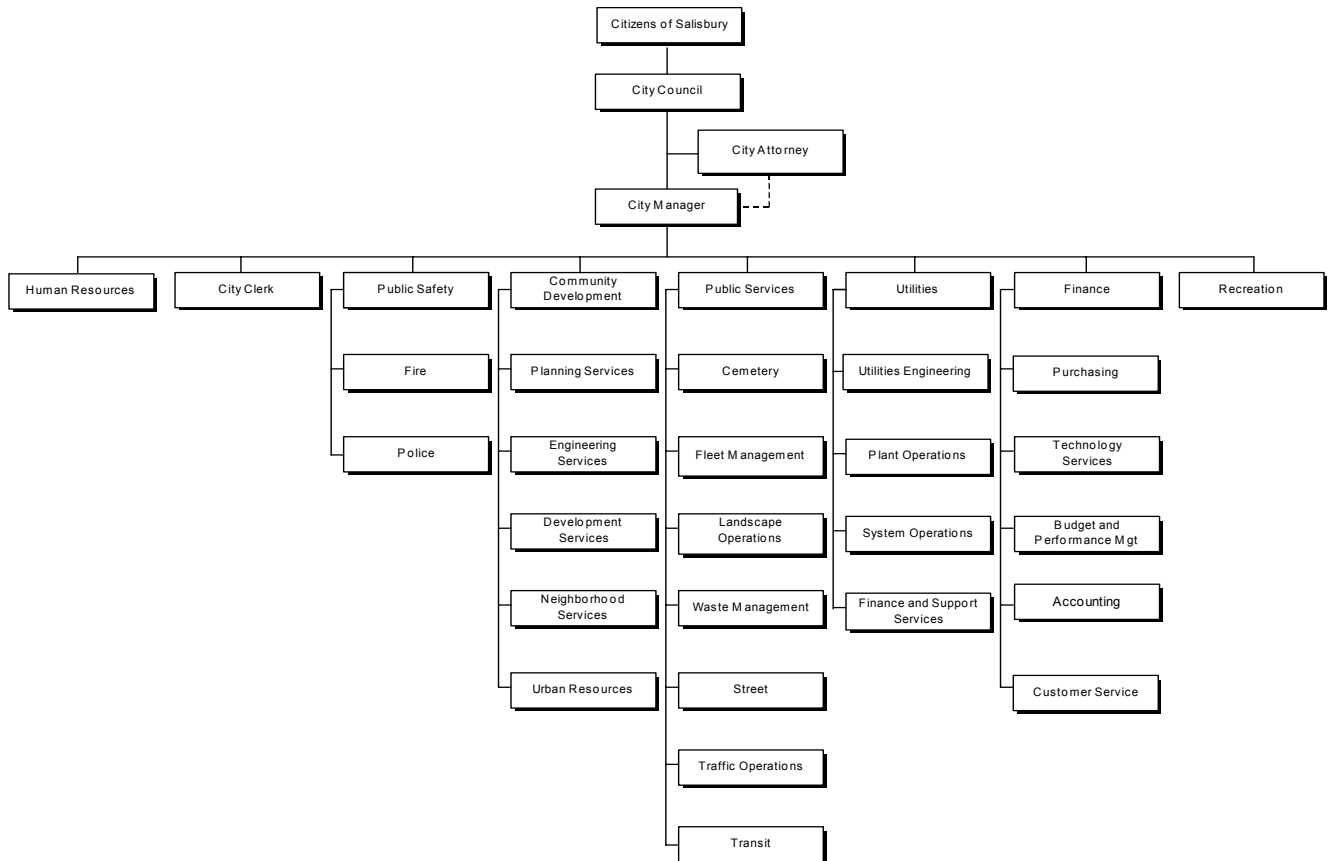
CITY OF SALISBURY
LIST OF PRINCIPAL OFFICIALS

May 1, 2002

Mayor
 Mayor Pro Tem
 Council Member
 Council Member
 Council Member
 City Manager
 Assistant City Manager
 Fire Chief
 Land Management & Development Director (Interim)
 Information Technologies Manager
 Police Chief
 Purchasing Manager
 City Clerk
 Public Services Director
 Finance Director
 Human Resources Director
 Utilities Director
 Assistant Utilities Director
 Parks and Recreation Director

Susan W. Kluttz
 Paul B. Woodson, Jr.
 William R. Burgin
 William R. Kennedy
 Robert G. Martin
 David W. Treme
 J. Foster Owen
 Samuel I. Brady
 Dan Mikkelson
 C. Michael Crowell
 M. Chris Herring
 Dewey D. Peck
 Swannetta B. Fink
 Vernon E. Sherrill
 John A. Sofley, Jr.
 Melissa H. Taylor
 John C. Vest
 H. Matthias Bernhardt
 Gail Elder-White

ORGANIZATIONAL CHART

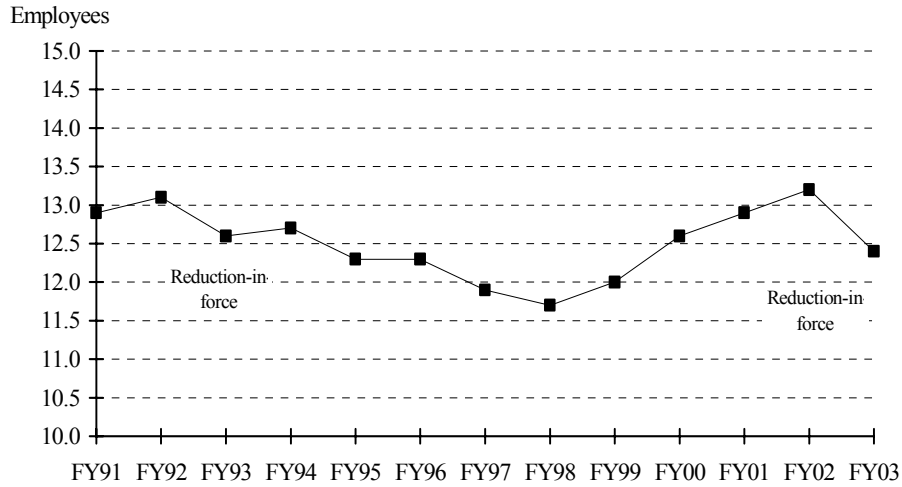


**CITY OF SALISBURY
SUMMARY OF POSITIONS FOR FY 2001 – 2003**

	<u>APPROVED</u> <u>FY 2000-01</u>	<u>APPROVED</u> <u>FY 2001-02</u>	<u>REQUESTED</u> <u>FY 2002-03</u>	<u>RECOMMENDED</u> <u>FY 2002-03</u>	<u>APPROVED</u> <u>FY 2002-03</u>
GENERAL FUND					
City Council	5	5	5.0	5.0	5.0
Management & Administration	8	8	8.0	7.0	7.0
Human Resources	5	6	6.0	6.0	6.0
Finance	15	16	16.0	16.0	16.0
Information Technologies	7	7	7.0	7.0	7.0
Purchasing	3	3	3.0	2.0	2.0
Planning & Community Development	10	9	8.0	7.0	7.0
Development Services	5	5	5.0	5.0	5.0
Engineering	5	5	5.0	4.0	4.0
City Office Buildings	3.5	3.5	3.5	3.5	3.5
Plaza	1.5	1.5	1.5	1.5	1.5
Telecommunications	1	1	1.0	-	-
Police	109	109	109.0	107.0	107.0
Fire	69	69	69.0	66.0	66.0
Public Svcs-Administration	3	3	3.0	3.0	3.0
Public Svcs-Traffic Operations	12	12	12.0	8.0	8.0
Public Svcs-Streets	33	33	33.0	30.0	30.0
Public Svcs-Cemetery	7	7	7.0	7.0	7.0
Public Svcs-Waste Management	14	14	14.0	13.0	13.0
Public Svcs-Landscape Operations	15	15	15.0	13.0	13.0
Public Svcs-Landscape-Hurley Park	3	3	3.0	3.0	3.0
Public Svcs-Fleet Management	13	13	13.0	11.5	11.5
Parks and Recreation	63	64	63.0	56.0	56.0
TOTAL	410	412	410.0	381.5	381.5
WATER AND SEWER FUND					
Utility Management	11	9	11.0	11.0	11.0
Water Treatment	8.5	6	7.0	7.0	7.0
Water & Sewer Maintenance	26	24	26.0	26.0	26.0
Technical Services	8.5	9	9.0	9.0	9.0
Wastewater Treatment	16.5	16	16.0	16.0	16.0
Meter Services	10	11	11.0	11.0	11.0
Facilities Maintenance	13.5	11	10.0	10.0	10.0
TOTAL	94	86	90.0	90.0	90.0
TRANSIT FUND					
Transit-Operations	11	12	12.0	11.5	11.5
Transit-Administration	2	2	2.0	2.0	2.0
TOTAL	13	14	14.0	13.5	13.5
SPECIAL REVENUE FUNDS	2	-	-	1.0	1.0
TOTAL ALL FUNDS	519	512	514.0	486.0	486.0
<i>Permanent Full-time</i>	449	446	448.0	431.0	431.0
<i>Permanent Part-time</i>	11	10	10.0	10.0	10.0
<i>Temporary Full-time</i>	41	38	38.0	28.0	28.0
<i>Temporary Part-time</i>	18	18	18.0	17.0	17.0

For the FY2002-03 Recommended Budget, the total number of positions for the City has a net decrease of 26 positions over the previous fiscal year. The General Fund has a net decrease of 30.5 positions: 28 positions from the Reduction-in-Force, 1.5 positions funded in other funds, two (2) positions replaced by contractual services and one (1) position added. In the Water and Sewer Fund, four (4) positions were added. The Transit Fund is funding 50% of a Fleet Management position which supplants a Transit Operator position. The Special Revenue Funds is funding the Minimum Housing Specialist that had been previously funded in the General Fund.

General and HUD Funds Full-Time Employees per 1000 Population



As mentioned in Section 1 under Trend Monitoring, the City monitors various trends. The above graph represents the number of full-time General and HUD Funds employees per 1,000 population. In FY1992-93 (FY93), City Council opted for a 20 position reduction-in-force as an element to balance the budget. Again, in FY2003 (FY03), City Council is using a 33 position reduction-in-force/hiring freeze to counteract the effects of the Governor's actions and the stagnant economy.

RELATIONSHIP BETWEEN FUNCTIONAL AREAS AND FUNDS

	General/Special Revenue Funds			Enterprise Funds		
	General Fund	General Fund Capital Reserve	Entitlement (HUD)	Water & Sewer	Water & Sewer Capital Reserve	Transit
General Government	X	X				
Public Safety	X	X				
Transportation	X	X				X
Environmental Protection	X	X				
Culture & Recreation	X	X				
Community & Economic Development	X		X			
Education	X					
Utility				X	X	

PROGRAM MATRIX OF FY2002-03 BUDGET

Below is a matrix showing the relationship between the funds/departments and the program classifications. Although some departments may perform activities outside the program classifications as shown, the classifications show the predominant areas in which a department is involved.

	PROGRAMS							
	General Government	Public Safety	Transportation	Environmental Protection	Culture & Recreation	Community & Economic Development	Education	Utility
GENERAL FUND:								
City Council	X	X	X	X	X	X	X	X
Management & Administration	X	X	X	X	X	X	X	X
Human Resources	X							
Finance	X							X
Information Technologies	X	X	X			X		X
Purchasing	X							
City Office Buildings	X							
Plaza						X		
Telecommunications	X							
Planning/Community Development						X		
Development Services						X		
Engineering			X		X			
Street Lighting			X					
Police		X					X	
Fire		X					X	
Public Services Administration	X		X	X	X			
Traffic Operations			X					
Street			X					
Cemetery				X				
Waste Management				X				
Landscape Operations					X			
Hurley Park					X			
Fleet Management	X							
Transportation			X					
Parks & Recreation					X			
Education							X	
ENTERPRISE FUNDS:								
Water & Sewer								X
Mass Transit			X					
SPECIAL REVENUE:								
Entitlement (HUD)						X		

CITY OF SALISBURY, NORTH CAROLINA

GENERAL FUND

**STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES**

For the Year Ending June 30, 2003
With Estimated Actual for Year Ending June 30, 2002 and
Actual for Year Ended June 30, 2001

REVENUES:	<u>2001 Actual</u>	<u>2002 Estimate</u>	<u>2003 Budget</u>
Taxes:			
General property - current	\$ 10,482,151	\$ 10,860,333	\$ 11,175,585
General property - prior	190,263	299,045	319,000
Interest on delinquent tax	47,024	50,000	50,000
Local option sales tax	3,346,897	3,206,625	3,059,266
Other taxes	612	600	800
	<u>\$ 14,066,947</u>	<u>\$ 14,416,603</u>	<u>\$ 14,604,651</u>
Licenses and permits:			
Privilege licenses	\$ 346,592	\$ 344,000	\$ 351,600
Franchises	186,962	207,380	213,602
	<u>\$ 533,554</u>	<u>\$ 551,380</u>	<u>\$ 565,202</u>
Intergovernmental:			
Federal	\$ 364,420	\$ 259,308	\$ 352,009
State	5,557,463	3,177,692	4,891,887
Local	118,402	168,552	115,890
	<u>\$ 6,040,285</u>	<u>\$ 3,605,552</u>	<u>\$ 5,359,786</u>
Charges for services:			
Supportive court services	\$ 32,835	\$ 32,320	\$ 32,643
Community services	148,675	130,150	125,355
Environmental protection	186,665	816,284	822,491
Culture and recreation	827,395	180,000	183,340
Public safety	587,516	466,878	443,531
	<u>\$ 1,783,086</u>	<u>\$ 1,625,632</u>	<u>\$ 1,607,360</u>
Miscellaneous:			
Interest earned on investments	\$ 433,144	\$ 150,000	\$ 151,500
Insurance proceeds	31,145	36,000	30,000
Rentals and sale of property	524,889	509,055	479,140
Other	1,184,927	531,725	216,939
	<u>\$ 2,174,105</u>	<u>\$ 1,226,780</u>	<u>\$ 877,579</u>
Administrative charges:			
Interfund revenues	\$ 1,505,714	\$ 1,581,000	\$ 1,660,050
	<u>\$ 1,505,714</u>	<u>\$ 1,581,000</u>	<u>\$ 1,660,050</u>
Total revenues and other financing sources	<u>\$ 26,103,691</u>	<u>\$ 23,006,947</u>	<u>\$ 24,674,628</u>

CITY OF SALISBURY
FY 2002-2003 BUDGET SUMMARY
GENERAL FUND

	Actual	Budgeted	Requested	Mgr Recommends	Adopted
	FY 00-01	FY 01-02	FY 02-03	FY 02-03	FY 02-03
REVENUE	\$ 27,132,910	\$ 27,385,251	\$ 24,262,192	\$ 24,674,628	\$ 24,674,628
EXPENSES	Actual	Budgeted	Requested	Mgr Recommends	Adopted
	FY 00-01	FY 01-02	FY 02-03	FY 02-03	FY 02-03
CITY COUNCIL					
Personnel	\$ 39,328	\$ 40,669	\$ 41,890	\$ 41,769	\$ 41,769
Operations	60,480	60,507	52,830	55,546	55,546
Capital	-	1,500	500	500	500
TOTAL	\$ 99,808	\$ 102,676	\$ 95,220	\$ 97,815	\$ 97,815
MANAGEMENT & ADMINISTRATION					
Personnel	\$ 482,602	\$ 481,570	\$ 514,586	\$ 423,810	\$ 423,810
Operations	271,322	241,021	213,124	200,673	200,673
Capital	1,702	-	850	-	-
TOTAL	\$ 755,626	\$ 722,591	\$ 728,560	\$ 624,483	\$ 624,483
HUMAN RESOURCES					
Personnel	\$ 307,149	\$ 338,857	\$ 355,870	\$ 353,740	\$ 353,740
Operations	216,638	254,675	202,072	119,956	119,956
Capital	1,704	-	1,400	-	-
TOTAL	\$ 525,491	\$ 593,532	\$ 559,342	\$ 473,696	\$ 473,696
FINANCE - ADMINISTRATION					
Personnel	\$ 636,301	\$ 709,383	\$ 774,153	\$ 769,186	\$ 769,186
Operations	214,541	237,457	236,482	227,747	227,747
Capital	1,239	2,299	1,500	-	-
TOTAL	\$ 852,081	\$ 949,139	\$ 1,012,135	\$ 996,933	\$ 996,933
FINANCE - INFORMATION TECHNOLOGIES					
Personnel	\$ 433,202	\$ 450,192	\$ 480,940	\$ 478,408	\$ 478,408
Operations	403,800	432,358	581,831	519,699	519,699
Capital	139,298	71,200	153,000	80,500	80,500
TOTAL	\$ 976,300	\$ 953,750	\$ 1,215,771	\$ 1,078,607	\$ 1,078,607
FINANCE - PURCHASING					
Personnel	\$ 139,444	\$ 145,059	\$ 153,650	\$ 114,841	\$ 114,841
Operations	14,249	17,015	38,313	36,694	36,694
Capital	-	-	-	-	-
TOTAL	\$ 153,693	\$ 162,074	\$ 191,963	\$ 151,535	\$ 151,535
FINANCE - TELECOMMUNICATIONS					
Personnel	\$ 73,817	\$ 76,524	\$ 79,940	\$ -	\$ -
Operations	228,897	211,528	245,610	229,882	229,882
Capital	-	267,680	457,000	333,000	333,000
TOTAL	\$ 302,714	\$ 555,732	\$ 782,550	\$ 562,882	\$ 562,882

	Actual FY 00-01	Budgeted FY 01-02	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
LAND MANAGEMENT & DEVELOPMENT - PLANNING & COMMUNITY DEVELOPMENT					
Personnel	\$ 536,134	\$ 551,790	\$ 490,085	\$ 344,373	\$ 344,373
Operations	370,196	643,965	467,631	412,130	412,130
Capital	3,044	-	-	-	-
TOTAL	\$ 909,374	\$ 1,195,755	\$ 957,716	\$ 756,503	\$ 756,503
LAND MANAGEMENT & DEVELOPMENT - DEVELOPMENT SERVICES					
Personnel	\$ 225,297	\$ 230,893	\$ 232,964	\$ 231,253	\$ 231,253
Operations	123,039	131,660	146,341	133,563	133,563
Capital	-	-	-	-	-
TOTAL	\$ 348,336	\$ 362,553	\$ 379,305	\$ 364,816	\$ 364,816
LAND MANAGEMENT & DEVELOPMENT - ENGINEERING					
Personnel	\$ 273,381	\$ 295,229	\$ 309,103	\$ 269,643	\$ 269,643
Operations	392,827	1,527,944	1,386,175	424,920	424,920
Capital	26,726	288,300	350,000	341,400	341,400
TOTAL	\$ 692,934	\$ 2,111,473	\$ 2,045,278	\$ 1,035,963	\$ 1,035,963
LAND MANAGEMENT & DEVELOPMENT - STREET LIGHTING					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operations	297,498	307,000	323,920	307,000	307,000
Capital	-	-	-	-	-
TOTAL	\$ 297,498	\$ 307,000	\$ 323,920	\$ 307,000	\$ 307,000
CITY OFFICE BUILDINGS					
Personnel	\$ 108,733	\$ 124,796	\$ 154,425	\$ 153,415	\$ 153,415
Operations	195,321	179,847	171,788	171,296	171,296
Capital	395,844	87,277	301,264	-	-
TOTAL	\$ 699,898	\$ 391,920	\$ 627,477	\$ 324,711	\$ 324,711
PLAZA					
Personnel	\$ 34,837	\$ 53,562	\$ 58,058	\$ 57,426	\$ 57,426
Operations	107,114	101,840	93,470	108,014	108,014
Capital	75,887	60,105	105,500	46,000	46,000
TOTAL	\$ 217,838	\$ 215,507	\$ 257,028	\$ 211,440	\$ 211,440
POLICE - SERVICES					
Personnel	\$ 1,157,935	\$ 1,210,883	\$ 1,288,456	\$ 1,167,894	\$ 1,167,894
Operations	350,535	313,840	285,483	273,469	273,469
Capital	8,158	9,199	1,097,000	13,000	13,000
TOTAL	\$ 1,516,628	\$ 1,533,922	\$ 2,670,939	\$ 1,454,363	\$ 1,454,363
POLICE - ADMINISTRATION					
Personnel	\$ 244,337	\$ 259,577	\$ 271,231	\$ 223,047	\$ 223,047
Operations	106,318	123,685	122,076	133,737	133,737
Capital	7,484	5,863	-	-	-
TOTAL	\$ 358,139	\$ 389,125	\$ 393,307	\$ 356,784	\$ 356,784
POLICE - OPERATIONS					
Personnel	\$ 3,125,103	\$ 3,367,309	\$ 3,497,470	\$ 3,396,395	\$ 3,396,395
Operations	630,864	684,398	692,823	604,465	604,465
Capital	216,529	335,411	200,684	31,284	31,284
TOTAL	\$ 3,972,496	\$ 4,387,118	\$ 4,390,977	\$ 4,032,144	\$ 4,032,144

	Actual FY 00-01	Budgeted FY 01-02	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
FIRE					
Personnel	\$ 2,699,056	\$ 2,790,691	\$ 2,915,360	\$ 2,819,647	\$ 2,819,647
Operations	642,351	673,314	1,193,433	607,251	607,251
Capital	39,844	11,173	620,248	148,283	148,283
TOTAL	\$ 3,381,251	\$ 3,475,178	\$ 4,729,041	\$ 3,575,181	\$ 3,575,181
PUBLIC SERVICES - ADMINISTRATION					
Personnel	\$ 160,776	\$ 156,367	\$ 164,214	\$ 161,817	\$ 161,817
Operations	12,740	43,540	47,333	11,349	11,349
Capital	-	-	-	-	-
TOTAL	\$ 173,516	\$ 199,907	\$ 211,547	\$ 173,166	\$ 173,166
PUBLIC SERVICES - TRAFFIC OPERATIONS					
Personnel	\$ 304,863	\$ 331,490	\$ 351,043	\$ 329,075	\$ 329,075
Operations	144,560	123,295	130,952	107,139	107,139
Capital	-	8,500	6,000	6,000	6,000
TOTAL	\$ 449,423	\$ 463,285	\$ 487,995	\$ 442,214	\$ 442,214
PUBLIC SERVICES - STREETS					
Personnel	\$ 1,010,545	\$ 1,143,901	\$ 1,220,152	\$ 1,126,555	\$ 1,126,555
Operations	1,003,362	746,264	928,100	736,508	736,508
Capital	8,794	19,200	57,200	7,200	7,200
TOTAL	\$ 2,022,701	\$ 1,909,365	\$ 2,205,452	\$ 1,870,263	\$ 1,870,263
PUBLIC SERVICES - CEMETERY					
Personnel	\$ 160,659	\$ 153,217	\$ 168,634	\$ 167,262	\$ 167,262
Operations	61,647	53,398	56,318	46,599	46,599
Capital	5,987	1,000	12,800	7,800	7,800
TOTAL	\$ 228,293	\$ 207,615	\$ 237,752	\$ 221,661	\$ 221,661
PUBLIC SERVICES - WASTE MANAGEMENT					
Personnel	\$ 392,224	\$ 402,125	\$ 420,942	\$ 403,483	\$ 403,483
Operations	926,467	923,285	930,928	898,282	898,282
Capital	-	-	-	-	-
TOTAL	\$ 1,318,691	\$ 1,325,410	\$ 1,351,870	\$ 1,301,765	\$ 1,301,765
PUBLIC SERVICES - LANDSCAPE OPERATIONS					
Personnel	\$ 405,816	\$ 434,996	\$ 440,441	\$ 405,653	\$ 405,653
Operations	230,476	228,654	264,980	201,796	201,796
Capital	16,917	2,000	-	-	-
TOTAL	\$ 653,209	\$ 665,650	\$ 705,421	\$ 607,449	\$ 607,449
PUBLIC SERVICES - LANDSCAPE - HURLEY PARK					
Personnel	\$ 71,900	\$ 71,184	\$ 75,239	\$ 74,612	\$ 74,612
Operations	28,461	22,224	31,046	20,405	20,405
Capital	41,795	2,500	-	-	-
TOTAL	\$ 142,156	\$ 95,908	\$ 106,285	\$ 95,017	\$ 95,017
PUBLIC SERVICES - FLEET MANAGEMENT					
Personnel	\$ 610,389	\$ 648,352	\$ 671,679	\$ 603,100	\$ 603,100
Operations	87,390	119,710	77,621	63,723	63,723
Capital	18,418	20,800	83,500	83,500	83,500
TOTAL	\$ 716,197	\$ 788,862	\$ 832,800	\$ 750,323	\$ 750,323

	Actual FY 00-01		Budgeted FY 01-02		Requested FY 02-03		Mgr Recommends FY 02-03		Adopted FY 02-03	
PUBLIC SERVICES - TRANSPORTATION										
Personnel	\$	-	\$	-	\$	-	\$	-	\$	-
Operations		160,282		160,282		160,282		160,282		160,282
Capital		-		-		-		-		-
TOTAL	\$	160,282	\$	160,282	\$	160,282	\$	160,282	\$	160,282
PARKS & RECREATION										
Personnel	\$	1,005,258	\$	1,166,687	\$	1,217,662	\$	1,120,725	\$	1,120,725
Operations		570,279		518,560		510,711		516,847		516,847
Capital		1,950,136		543,085		119,900		112,900		112,900
TOTAL	\$	3,525,673	\$	2,228,332	\$	1,848,273	\$	1,750,472	\$	1,750,472
EDUCATION										
Personnel	\$	-	\$	-	\$	-	\$	-	\$	-
Operations		42,342		42,342		42,342		42,342		42,342
Capital		-		-		-		-		-
TOTAL	\$	42,342	\$	42,342	\$	42,342	\$	42,342	\$	42,342
DEBT SERVICE										
Personnel	\$	-	\$	-	\$	-	\$	-	\$	-
Operations		840,347		889,249		854,818		854,818		854,818
Capital		-		-		-		-		-
TOTAL	\$	840,347	\$	889,249	\$	854,818	\$	854,818	\$	854,818
GRAND TOTAL										
Personnel	\$	14,639,086	\$	15,635,303	\$	16,348,187	\$	15,237,129	\$	15,237,129
Operations		8,734,343		10,012,857		10,488,833		8,226,132		8,226,132
Capital		2,959,506		1,737,092		3,568,346		1,211,367		1,211,367
TOTALS	\$	26,332,935	\$	27,385,251	\$	30,405,366	\$	24,674,628	\$	24,674,628

STATEMENT OF PURPOSE

The City Council functions as the duly elected representatives of the citizens of Salisbury in creating and maintaining a safe, livable environment in accordance with North Carolina State Statutes and Federal law. They create and maintain up-to-date municipal codes, establish public policies and adopt budgets designed to provide effective, efficient municipal services. The City Council also strives to develop and maintain a sustainable feeling of safety for all areas of the City, to provide leisure services, and recreational opportunities and to foster leadership and support for the continued economic development and planned growth of the community.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 39,328	\$ 40,669	\$ 41,890	\$ 41,769	\$ 41,769
Operating	60,480	60,507	52,830	55,546	55,546
Capital	-	1,500	500	500	500
TOTAL	\$ 99,808	\$ 102,676	\$ 95,220	\$ 97,815	\$ 97,815

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Mayor	1	1	1	1
Mayor Pro Tem	1	1	1	1
Council Member	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL	5	5	5	5

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Printer	\$ <u>500</u>	\$ <u>500</u>	\$ <u>500</u>
Total Capital Outlay	\$ 500	\$ 500	\$ 500

STATEMENT OF PURPOSE

The Management and Administration Department serves as a central source of information, advice and support for the City Council and Management Team. They manage and coordinate preparation and presentation of the annual municipal budget for consideration and adoption by the City Council with subsequent responsibility for its implementation and control. They also manage and coordinate development and implementation of the City’s Goal-Setting process, publishes an Annual Report to citizens, and provides a central location for the collection, storage and dissemination of official municipal records and documents. In addition, the department provides professional leadership and counsel to the City staff in carrying out the mission of the City, develops strategies for delivering municipal services in an effective, efficient manner, responds to citizens requests and complaints and implements special projects assigned by the Mayor and City Council. The department provides Risk Management services for the municipality, which includes safety, liability insurance management, worker’s compensation, OSHA compliance and third party claims against the City.

COUNCIL PERFORMANCE GOALS

1. Conduct periodic meetings with County officials with follow-up to assure that appropriate action is taken.
2. Monitor and evaluate departmental strategic plans.
3. Evaluate periodically the status of the City’s outcomes and goals, and take corrective action as necessary.
4. Organize and implement a Future Directions and Goal-Setting Conference for the Management Team and City Council.
5. Continue to strengthen partnerships with the Rowan/Salisbury schools that improve the quality of education in Salisbury.

DEPARTMENTAL PERFORMANCE GOALS

1. Conduct two Goal update sessions with City Council during the fiscal year.
2. Conduct a Community input process for citizens with the City Council prior to the Future Directions and Goal-Setting Conference.
3. Publish and distribute an Annual Report for citizens.
4. Conduct Goal Review sessions with each department during August.
5. Participate in the Risk Management Performance Measures project conducted jointly by the North Carolina League of Municipalities and Institute of Government.
6. Determine ways the City can assist Rowan/Salisbury schools located within the City limits.
7. Respond to special projects and initiatives of the City Council, Boards and Commissions, and partnerships with other organizations.

PERFORMANCE MEASURES

	<u>FY96-97</u>	<u>FY97-98</u>	<u>FY98-99</u>	<u>FY99-00</u>	<u>FY00-01</u>
Risk Management					
Vehicular Accidents	18	12	14	12	12
Injuries	22	19	20	16	12
Workers' Comp Costs	\$19,735	\$11,119	\$20,122	\$5,928	\$43,359

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 482,602	\$ 481,570	\$ 514,586	\$ 423,810	\$ 423,810
Operating	271,322	241,021	213,124	200,673	200,673
Capital	1,702	-	850	-	-
TOTAL	\$ 755,626	\$ 722,591	\$ 728,560	\$ 624,483	\$ 624,483

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Administration (000)				
City Manager	1	1	1	1
Assistant City Manager	1	1	0 ¹	0 ¹
Assistant to the City Manager	0	0	1 ²	1 ²
City Clerk	1	1	1	1
Senior Office Assistant	3	3	2 ¹	2 ¹
Risk Management (201)				
Risk Management Officer	1	1	1	1
Safety Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	8	8	7	7

¹ Reduction in force

² New position

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Risk Management (201)			
Digital Camera	\$ 850	\$ -	\$ -
Total Capital Outlay	\$ 850	\$ -	\$ -

STATEMENT OF PURPOSE

The Human Resources Department provides a centralized source of support and assistance to the City related to its need for the management of human resources. Specific functions include: general personnel administration, recruitment and selection, training and development, health and wellness, compensation and benefits.

COUNCIL PERFORMANCE GOALS

1. Continue implementation of Multiculturalism Training for all City employees and interested citizens.
2. Continue to implement an employee training and development plan.
3. Continue to evaluate applying the “Broad Banding” compensation program to other departments, in addition to the Utilities Department.
4. Develop and implement recruitment strategies to recruit employees from diverse populations within the community.
5. Develop strategies to attract quality employees.

DEPARTMENTAL PERFORMANCE GOALS

1. Initiate programs to attract, retain, and develop high quality City employees.
2. Continue to conduct Multiculturalism Training for all employees.
3. Continue to provide Human Resource management through a variety of department functions.
4. Revise and update employee benefits program.
5. Conduct Basic Supervisory Training on a quarterly basis to ensure that all supervisors hired after 1993 receive training.
6. Conduct training on the following topics: IRT, sexual harassment, customer service, workplace violence, FLSA, FMLA, employment law, styles of communication, conflict resolution, making presentations and business writing.
7. Establish resources to increase Latino community involvement in Human Resource programs.
8. Continue to review and evaluate the application of Broadbanding in all departments.
9. Continue to collect market data needed for the Utilities Broadbanding Program and make necessary salary adjustments.
10. Continue the implementation of the Public Safety Pay Plan through the development and implementation of the Law Enforcement Pay Plan.
11. Continue to research, identify, and implement alternative funding sources for Multiculturalism Training.
12. Research, identify and secure alternative funding sources for Multiculturalism Coordinator.
13. Continue Train-the-Trainer process and increase the number of community trainers.
14. Continue to provide Staff with resource material and opportunities for career development.
15. Identify and track performance measures related to the Human Resource function.
16. Continue to provide staff assistance to the Human Relations Council.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 307,149	\$ 338,857	\$ 355,870	\$ 353,740	\$ 353,740
Operating	216,638	254,675	202,072	119,956	119,956
Capital	1,704	-	1,400	-	-
TOTAL	\$ 525,491	\$ 593,532	\$ 559,342	\$ 473,696	\$ 473,696

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Human Resources Director	1	1	1	1
Personnel Analyst I/II	3	4 ¹	4	4
Personnel Technician I/II	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	5	6	6	6

¹ New position funded through grant

CAPITAL OUTLAY

	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Training Room White Board	\$ 800	\$ -	\$ -
Projection Screen	<u>600</u>	<u>-</u>	<u>-</u>
Total Capital Outlay	\$ 1,400	\$ -	\$ -

DEPARTMENT - Finance – Summary

STATEMENT OF PURPOSE

The Finance Department handles the fiscal affairs and technology services of the City of Salisbury. This includes Purchasing, Accounting Office, Business Office, Information Technologies, and Telecommunications Divisions.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 1,282,764	\$ 1,381,158	\$ 1,488,683	\$ 1,362,435	\$ 1,362,435
Operating	861,487	898,358	1,102,236	1,014,022	1,014,022
Capital	140,537	341,179	611,500	413,500	413,500
TOTAL	\$ 2,284,788	\$ 2,620,695	\$ 3,202,419	\$ 2,789,957	\$ 2,789,957

PERSONNEL DETAIL

	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Permanent Full-Time	24	26	24	24
Permanent Part-Time	2	1	1	1
Temporary Full-Time				
Temporary Part-Time				

STATEMENT OF PURPOSE

The Administration Division of the Finance Department provides a centralized source for handling the financial affairs of the City including: maintaining a financial record-keeping system, protecting municipal assets as required by the Local Government Commission Fiscal Control Act, managing the City’s Debt Service Program, preparing and monitoring the annual and five-year budgets, preparing standards for performance and benchmarking, utilizing an investment program for the City’s idle cash, providing payroll and disbursement services, collecting utility and other revenues, providing a source of information and support related to the purchase/lease of supplies, equipment and contractual services, managing a fixed asset system, plus maintaining a technology system that provides state-of-the-art data processing, computer, telephone, and telecommunications capability.

COUNCIL PERFORMANCE GOALS

1. Assist in development of annexation plans.
2. Identify new revenue sources to match specific needs.
3. Participate in statewide programs with other cities to establish performance standards.
4. Begin development of system of standards to measure performance and accomplishments for all City departments.

DEPARTMENTAL PERFORMANCE GOALS

1. Continue departmental education and training on use of City’s financial systems.
2. Continue participation in Performance Measurements/Benchmarking Project.
3. Update trend monitoring and costs of service studies annually.
4. Participate in the GFOA’s Certificate of Achievement for Financial Reporting Excellence program.
5. Participate in the GFOA’s Distinguished Budget Presentation Award.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 636,301	\$ 709,383	\$ 774,153	\$ 769,186	\$ 769,186
Operating	214,541	237,457	236,482	227,747	227,747
Capital	1,239	2,299	1,500	-	-
TOTAL	\$ 852,081	\$ 949,139	\$ 1,012,135	\$ 996,933	\$ 996,933

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Administration (000)				
Finance Director	1	1	1	1
Budget and Performance Management Manager	1	1	1	1
Budget & Benchmarking Analyst	0	0	1 ³	1 ³
Financial Specialist	1	1	1	1
Accounting (101)				
Accounting Manager	1	1	1	1
Accountant I/II	1	1	1	1
Account Clerk	2	2	2	2
Customer Service (102)				
Customer Service Supervisor	1	1	1	1
Customer Service Clerk Sr/I/II	4	6 ¹	5 ³	5 ³
Sr Cust. Service Clerk (Perm/Part-Time)	2	1 ²	1	1
Mail Coordinator	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	15	16	16	16

¹ New position due to consolidation with Spencer Utilities

² Permanent part-time position converted to permanent full-time position

³ Position transferred and reclassified

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Accounting (101)			
Desk/Payroll Clerk	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ -</u>
Total Capital Outlay	\$ 1,500	\$ -	\$ -

STATEMENT OF PURPOSE

The Information Technologies Division of the Finance Department provides a centralized source of procedures, information and support related to the storage and electronic processing of data, business transactions, information and other computer-related capability.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 433,202	\$ 450,192	\$ 480,940	\$ 478,408	\$ 478,408
Operating	403,800	432,358	581,831	519,699	519,699
Capital	139,298	71,200	153,000	80,500	80,500
TOTAL	\$ 976,300	\$ 953,750	\$ 1,215,771	\$ 1,078,607	\$ 1,078,607

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Administration (000)				
Information Technologies Manager	1	1	1	1
Technologies Services Technical Assistant	1	1	1	1
Training (150)				
Systems Analyst	1	1	0 ¹	0 ¹
Operations (151)				
Systems Analyst	<u>4</u>	<u>4</u>	<u>5</u> ¹	<u>5</u> ¹
TOTAL	7	7	7	7

¹ Position transferred within the department

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Operations (442-151)			
Computer Room UPS	\$ 10,000	\$ 10,000	\$ 10,000
Media Converter Upgrade	3,500	3,500	3,500
Redi-Copy/Drives/HBA's for XioTech	35,000	35,000	35,000
Security Update	9,500	-	-
Fiber Cable Splicer	15,000	-	-
Laptops for Council	8,000	-	-
Server Cabinets	8,000	6,000	6,000
Media Safe for Tapes	2,000	2,000	2,000
Non-Department (442-155)			
Wireless Upgrade	10,000	10,000	10,000
Imaging System Hardware	25,000	-	-
Fiber Installation for Cone Center	10,000	-	-
Road Runner/VPN	3,000	-	-
Interdepartmental Video Conference	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>
Total Capital Outlay	\$ 153,000	\$ 80,500	\$ 80,500

STATEMENT OF PURPOSE

The Purchasing Division of the Finance Department provides a centralized source of procedures, information, and support related to the purchase and/or lease of supplies, materials, equipment and contractual services for the City and to manage and maintain a system of fixed asset identification, reporting, and accountability.

DIVISIONAL PERFORMANCE GOALS

1. Continue to evaluate existing purchasing policies and procedures with emphasis on reducing acquisition time and paperwork.
2. Continue to seek methods of improved fixed asset accountability.
3. Continue to offer training in purchasing policies and procedures as requested by user departments.
4. Continue to monitor and implement improvements to the Procurement Card System by implementing a new software program.
5. Develop and expand Purchasing Agent’s role in construction contract administration.
6. Develop E-Procurement System in association with state system.
7. Improve fuel use availability and reporting by changing providing vendor.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 139,444	\$ 145,059	\$ 153,650	\$ 114,841	\$ 114,841
Operating	14,249	17,015	38,313	36,694	36,694
Capital	-	-	-	-	-
TOTAL	\$ 153,693	\$ 162,074	\$ 191,963	\$ 151,535	\$ 151,535

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Purchasing Manager	1	1	1	1
Purchasing Technician	1	1	0 ¹	0 ¹
Buyer	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	3	3	2	2

¹Reduction in force

STATEMENT OF PURPOSE

The Telecommunications Division of the Finance Department manages, coordinates and monitors the City’s telecommunications system in the areas of telephone, radio, 9-1-1, cable, emergency service communications, and specifies, recommends, and implements solutions to the City’s communications needs. Traffic Signal Technicians from the Traffic Operations Division of the Public Services Department support this department.

DEPARTMENTAL PERFORMANCE GOALS

1. Work with a consultant to develop a new five-year Technology plan.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 73,817	\$ 76,524	\$ 79,940	\$ -	\$ -
Operating	228,897	211,528	245,610	229,882	229,882
Capital	-	267,680	457,000	333,000	333,000
TOTAL	\$ 302,714	\$ 555,732	\$ 782,550	\$ 562,882	\$ 562,882

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Telecommunications Manager	<u>1</u>	<u>1</u>	<u>0¹</u>	<u>0¹</u>
TOTAL	1	1	0	0

¹ Reduction in force

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Public Safety Radio Replacements	\$ 85,000	\$ 85,000	\$ 85,000
Trunking Controller/ Repeater Replacements	175,000	120,000	120,000
Telecom System Upgrades	25,000	10,000	10,000
Telecom Radio Replacements	18,000	8,000	8,000
Security System Upgrades	100,000	100,000	100,000
PBX Migration	40,000	-	-
Rohn Tower at Al's Knob	<u>14,000</u>	<u>10,000</u>	<u>10,000</u>
Total Capital Outlay	\$ 457,000	\$ 333,000	\$ 333,000

STATEMENT OF PURPOSE

The City Office Buildings Department provides centrally located facilities for holding meetings of the City Council, its boards and commissions and other groups who may from time-to-time need public meeting space. In addition, provide office and conference space for the Mayor, City Manager, Finance, Human Resources, Recreation Administration, Land Management and Development and other support staff engaged in the operation of municipal government in Salisbury.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 108,733	\$ 124,796	\$ 154,425	\$ 153,415	\$ 153,415
Operating	195,321	179,847	171,788	171,296	171,296
Capital	<u>395,844</u>	<u>87,277</u>	<u>301,264</u>	-	-
TOTAL	\$ 699,898	\$ 391,920	\$ 627,477	\$ 324,711	\$ 324,711

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Facilities Maintenance Manager	1	1	1	1
Facilities Maintenance Supervisor	.75	.75	.75	.75
Building Maintenance Worker Sr/I/II	<u>1.75</u>	<u>1.75</u>	<u>1.75</u>	<u>1.75</u>
TOTAL	3.5	3.5	3.5	3.5

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
City Office Building (000)			
Expand COB Parking Lot	\$ 150,000	\$ -	\$ -
Roof Repairs	1,890	-	-
HVAC Replacement	9,700	-	-
Complete Mandated Sprinkler System	85,000	-	-
Clean and Waterproof Exterior of Building	32,500	-	-
City Hall (251)			
Replace Two HVAC Units	6,000	-	-
Roof Repairs	1,674	-	-
Identification Signs	3,500	-	-
Exterior Painting	1,000	-	-
Clean and Waterproof Exterior of Building	<u>10,000</u>	-	-
Total Capital Outlay	\$ 301,264	\$ -	\$ -

STATEMENT OF PURPOSE

The Plaza Department continues ownership and management of the Plaza, originally structured as a public/private partnership to increase economic vitality in the central business district, establish new housing units in the downtown and provide additional office facilities and meeting space for the City. The building is fully owned by the City.

DEPARTMENTAL PERFORMANCE GOALS

1. Replace awnings on seventh floor windows.
2. Compile and publish an operations manual for the Plaza.
3. Revise policies and procedures manual for Plaza residents.
4. Enhance Plaza security systems and develop fire rescue plan for residents.
5. Repaint two interior stairwells.
6. Refurbish hallway on the fourth floor, the first of four residential hallways to be refurbished.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 34,837	\$ 53,562	\$ 58,058	\$ 57,426	\$ 57,426
Operating	107,114	101,840	93,470	108,014	108,014
Capital	<u>75,887</u>	<u>60,105</u>	<u>105,500</u>	<u>46,000</u>	<u>46,000</u>
TOTAL	\$ 217,838	\$ 215,507	\$ 257,028	\$ 211,440	\$ 211,440

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Resident Manager	0	0	0	0
Administrative Assistant	1	1	1	1
Facilities Maintenance Supervisor	.25	.25	.25	.25
Senior Building Maintenance Worker	<u>.25</u>	<u>.25</u>	<u>.25</u>	<u>.25</u>
TOTAL	1.50	1.50	1.50	1.50

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Replace Seventh Floor Awnings	\$ 15,000	\$ 15,000	\$ 15,000
Replace Glass Seals in Windows	3,000	3,000	3,000
Carpet Replacement and Painting	10,000	10,000	10,000
Washer/Dryer Replacement	2,500	2,500	2,500
HVAC Replacement	8,000	8,000	8,000
Appliance Replacement	2,500	2,500	2,500
Exterior Painting	7,500	-	-
Repairs to Exterior Walls	40,000	-	-
Kitchen Floor Replacement	1,000	-	-
Repairs to Leaded Glass in Lobby	10,000	-	-
Audio/Visual Alarms	5,000	5,000	5,000
Electrical Fixture Replacement	<u>1,000</u>	<u>-</u>	<u>-</u>
Total Capital Outlay	\$ 105,500	\$ 46,000	\$ 46,000

DEPARTMENT – Land Management and Development – Summary

SUMMARY STATEMENT OF PURPOSE

The Land Management and Development Department serves the citizens of Salisbury with community development, planning, zoning, code enforcement, engineering, and mapping. The Department also provides support for Boards and Commissions.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 1,034,812	\$ 1,077,912	\$ 1,032,152	\$ 845,269	\$ 845,269
Operating	1,183,560	2,610,569	2,324,067	1,277,613	1,277,613
Capital	29,770	288,300	350,000	341,400	341,400
TOTAL	\$ 2,248,142	\$ 3,976,781	\$ 3,706,219	\$ 2,464,282	\$ 2,464,282

PERSONNEL DETAIL

	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Permanent Full-Time	20	19	17	17
Permanent Part-Time				
Temporary Full-Time				
Temporary Part-Time				

STATEMENT OF PURPOSE

The Planning and Community Development Division of the Land Management and Development Department provides for a coordinated planning program to insure orderly growth within the City to include population, land use, thoroughfares, public facilities, neighborhoods, zoning, subdivision regulations, greenways, GIS, and other specialty areas. They formulate, develop, and recommend policies, plans, and local ordinances intended to improve the overall appearance, and economic climate within the City and its extraterritorial areas through elimination of slums and blighted conditions in commercial and residential areas. The GIS Division of the department serves as a central point of contact for citizens to access current geographic information and coordinates mapping and data development for City departments.

COUNCIL PERFORMANCE GOALS

1. Complete planned annexation.
2. Create a Salisbury Vision 2020 Implementation Task Force.
3. Provide appropriate training for all Boards and Commissions regarding roles, responsibilities and expectations.
4. Continue to implement the Park Avenue plan.
5. Provide funding for tree planting in selected neighborhoods.
6. Partner with Downtown Salisbury, Inc. (DSI) to implement a Downtown Salisbury Master Plan.
7. Continue leadership training in selected neighborhoods.
8. Broker projects to improve housing and neighborhoods, working with the Community Development Corporation (CDC) and other community funding sources.
9. Consider managed growth prerequisites including: Extra-territorial jurisdictions, identification of growth corridors, economic development requirements, County zoning considerations, and incentives for managed growth.
10. Continue to develop water and sewer extension policies with consideration of managed growth criteria.
11. Consider growth pre-requisites consistent with the Salisbury Vision 2020 Plan.
12. Engage businesses and key property owners to obtain support for modifications to the VCOD ordinance leading to the application of that ordinance to appropriate properties.
13. Install Mast-Arm Signal supports at appropriate intersections along Innes Street.
14. Complete an audit of City policies, ordinances and standards to determine compliance with the goals of Salisbury Vision 2020.
15. Review of the Salisbury Vision 2020 Plan by the Management Team to identify opportunities to support the plan through on-going City operations.
16. Implement recommendations from the DSI Parking Committee based on available resources.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 536,134	\$ 551,790	\$ 490,085	\$ 344,373	\$ 344,373
Operating	370,196	643,965	467,631	412,130	412,130
Capital	<u>3,044</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	\$ 909,374	\$ 1,195,755	\$ 957,716	\$ 756,503	\$ 756,503

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Land Management & Development Director	1	1	0 ³	0 ³
Com Dev & Neighborhood Pln Manager	1	1	0 ⁴	0 ⁴
Urban Resource Planner	1	1	1	1
Urban Design Planner	0	1 ¹	1	1
Planner Sr/I/II	4	3 ¹	3 ⁵	3 ⁵
Department Secretary	1	1	1	1
Senior Office Assistant-Salisbury West Business & Community Center	1	0 ²	0	0
GIS (701)				
Systems Analyst	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	10	9	7	7

¹ Position reclassified

² Position redefined

³ Reduction in force

⁴ Position function to be performed by consultant

⁵ One position frozen in FY02-03

STATEMENT OF PURPOSE

The Development Services Division of the Land Management and Development Department provides citizens, builders and developers a centralized source of information, permit services, code enforcement, zoning and special district board support through a Development Services Center.

DIVISIONAL PERFORMANCE GOALS

1. Continue process to better serve the public and streamline the permit process through the Development Services Center.
2. Continue zoning, group development administration, review and enforcement.
3. Continue staffing the Historic Preservation Commission, Planning Board and the Zoning Board of Adjustment.
4. Continue to assist in the development of the Geographic Information System (GIS) capability within the Division.
5. Continue to monitor and improve plan review.
6. Continue to monitor, improve, and upgrade files.
7. Continue to assist with ordinance changes.
8. Continue to update and administer water/sewer permits for Rockwell, Granite Quarry, Spencer and East Spencer.
9. Continue to administer and update the City's street address system.
10. Continue to update and maintain the zoning layer on GIS.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 225,297	\$ 230,893	\$ 232,964	\$ 231,253	\$ 231,253
Operating	123,039	131,660	146,341	133,563	133,563
Capital	-	-	-	-	-
TOTAL	\$ 348,336	\$ 362,553	\$ 379,305	\$ 364,816	\$ 364,816

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Development Services Manager	1	1	1	1
Development Services Specialist	1	1	1	1
Permit Services Coordinator	1	1	1	1
Zoning & Code Enforcement Specialist	1	1	1	1
Senior Office Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	5	5	5	5

STATEMENT OF PURPOSE

The Engineering Division of the Land Management and Development Department provides a centralized source of general engineering services for the City including surveying, design work, review and approval of final plans submitted by outside consultants, site inspections and coordination of project activities initiated between the City and other agencies.

COUNCIL PERFORMANCE GOALS

1. Coordinate Downtown Infrastructure improvements (Council Street, Liberty Street, parking, TEA 21 Grant).
2. Administer NCDOT Greenway Trail Grants.
3. Assist in the implementation of the Salisbury 2020 Strategic Growth Plan.

DIVISIONAL PERFORMANCE GOALS

1. Install and manage the new Traffic Signal System.
2. Coordinate projects with NCDOT (I-85 widening, Highway 70 widening, Innes Street bridge replacement, Ellis Street bridge replacement).
3. Prepare NPDES Phase 2 permit application.
4. Administer Store Drainage Incentive Grants.
5. Implement neighborhood traffic calming.
6. Implement Brenner Avenue pedestrian improvements.
7. Implement improvements to Club Drive.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 273,381	\$ 295,229	\$ 309,103	\$ 269,643	\$ 269,643
Operating	392,827	1,527,944	1,386,175	424,920	424,920
Capital	<u>26,726</u>	<u>288,300</u>	<u>350,000</u>	<u>341,400</u>	<u>341,400</u>
TOTAL	\$ 692,934	\$ 2,111,473	\$ 2,045,278	\$ 1,035,963	\$ 1,035,963

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
City Engineer	1	1	1	1
Civil Engineer I/II/III	2	2	2	2
Engineering Technician I/II	1	1	0 ¹	0 ¹
Senior Office Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	5	5	4	4

¹ Reduction in force

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Ellis Street Bridge Design	\$ 265,000	\$ 265,000	\$ 265,000
Ellis Street Bridge Right-of-Way	75,000	75,000	75,000
City/County Joint Mapping	8,600	-	-
OSHA-Compliant Desk Chair	600	600	600
Locator Equipment	<u>800</u>	<u>800</u>	<u>800</u>
Total Capital Outlay	\$ 350,000	\$ 341,400	\$ 341,400

STATEMENT OF PURPOSE

The Street Lighting Division provides for the lighting of the City's streets.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	297,498	307,000	323,920	307,000	307,000
Capital	-	-	-	-	-
TOTAL	\$ 297,498	\$ 307,000	\$ 323,920	\$ 307,000	\$ 307,000

DEPARTMENT - Police - Summary

SUMMARY STATEMENT OF PURPOSE

The Police Department protects the citizens of Salisbury with 24-hour law enforcement service. Specific areas of emphasis include preventive patrol, investigations of criminal activity, crime prevention, traffic control, animal control, and internal support services to the operational units.

PERFORMANCE MEASURES

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Calls for Service	31,435	30,669	30,374	45,806	47,374
DWI Arrests	208	178	173	287	317
Drug Arrests	263	296	438	577	436
Homicide	8	4	4	4	3
Rape	14	13	15	17	7
Robbery	77	80	70	42	93
Aggravated Assault	97	140	121	112	100
Total Violent Crimes	196	237	210	175	203
Burglary	418	378	324	392	408
Larceny	1,453	1,356	1306	1435	1312
Motor Vehicle Theft	121	131	121	126	100
Arson	19	15	14	20	15
Total Property Crimes	2,011	1,880	1765	1973	1835

Performance Measurements are reported on a calendar year basis

BUDGET REQUEST SUMMARY

	<u>Actual</u> FY00-01	<u>Budgeted</u> FY01-02	<u>Requested</u> FY02-03	<u>Mgr Recommends</u> FY02-03	<u>Adopted</u> FY02-03
Personnel	\$ 4,527,375	\$ 4,837,769	\$ 5,057,157	\$ 4,787,336	\$ 4,787,336
Operating	1,087,717	1,121,923	1,100,382	1,011,671	1,011,671
Capital	<u>232,171</u>	<u>350,473</u>	<u>1,297,684</u>	<u>44,284</u>	<u>44,284</u>
TOTAL	\$ 5,847,263	\$ 6,310,165	\$ 7,455,223	\$ 5,843,291	\$ 5,843,291

PERSONNEL DETAIL

	<u>Authorized</u> FY 00-01	<u>Authorized</u> FY 01-02	<u>Mgr Recommends</u> FY 02-03	<u>Adopted</u> FY 02-03
Permanent Full-Time	105	105	103	103
Permanent Part-Time				
Temporary Full-Time				
Temporary Part-Time	4	4	4	4

STATEMENT OF PURPOSE

The Services Division of the Police Department serves as the support unit of the department providing telecommunications, clerical and secretarial services, evidence storage and tracking of department property inventory, animal control, D.A.R.E., school resource officers, crime prevention officers, a records-keeping system, and building maintenance.

COUNCIL PERFORMANCE GOALS

1. Work with Downtown Salisbury, Inc. to determine the need for Police service in the downtown area.

DIVISIONAL PERFORMANCE GOALS

1. Implement a method of accurately tracking equipment issued to employees.
2. Expand the Pet Therapy Program.
3. Improve the quality of customer service to the community by Records.
4. Improve the uniform appearance of Department employees.
5. Conduct an overall comprehensive re-evaluation of the Field Training Officers Program based on new standards and recommendations issued by the State of North Carolina.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 1,157,935	\$ 1,210,883	\$ 1,288,456	\$ 1,167,894	\$ 1,167,894
Operating	350,535	313,840	285,483	273,469	273,469
Capital	8,158	9,199	1,097,000	13,000	13,000
TOTAL	\$ 1,516,628	\$ 1,533,922	\$ 2,670,939	\$ 1,454,363	\$ 1,454,363

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Services Administration (000)				
Deputy Chief	1	1	1	1
Police Lieutenant-Professional Standards	1	1	1	1
Police Lieutenant-Support Services	1	1	0 ¹	0 ¹
Animal Control (300)				
Animal Control Specialist	1	1	1	1
Communications (302)				
Police Telecommunications Supervisor	1	1	1 ²	1 ²
Police Telecommunicator	10	10	10	10
Police Telecommunicator (Temp/Part-Time)	1	1	1	1
Community Service (303)				
Community Services Officer	1	1	1	1
Master Police Officer (School Resource)	4	4	4	4

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Master Police Officer (Victim's Advocate)	1	1	1	1
Crossing Guard (Temp/Part-Time)	3	3	3	3
Evidence & Identification (304)				
Police Evidence & Property Custodian	1	1	1	1
Information Management (305)				
Police Records Clerk	1	1	1	1
Police Records Coordinator	1	1	1	1
Police Information Clerk (Expediter)	1	1	1	1
Parking Control Specialist	1	1	1	1
Recruitment/Training (306)				
Police Lieutenant	1	1	1	1
Police Sergeant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	32	32	31	31

¹Reduction in force

²Position frozen in FY02-03

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Building Maintenance (301)			
Remodel Second Floor	\$ 300,000	\$ -	\$ -
Replace Air Conditioning Units	23,000	-	-
Roof Replacement	165,000	-	-
Building Repairs	406,000	-	-
Communications (302)			
Digital Communications Recorder	50,000	-	-
Mobile Data Computer (Dispatching Project)	75,000	-	-
Property and Evidence (304)			
Fencing for Outside Evidence Storage Area	2,000	2,000	2,000
Information Management (305)			
Handheld Parking Scanner	3,500	3,500	3,500
Software for Handheld Scanner	7,500	7,500	7,500
Software Enhancement	50,000	-	-
Point to Point	5,000	-	-
Letter Folding Machine	5,000	-	-
Crime Stopper Software	<u>5,000</u>	<u>-</u>	<u>-</u>
Total Capital Outlay	\$ 1,097,000	\$ 13,000	\$ 13,000

STATEMENT OF PURPOSE

The Administration Division of the Police Department serves as the central management and administrative unit for the activities and operations associated with the Police Department.

COUNCIL PERFORMANCE GOALS

1. Implement the Police Department Strategic Plan.
2. Implement Crime Control Plan.

DIVISIONAL PERFORMANCE GOALS

1. Continue evaluation to ensure readiness for International Re-Accreditation.
2. Continue evaluation of the allocation of Department resources as they are distributed in the districting concept of the department.
3. Provide a sound financial operation within the Police Department.
4. Facilitate the implementation of the Crime Control goals.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 244,337	\$ 259,577	\$ 271,231	\$ 223,047	\$ 223,047
Operating	106,318	123,685	122,076	133,737	133,737
Capital	7,484	5,863	-	-	-
TOTAL	\$ 358,139	\$ 389,125	\$ 393,307	\$ 356,784	\$ 356,784

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Police Chief	1	1	1	1
Police Planner	1	1	1	1
Fiscal Analyst	1	1	1	1
Department Secretary	<u>1</u>	<u>1</u>	<u>0</u> ¹	<u>0</u> ¹
TOTAL	4	4	3	3

¹ Reduction in force

STATEMENT OF PURPOSE

The Operations Division of the Police Department provides 24-hour law enforcement service for the citizens of Salisbury including protection of life and property, traffic enforcement, investigation of traffic accidents, and investigation of criminal activity.

DIVISIONAL PERFORMANCE GOALS

1. Increase the efficiency and effectiveness of the Police K-9 Unit.
2. Improve the vehicular traffic conditions within the City of Salisbury.
3. Increase the number of major directed patrol projects.
4. Evaluate beat integrity, boundaries and use of Patrol Teams.
5. Increase the clearance rate for major criminal cases.
6. Establish a published procedural policy in dealing with mental commitments.
7. Continue to target illegal drug sales in an effort to create a safer environment for the citizens of Salisbury.
8. Enhance the department’s community policing efforts by working closely with the Police Districts.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 3,125,103	\$ 3,367,309	\$ 3,497,470	\$ 3,396,395	\$ 3,396,395
Operating	630,864	684,398	692,823	604,465	604,465
Capital	216,529	335,411	200,684	31,284	31,284
TOTAL	\$ 3,972,496	\$ 4,387,118	\$ 4,390,977	\$ 4,032,144	\$ 4,032,144

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Operations Administration (320)				
Deputy Chief	1	1	1	1
District I (321)				
Police Lieutenant	1	1	1	1
Police Sergeant	2	2	3 ¹	3 ¹
Police Officer I/II/MPO	15	15	21 ²	21 ²
Police Officer I/II/MPO (Downtown)	1	1	0 ¹	0 ¹
Police Officer I/II/MPO (Housing)	1	1	0 ¹	0 ¹
District II (322)				
Police Lieutenant	1	1	1	1
Police Sergeant	2	2	3 ¹	3 ¹
Police Officer I/II/MPO	15	15	20 ²	20 ²
Police Officer I/II/MPO (Housing)	1	1	0 ¹	0 ¹
District III (323)				
Police Lieutenant	1	1	1	1
Police Officer I/II/MPO (Downtown)	0	0	1 ¹	1 ¹
Police Officer I/II/MPO (Housing)	0	0	2 ¹	2 ¹

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Police Sergeant	2	2	0 ¹	0 ¹
Police Officer I/II/MPO	16	16	5 ¹	5 ¹
Criminal Investigations (326)				
Police Lieutenant	1	1	1	1
Police Sergeant	1	1	1	1
Police Officer I/II/MPO	9	9	9	9
Senior Office Assistant	1	1	1	1
Crime Scene Analysis (330)				
Crime Analyst	1	1	1	1
Crime Scene Specialist	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	73	73	73	73

¹ Positions transferred within the department

² One of the positions frozen in FY02-03

CAPITAL OUTLAY

	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Operations Management (320)			
Purchase One K-9	\$ 10,600	\$ 10,600	\$ 10,600
Two K-9 Carriers	3,029	3,029	3,029
K-9 Kennels	575	575	575
Replace In-Car Cameras	40,000	-	-
Replace Body Armor	7,000	7,000	7,000
Mobile Data Terminals Project	102,000	-	-
Speed Radar Detection	6,000	6,000	6,000
Poly Machine Training	10,000	-	-
Replacement Walkies	17,400	-	-
Light Bar Replacement	<u>4,080</u>	<u>4,080</u>	<u>4,080</u>
Total Capital Outlay	\$ 200,684	\$ 31,284	\$ 31,284

STATEMENT OF PURPOSE

The Fire Department provides capable, well-trained personnel and necessary equipment to suppress fires and effectively manage hazardous chemical accidents that may occur in our community related to transportation or industry; provides rescue services as needed and basic life support through an updated First Responder Program. They continue to work toward a more fire-safe community through Loss Prevention activities, including building inspections, code enforcement minimum housing activities and public education programs.

DEPARTMENTAL PERFORMANCE GOALS

1. Review and update CAD response zones and pecking order.
2. Review and update Company Performance Standards.
3. Explore available funding and grants to provide AEDs and other equipment.
4. Develop Public Education Program for Senior Citizens.
5. Explore continued need for Weather Station equipment at Station 53.
6. Participate in the development of the Park Avenue Community Center.
7. Continue Community Outreach Program “Event Safety Services”.
8. Implement Annual Ground Ladder Testing at Company Level.
9. Review and update FEAT, Firefighter’s Physical Fitness Evaluators.
10. Conduct practical Fire Evolutions at Lincoln Park Apartments to include other agencies.
11. Research development of a Public Safety Services Training Ground.
12. Pursue enabling legislation to allow Fire Lane enforcement by the Fire Department.
13. Investigate use of inmates for maintenance projects.
14. Obtain M.O.U.S. Certification for Clerical Support Staff.

PERFORMANCE MEASURES

	1997	1998	1999	2000	2001
EMS Calls	469	1,258 ¹	1,222	1,616	1,628
Other Alarm Calls	1,159	1,202	1,117	1,025	1,166
Total Alarms	1,628	2,460	2,339	2,641	2,794
Value of Fire Loss	\$ 650,439	\$ 1,885,851	\$ 1,853,214	\$ 2,326,589	\$ 752,200

¹ The Department implemented a Critical Response Plan that changed the Fire Department's response to EMS Calls. Performance Measurements are reported on a calendar year basis

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 2,699,056	\$ 2,790,691	\$ 2,915,360	\$ 2,819,647	\$ 2,819,647
Operating	642,351	673,314	1,193,433	607,251	607,251
Capital	39,844	11,173	620,248	148,283	148,283
TOTAL	\$ 3,381,251	\$ 3,475,178	\$ 4,729,041	\$ 3,575,181	\$ 3,575,181

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Fire Administration (000)				
Fire Chief	1	1	1	1
Assistant Fire Chief	1	1	1	1
Fire Logistics Officer	1	1	1	1
Department Secretary	1	1	0 ¹	0 ¹
Senior Office Assistant	1	1	0 ¹	0 ¹
Fire Station #51 (351)				
Battalion Chief	3	3	3	3
Fire Captain	6	6	6	6
Fire Control Specialist I/II	15	15	15	15
Fire Engineer	6	6	6	6
Fire Station #52 (352)				
Fire Captain	3	3	3	3
Fire Control Specialist I/II	6	6	6	6
Fire Engineer	6	6	6	6
Fire Station #53 (353)				
Fire Captain	3	3	3	3
Fire Control Specialist I/II	6	6	6	6
Fire Engineer	3	3	3	3
Loss Prevention and Investigation (356)				
Fire Investigation/Inspection Officer	1	1	1	1
Fire Investigation/Inspection Specialist	3	3	3	3
Minimum Housing/Inspection Specialist	1	1	0 ²	0 ²
Training Division (357)				
Battalion Chief	1	1	1	1
Fire Projects Analyst	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	69	69	66	66

¹ Reduction in force

² Position funded through HUD for FY02-03 only

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Fire Administration (000)			
SCBA Fit Testing Equipment	\$ 160,089	\$ 80,045	\$ 80,045
Mobile Data System	149,831	-	-
Light Bar for Staff Vehicle	10,200	-	-
SCBA Masks	36,000	18,000	18,000
Spare Cylinders	39627	19,813	19,813
Fire Station #51 (351)			
Cardiac Defib	4,000	-	-
Forcible Entry Tools	4,500	4,500	4,500
Insta-Chains for Response Equipment	16,000	-	-
Rescue Boat	4,000	-	-
Treadmill	3,000	-	-
Elkhart Manifold	1,025	1,025	1,025
5 Inch Supply Hose	8,000	8,000	8,000
Foam Equipment	1,600	1,600	1,600
CGI (Gas Detectors)	3,500	3,500	3,500
PPV Fans	1,200	1,200	1,200
Portable Radios	152,576	-	-
Fire Station #52 (352)			
Treadmill	3,000	-	-
Floor Buffer	1,200	1,200	1,200
Fire Station #53 (353)			
Treadmill	3,000	-	-
Decon Washer	5,000	5,000	5,000
Floor Buffer	1,200	-	-
Loss Prevention and Investigation (356)			
Garage for Fire Safety House	6,100	-	-
Training (357)			
Satellite Dish for EENET	1,200	-	-
Smokey Visor Training Aid	4,400	4,400	4,400
Total Capital Outlay	\$ 620,248	\$ 148,283	\$ 148,283

DEPARTMENT - Public Services - Summary

SUMMARY STATEMENT OF PURPOSE

The Public Services Department provides the citizens of Salisbury with street maintenance, collection and disposal of solid waste, traffic signal maintenance, pavement markings, and landscaping of City property. This Department also provides maintenance of all City vehicles.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 3,117,172	\$ 3,341,632	\$ 3,512,344	\$ 3,271,557	\$ 3,271,557
Operating	2,655,385	2,420,652	2,627,560	2,246,083	2,246,083
Capital	91,911	54,000	159,500	104,500	104,500
TOTAL	\$ 5,864,468	\$ 5,816,284	\$ 6,299,404	\$ 5,622,140	\$ 5,622,140

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Permanent Full-Time	84	84	78.5	78.5
Permanent Part-Time	2	2	2	2
Temporary Full-Time	14	14	8	8
Temporary Part-Time				

STATEMENT OF PURPOSE

The Administration Division of the Public Services Department serves as the central management and administration source for activities and operations related to the Public Services Department including Fleet Management, Landscape Operations, Cemetery, Hurley Park, Traffic Operations, Waste Management, Streets and Transit.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 160,776	\$ 156,367	\$ 164,214	\$ 161,817	\$ 161,817
Operating	12,740	43,540	47,333	11,349	11,349
Capital	-	-	-	-	-
TOTAL	\$ 173,516	\$ 199,907	\$ 211,547	\$ 173,166	\$ 173,166

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Public Services Director	1	1	1	1
Department Secretary	1	1	1	1
Senior Office Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	3	3	3	3

STATEMENT OF PURPOSE

The Traffic Operations Division of the Public Services Department provides the City with a resource capable of effectively monitoring and evaluating municipal traffic safety, traffic flow, and parking needs; and develops and implements programs designed to address those needs through a network of traffic signals, traffic control signs, pavement markings, and parking control devices.

The group is also responsible for the installation and maintenance of a telecommunications system throughout the organization (excluding Public Safety telecommunications equipment).

DIVISIONAL PERFORMANCE GOALS

1. Assist the North Carolina DOT with projects and upgrades which pertain to traffic control devices.
2. Continue preventive maintenance and rejuvenation schedules on all traffic control devices.
3. Assist Traffic Engineering with the daily operations of the Traffic Signal System and traffic studies.

PERFORMANCE MEASURES

	<u>FY96-97</u>	<u>FY97-98</u>	<u>FY98-99</u>	<u>FY99-00</u>	<u>FY00-01</u>
Miles of pavement markings repainted	35.5	43.9	45	44	31
Traffic signal bulbs replaces				992 ¹	156
Traffic studies completed				41 ¹	116
Signs repaired				808 ¹	638

¹ New measures

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 304,863	\$ 331,490	\$ 351,043	\$ 329,075	\$ 329,075
Operating	144,560	123,295	130,952	107,139	107,139
Capital	-	8,500	6,000	6,000	6,000
TOTAL	\$ 449,423	\$ 463,285	\$ 487,995	\$ 442,214	\$ 442,214

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Traffic Operations Manager	1	1	1	1
Signs and Marking Crewleader	1	1	1	1
Signs and Marking Technician I/II	3	3	3	3
Traffic Signal Technical I/II	3	3	3	3
Seasonal Worker (Temp/Full-Time)	<u>4</u>	<u>4</u>	<u>0</u> ¹	<u>0</u> ¹
TOTAL	12	12	8	8

¹ Reduction in force

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Traffic Signal Equipment	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ 6,000</u>
Total Capital Outlay	\$ 6,000	\$ 6,000	\$ 6,000

STATEMENT OF PURPOSE

The Street Division of the Public Services Department plans, implements, and manages the construction and maintenance of all City streets, sidewalks, drainage systems and right-of-ways through a program of maintenance, construction, cleaning, and general beautification. This department also funds activities associated with street construction, maintenance, cleaning and rights-of-way maintenance as provided for by revenue received from the State of North Carolina through the Powell Bill Fund.

DIVISIONAL PERFORMANCE GOALS

Street Maintenance

Street Maintenance Division performs maintenance to city streets and parking facilities not covered under the guidelines of Powell Bill Funding; performs paving and patching to street cuts as a result of the work efforts of various utilities.

Concrete Construction

Concrete Construction Division provides maintenance and repair to city sidewalks, driveways, and curbs; responds to requests from contractors and property owners to install or repair new concrete facilities.

Street Cleaning

The Street Cleaning Division routinely sweeps, washes, and removes debris from streets to prevent sedimentation of drainage structures and prevent unsafe conditions; cleans downtown sidewalks, streets, and city-owned parking facilities nightly to provide aesthetic enhancements to public properties.

Limb/Yard Waste

The Limb/Yard Waste Division provides a weekly limb and bagged yard debris collection citywide to coincide with the solid waste and recycling collection.

Leaf Collection

The Leaf Collection Division provides curbside loose-leaf collection during the fall and winter months.

Powell Bill Paving & Resurfacing

The Powell Bill Paving & Resurfacing Division maintains and continuously upgrades the City’s 147 miles of streets through maintenance programs consisting of crack sealing, base repairs, pavement maintenance, and paving as prioritized from the street condition survey.

Powell Bill Bridge Maintenance/Snow

The Powell Bill Bridge Maintenance/Snow Division provides maintenance to the decking, pavement, and related bridge facilities; maintains streets, walks, and parking facilities in a passable condition during periods of ice and snow.

Powell Bill Drainage

The Powell Bill Drainage Division cleans, constructs and repairs culverts, catch basins and related drainage structures as needed to ensure effective and efficient run-off of rainwater to minimize local flooding.

Powell Bill-Concrete Construction

The Powell Bill Concrete Construction Division provides maintenance, repair, and installation to city curb and gutter, sidewalks, and bike pathways.

PERFORMANCE MEASURES

	<u>FY96-97</u>	<u>FY97-98</u>	<u>FY98-99</u>	<u>FY99-00</u>	<u>FY00-01</u>
Miles of streets paved	15.3	15.5	15.7	15.5	16
Miles of streets maintained	127	136	146	147	147
Pot holes filled	1,001	1,550	1,550	950	880
Driveways	100	90	99	94	92
Sidewalks replaced/repaired - feet	6,000	8,000	7,500	6,142	6,215
Curb & gutter - feet	3,000	3,500	2,500	2,012	2,836
New Handicap Ramps	N/A	N/A	N/A	28	50

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 1,010,545	\$ 1,143,901	\$ 1,220,152	\$ 1,126,555	\$ 1,126,555
Operating	1,003,362	746,264	928,100	736,508	736,508
Capital	8,794	19,200	57,200	7,200	7,200
TOTAL	\$ 2,022,701	\$ 1,909,365	\$ 2,205,452	\$ 1,870,263	\$ 1,870,263

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Administration (000)				
Street Maintenance Manager	1	1	1	1
Street Maintenance (420)				
Street Maintenance Supervisor	1	2	2	2
Equipment Operator I/II	3	3	2 ¹	2 ¹
Street Maintenance Worker I/II	2	1	2 ¹	2 ¹
Concrete Construction (421)				
Street Maintenance Supervisor	1	1	1	1
Equipment Operator I/II	2	2	2	2
Street Maintenance Worker I/II	2	3	1 ¹	1 ¹
Street Cleaning (422)				
Street Maintenance Supervisor	1	1	1	1
Street Maintenance Worker I/II	1	0	0	0
Equipment Operator I/II	4	6	6	6
Limb/Yard Waste Collection (423)				
Equipment Operator I/II	2	2	2	2
Street Maintenance Worker I/II	2	2	3 ¹	3 ¹
Leaf Collection (424)				
Equipment Operator I/II	1	1	1	1
Street Maintenance Worker I/II	1	1	0 ²	0 ²
Powell Bill-Paving & Resurfacing (426)				
Street Maintenance Supervisor	1	0	0	0
Equipment Operator I/II	1	1	2 ¹	2 ¹
Street Maintenance Worker I/II	0	1	0 ²	0 ²
Powell Bill-Street Maintenance (427)				
Equipment Operator I/II	1	1	1	1
Powell Bill-Drainage & Storm Sewers (428)				
Street Maintenance Supervisor	1	1	1	1
Equipment Operator I/II	2	1	1	1
Street Maintenance Worker I/II	2	1	0 ²	0 ²
Powell Bill-Concrete Construction (429)				
Street Maintenance Worker I/II	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	33	33	30	30

Note: Positions moved between cost centers

¹ Position transferred within the department

² Reduction in force

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Street Administration (000)			
Electric Repairs Shop	\$ 10,000	\$ -	\$ -
Equipment Storage-Landfill	30,000	-	-
Street Maintenance (420)			
Motor Tamp	3,000	3,000	3,000
Concrete Construction (421)			
Concrete Saw	1,200	1,200	1,200
Motor Tamp	3,000	3,000	3,000
Bridge/Winter Maintenance (427)			
Material Spreader	<u>10,000</u>	<u>-</u>	<u>-</u>
Total Capital Outlay	\$ 57,200	\$ 7,200	\$ 7,200

STATEMENT OF PURPOSE

The Cemetery Division of the Public Services Department operates, maintains and develops seven municipal cemeteries totaling 78.6 acres of publicly controlled burial grounds.

DIVISIONAL PERFORMANCE GOALS

1. Perform daily maintenance activities including mowing, leaf collection, pruning and collection of litter in order to maintain a well-groomed appearance of cemetery properties.
2. Provide prompt and courteous services to funeral directors and bereaved families in regard to interments and related services.
3. Assist families with special requests regarding the care of burial plots.
4. Assist public walk-ins with location of graves.
5. Continue staff development in the areas of equipment operation, work safety, and technical expertise.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 160,659	\$ 153,217	\$ 168,634	\$ 167,262	\$ 167,262
Operating	61,647	53,398	56,318	46,599	46,599
Capital	<u>5,987</u>	<u>1,000</u>	<u>12,800</u>	<u>7,800</u>	<u>7,800</u>
TOTAL	\$ 228,293	\$ 207,615	\$ 237,752	\$ 221,661	\$ 221,661

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Cemetery Maintenance Supervisor	1	1	0 ¹	0 ¹
Cemetery Operations Manager	0	0	1 ¹	1 ¹
Grounds Maintenance Worker Sr/I/II	2	2	2	2
Equipment Operator I/II	1	1	1	1
Seasonal Worker (Temp/Full-Time)	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL	7	7	7	7

¹ Position reclassified

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Push Leaf Blower	\$ 800	\$ 800	\$ 800
Replace Shop and Bay Doors-Chestnut Hill	2,000	-	-
Paint Exterior of Chestnut Hill	3,000	-	-
Pave Parking Area-Chestnut Hill	3,000	3,000	3,000
Repair Brick Wall-Old Lutheran Cemetery	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
Total Capital Outlay	\$ 12,800	\$ 7,800	\$ 7,800

STATEMENT OF PURPOSE

The Waste Management Division of the Public Services Department maintains a clean, healthy environment for the citizens of Salisbury through the regular collection, transportation, and disposal of industrial, commercial, and residential refuse, and other debris using an effective, efficient system of waste management and recycling.

DIVISIONAL PERFORMANCE GOALS

1. Prepare to immediately provide service to proposed annexed areas.
2. Continue a tagging system to reduce the number of carts and bins being left on the curb after collection.
3. Review the possibility of rebidding contracts for the collection of dumpsters and recycling containers.
4. Implement a plan that ensures the Solid Waste Division can supply service any time of day.
5. Collect data on the impact of operations when annexation is implemented.

PERFORMANCE MEASURES

	<u>FY96-97</u>	<u>FY97-98</u>	<u>FY98-99</u>	<u>FY99-00</u>	<u>FY00-01</u>
City-collected garbage - tons	8,300	8,200	8,200	8,250	8,300
Commercial garbage collection - tons	8,000	13,200	13,400	13,100	12,400
Residential recycling by calendar year - tons	799	1,020	1,275	1,700	470
Cardboard collected for recycling - tons	350	400	400	400	400

BUDGET REQUEST SUMMARY

	<u>Actual</u> <u>FY00-01</u>	<u>Budgeted</u> <u>FY01-02</u>	<u>Requested</u> <u>FY02-03</u>	<u>Mgr Recommends</u> <u>FY02-03</u>	<u>Adopted</u> <u>FY02-03</u>
Personnel	\$ 392,224	\$ 402,125	\$ 420,942	\$ 403,483	\$ 403,483
Operating	926,467	923,285	930,928	898,282	898,282
Capital	-	-	-	-	-
TOTAL	\$ 1,318,691	\$ 1,325,410	\$ 1,351,870	\$ 1,301,765	\$ 1,301,765

PERSONNEL DETAIL

<u>Position Title</u>	<u>Authorized</u> <u>FY 00-01</u>	<u>Authorized</u> <u>FY 01-02</u>	<u>Mgr Recommends</u> <u>FY 02-03</u>	<u>Adopted</u> <u>FY 02-03</u>
Solid Waste Manager	1	1	1	1
Solid Waste Operations Supervisor	1	1	1	1
Solid Waste Equipment Operator	8	8	8	8
Seasonal Worker (Temp/Full-Time)	<u>4</u>	<u>4</u>	<u>3</u> ¹	<u>3</u> ¹
TOTAL	14	14	13	13

¹ Reduction in force

STATEMENT OF PURPOSE

The Landscape Operations Division of the Public Services Department performs a wide range of activities regarding the development and maintenance of publicly controlled landscapes throughout the city. These activities include horticultural management, vegetation control, urban forestry, and nuisance abatement to be completed in a prompt, courteous, and efficient manner.

DIVISIONAL PERFORMANCE GOALS

1. Continue development of a comprehensive tree management program including; Geographic Information Systems use, pruning, removal, replacement, new planting, and routine maintenance.
2. Provide staff support to the Salisbury Tree Board, Downtown Salisbury, Inc., and Community Development for the implementation of goals adopted by the City Council including Arbor Day, Brown-Wiseman Boxwood property development, and the Angel Project at Robertson Gateway Park.
3. Assist the Public Services Director in the implementation of interdepartmental projects.
4. Provide concerted code enforcement and nuisance abatement services within the context of the Neighborhood Improvement Initiative.
5. Continue staff development in the areas of equipment training and operation, pesticide and horticultural workshops, Human Resource classes, work safety, and technical expertise.
6. Provide consistent maintenance for the expanding Utilities and State DOT contracts with focus on time management and efficiency.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 405,816	\$ 434,996	\$ 440,441	\$ 405,653	\$ 405,653
Operating	230,476	228,654	264,980	201,796	201,796
Capital	16,917	2,000	-	-	-
TOTAL	\$ 653,209	\$ 665,650	\$ 705,421	\$ 607,449	\$ 607,449

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Landscape (000)				
Landscape Division Manager	0	1 ¹	1	1
Landscape Maintenance Supervisor	1	1	1	1
Landscape Operations Supervisor	1	0 ¹	0	0
Grounds Maintenance Supervisor	1	1	0 ¹	0 ¹
Grounds Maintenance Worker Sr/I/II	8	6 ²	6 ^{1,3}	6 ^{1,3}
City Code Inspector	1	1	1	1
Seasonal Worker (Temp/Full-Time)	3	1 ²	0 ³	0 ³
Contract Mowing (460)				
Grounds Maintenance Worker I/II	0	2 ²	2	2
Seasonal Worker (Temp/Full-Time)	<u>0</u>	<u>2²</u>	<u>2</u>	<u>2</u>
TOTAL	15	15	13	13

¹ Position reclassified

² Positions moved between cost centers

³ Reduction in force

STATEMENT OF PURPOSE

The Landscape-Hurley Park Division of the Public Services Department maintains and continues development of the 15-acre Elizabeth Holmes Hurley Park in conjunction with the J.F. Hurley Foundation and the City of Salisbury's Hurley Park Advisory Commission.

DIVISIONAL PERFORMANCE GOALS

1. Provide support to the Hurley Park Advisory Commission for the implementation of goals adopted by the City Council.
2. Maintain records of plantings and donations in conjunction with the Hurley Foundation.
3. Continue Staff development in the areas of computer literacy, work safety and technical expertise.
4. Develop and implement a comprehensive plan for Hurley Park reclamation.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 71,900	\$ 71,184	\$ 75,239	\$ 74,612	\$ 74,612
Operating	28,461	22,224	31,046	20,405	20,405
Capital	<u>41,795</u>	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	\$ 142,156	\$ 95,908	\$ 106,285	\$ 95,017	\$ 95,017

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Park Curator (Perm/Part-Time)	1	1	1	1
Sr. Grounds Maintenance Worker	1	1	1	1
Grounds Maint. Worker (Perm/Part-Time)	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	3	3	3	3

STATEMENT OF PURPOSE

The Fleet Management Division of the Public Services Department provides a centralized resource for the maintenance, modification, and repair of City vehicles and equipment, including Transit System buses, offer expertise in the development of specifications used in the purchase or lease of new vehicles and equipment, and to keep vehicle records and provide financial records on vehicle repairs.

DIVISIONAL PERFORMANCE GOALS

1. Increase technical abilities of Fleet Division’s personnel through in-house training programs.
2. Increase service life and vehicle dependability by developing an in-depth preventive/scheduled maintenance program.
3. Increase the technical equipment capability of the division in order to maintain current needs and provide for future needs of the City’s fleet.
4. Develop specifications on vehicles and equipment that meet the needs of the City while lowering the operating cost over the life of the vehicle or equipment.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 610,389	\$ 648,352	\$ 671,679	\$ 603,100	\$ 603,100
Operating	87,390	119,710	77,621	63,723	63,723
Capital	18,418	20,800	83,500	83,500	83,500
TOTAL	\$ 716,197	\$ 788,862	\$ 832,800	\$ 750,323	\$ 750,323

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Fleet Service Manager	1	1	1	1
Fleet Service Supervisor	1	1	1	1
Fleet Service Shift Supervisor	1	1	.5 ²	.5 ²
Mechanic/Master Mechanic	8	8	7 ¹	7 ¹
Automotive Service Technician	0	0	1 ¹	1 ¹
Parts Manager	0	1 ¹	1	1
Parts Clerk	1	0 ¹	0	0
Senior Office Assistant	<u>1</u>	<u>1</u>	<u>0</u> ³	<u>0</u> ³
TOTAL	13	13	11.5	11.5

¹ Position reclassified

² Position partially funded by Transit

³ Reduction in force

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Bar 97 Equipment	\$ 65,800	\$ 65,800	\$ 65,800
Transmission Assembly Table	1,800	1,800	1,800
Parts Cleaner	3,500	3,500	3,500
Oil Filter Crusher	2,900	2,900	2,900
Mitchell Software	2,000	2,000	2,000
Scanner Updates	2,000	2,000	2,000
Diesel Software	2,200	2,200	2,200
Alignment Software	1,500	1,500	1,500
Allison Software	1,800	1,800	1,800
Total Capital Outlay	\$ 83,500	\$ 83,500	\$ 83,500

STATEMENT OF PURPOSE

The Parks and Recreation Department provides the citizens of Salisbury with a variety of quality leisure services through safe, attractive, maintained parks and diversified programs that meet the current and future needs of the community.

COUNCIL PERFORMANCE GOALS

1. Continue construction of the Salisbury Community Park and Recreation Complex.
2. Continue to develop funding sources for future phases of the Parks and Recreation Project.
3. Continue renovation of existing Parks and Recreation facilities.
4. Complete master plans for individual parks.
5. Identify additional revenue sources for Greenway System construction.
6. Seek funding for establishing the Salisbury-Rowan Sports Hall of Fame.
7. Assist with neighborhood redevelopment.
8. Provide assistance to schools.
9. Partner with the Visitors and Convention Bureau to enhance event recruitment.

DEPARTMENTAL PERFORMANCE GOALS

1. Improve the quality and quantity of recreation programs offered to the community.
2. Renovate and repair the current Parks and Recreation facilities through the use of a systematic renovation master plan.
3. Standardize policies and procedures for operations.
4. Develop measurement standards for programming and maintenance.
5. Continue to expand neighborhood and cooperative programs.
6. Update and develop facility user fee structure.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 1,005,258	\$ 1,166,687	\$ 1,217,662	\$ 1,120,725	\$ 1,120,725
Operating	570,279	518,560	510,711	516,847	516,847
Capital	<u>1,950,136</u>	<u>543,085</u>	<u>119,900</u>	<u>112,900</u>	<u>112,900</u>
TOTAL	\$ 3,525,673	\$ 2,228,332	\$ 1,848,273	\$ 1,750,472	\$ 1,750,472

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Administration (100)				
Parks & Recreation Director	1	1	1	1
Department Secretary	1	1	1	1
Recreation Program Manager	1	1	1	1
Civic Center (601)				
Civic Center Coordinator	1	1	1	1
Recreation Leader	1	1	1	1
Recreation Aide (Temp/Part-Time)	2	2	1 ²	1 ²
Center Attendant (Perm/Part-Time)	2	2	2	2
Recreation Aide-Summer (Temp/Full-Time)	6	6	2 ²	2 ²
City Park Center (602)				
Recreation Coordinator	1	1	1	1
Recreation Leader	1	1	1	1
Recreation Aide (Temp/Part-Time)	2	2	2	2
Recreation Aide-Summer (Temp/Full-Time)	7	7	7	7
Miller Center (603)				
Recreation Coordinator	1	1	1	1
Recreation Leader	1	1	1	1
Recreation Aide (Temp/Part-Time)	2	2	2	2
Recreation Aide-Summer (Temp/Full-Time)	7	7	7	7
Buildings & Grounds (604)				
Athletic Maintenance Manager	0	0	1 ³	1 ³
Parks & Recreation Maintenance Manager	1	1	1	1
B & G Maintenance Worker Sr/I/II	5	5	9 ^{2,3,4}	9 ^{2,3,4}
B & G Maintenance Worker I/II-Greenway	1	1	1	1
Recreation Aide (Temp/Part-Time)	1	1	2	2
Athletic Grounds Maintenance (605)				
Athletic Maintenance Manager	1	1	0 ³	0 ³
B & G Maintenance Worker Sr/I/II	5	6 ¹	0 ³	0 ³
Recreation Aide (Temp/Part-Time)	1	1	0 ³	0 ³
Athletic Programs (606)				
Recreation Coordinator	1	1	1	1
Recreation Leader	2	2	1 ²	1 ²
Recreation Aide (Temp/Part-Time)	3	3	3	3
Recreation Aide-Summer (Temp/Full-Time)	4	4	4	4
Public Relations/Marketing (607)				
Marketing & Community Relations Manager	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL	63	64	56	56

¹ New position

² Reduction in force

³ Position transferred within the department

⁴ One position replaced by contractual cleaning

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Buildings and Grounds (604)			
Aerator	\$ 3,400	\$ 3,400	\$ 3,400
Spreader/Hopper	3,000	3,000	3,000
Flail Mowing Deck	3,100	3,100	3,100
Bush Hog Deck Replacement (2)	2,000	2,000	2,000
One Set Soccer Goals	1,400	1,400	1,400
Park Improvements	100,000	100,000	100,000
Hall Gym Roof	<u>7,000</u>	<u>-</u>	<u>-</u>
Total Capital Outlay	\$ 119,900	\$ 112,900	\$ 112,900

DEPARTMENT - Public Services
DIVISION – Transportation

553

STATEMENT OF PURPOSE

The Transportation Division of the Public Services Department provides funding for the City's share of the City Transit System.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	160,282	160,282	160,282	160,282	160,282
Capital	-	-	-	-	-
TOTAL	\$ 160,282	\$ 160,282	\$ 160,282	\$ 160,282	\$ 160,282

DEPARTMENT – Education

641

STATEMENT OF PURPOSE

The Education Department provides for funding the Supplementary Education System.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	42,342	42,342	42,342	42,342	42,342
Capital	-	-	-	-	-
TOTAL	\$ 42,342	\$ 42,342	\$ 42,342	\$ 42,342	\$ 42,342

DEPARTMENT - Debt Service

901

STATEMENT OF PURPOSE

Debt Service Department provides for the payment of principal and interest payments on outstanding General Fund debt.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	840,347	889,249	854,818	854,818	854,818
Capital	-	-	-	-	-
TOTAL	\$ 840,347	\$ 889,249	\$ 854,818	\$ 854,818	\$ 854,818

CITY OF SALISBURY

GENERAL FUND CAPITAL RESERVE FUND

**STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES**

For the Year Ending June 30, 2003
With Estimated Actual for Year Ending June 30, 2002 and
Actual for Year Ended June 30, 2001

	2001	2002	2003
	Actual	Estimate	Budget
REVENUES:			
Miscellaneous:			
Interest earned on investments	\$ 45,975	\$ 34,000	\$ 30,000
Other	-	-	-
Total revenues	<u>\$ 45,975</u>	<u>\$ 34,000</u>	<u>\$ 30,000</u>
OTHER FINANCING SOURCES:			
Proceeds from capital leases	\$ -	\$ -	\$ -
Operating transfer from General Fund	<u>1,284,776</u>	<u>1,413,259</u>	<u>1,298,726</u>
Total other financing sources	<u>\$ 1,284,776</u>	<u>\$ 1,413,259</u>	<u>\$ 1,298,726</u>
Total revenues and other financing sources	<u>\$ 1,330,751</u>	<u>\$ 1,447,259</u>	<u>\$ 1,328,726</u>

FUND - General Fund Capital Reserve

STATEMENT OF PURPOSE

The General Fund Capital Reserve funds replacement cost of General Fund vehicles and computers and accrues reserves for future purchases.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	166,617	723,107	166,896	467,050	467,050
Capital	<u>1,001,835</u>	<u>720,152</u>	<u>2,391,673</u>	<u>861,676</u>	<u>861,676</u>
TOTAL	\$ 1,168,452	\$ 1,443,259	\$ 2,558,569	\$ 1,328,726	\$ 1,328,726

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
City Council			
Computer Equipment	<u>\$ 11,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>
Total Capital Outlay	\$ 11,000	\$ 3,000	\$ 3,000
Human Resources			
Computer Equipment	<u>\$ 3,500</u>	<u>\$ 3,500</u>	<u>\$ 3,500</u>
Total Capital Outlay	\$ 3,500	\$ 3,500	\$ 3,500
Finance - Information Technologies			
Computer Equipment	<u>\$ 141,150</u>	<u>\$ 80,800</u>	<u>\$ 80,800</u>
Total Capital Outlay	\$ 141,150	\$ 80,800	\$ 80,800
Finance - Administration			
Computer Equipment	<u>\$ 12,000</u>	<u>\$ 4,500</u>	<u>\$ 4,500</u>
Total Capital Outlay	\$ 12,000	\$ 4,500	\$ 4,500
Land Mgmt & Development - Planning & Community Development			
Computer Equipment	<u>\$ 23,650</u>	<u>\$ 23,650</u>	<u>\$ 23,650</u>
Total Capital Outlay	\$ 23,650	\$ 23,650	\$ 23,650
Land Mgmt & Development - Development Services			
Computer Equipment	<u>\$ 950</u>	<u>\$ -</u>	<u>\$ -</u>
Total Capital Outlay	\$ 950	\$ -	\$ -
Land Management & Development - Engineering			
Computer Equipment	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>
Total Capital Outlay	\$ 1,500	\$ 1,500	\$ 1,500
Plaza			
Computer Equipment	<u>\$ 4,200</u>	<u>\$ 4,200</u>	<u>\$ 4,200</u>
Total Capital Outlay	\$ 4,200	\$ 4,200	\$ 4,200

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Police			
Computer Equipment	\$ 95,300	\$ 71,900	\$ 71,900
Replace PD19304 (#10) SUV	25,056	25,056	25,056
Replace PD19102 (#80) Van	16,350	-	-
Replace PD18903 (#15) Cargo Van	30,400	30,400	30,400
Replace PD09501 Patrol Vehicle	25,500	-	-
Replace PD09508 Patrol Vehicle	25,500	-	-
Replace PD09502 Patrol Vehicle	25,500	-	-
Replace PD09503 Patrol Vehicle	25,500	-	-
Replace PD09504 Patrol Vehicle	25,500	-	-
Replace PD09506 Patrol Vehicle	25,500	-	-
Replace PD09507 Patrol Vehicle	25,500	-	-
Replace PD09509 Patrol Vehicle	25,500	-	-
Replace PD09510 Patrol Vehicle	25,500	-	-
Total Capital Outlay	\$ 396,606	\$ 127,356	\$ 127,356
Fire			
Computer Equipment	\$ 3,200	\$ 3,200	\$ 3,200
Replace #510 with 4WD SUV	24,970	22,670	22,670
Replace #521 Pumper with Aerial Pumper Truck	475,000	475,000	475,000
Replace #517 Ladder Truck	750,000	-	-
Replace #519 Command Unit	100,000	-	-
Replace #520 with 4WD SUV	24,970	-	-
Replace #506 Pickup Truck with Transport Van	21,527	-	-
Replace #FD09302 Sedan with Pickup Truck	24,500	-	-
Total Capital Outlay	\$ 1,424,167	\$ 500,870	\$ 500,870
Public Services - Traffic Operations			
Computer Equipment	\$ 10,700	\$ 4,700	\$ 4,700
Total Capital Outlay	\$ 10,700	\$ 4,700	\$ 4,700
Public Services - Administration			
Computer Equipment	\$ 1,500	\$ 1,500	\$ 1,500
Total Capital Outlay	\$ 1,500	\$ 1,500	\$ 1,500
Public Services - Street			
Computer Equipment	\$ 3,950	\$ 3,000	\$ 3,000
Replace Tandem Dump Truck	77,000	-	-
Total Capital Outlay	\$ 80,950	\$ 3,000	\$ 3,000
Public Services - Cemetery			
Computer Equipment	\$ 1,500	\$ 1,500	\$ 1,500
Total Capital Outlay	\$ 1,500	\$ 1,500	\$ 1,500
Public Services - Solid Waste			
Add 33 CY Side Loading Truck	\$ 147,000	\$ -	\$ -
Total Capital Outlay	\$ 147,000	\$ -	\$ -

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Public Services - Fleet			
Replace #396 Service Truck	\$ 65,000	\$ 65,000	\$ 65,000
Add Pool Vehicle	<u>24,500</u>	<u>-</u>	<u>-</u>
Total Capital Outlay	\$ 89,500	\$ 65,000	\$ 65,000
Parks & Recreation			
Computer Equipment	\$ 8,200	\$ 3,000	\$ 3,000
Replace #112 with 4WD Vehicle	25,000	25,000	25,000
Add Commercial Mid-Z Track Mower	<u>8,600</u>	<u>8,600</u>	<u>8,600</u>
Total Capital Outlay	\$ 41,800	\$ 36,600	\$ 36,600
Debt Service			
Principal and Interest	<u>\$ 166,896</u>	<u>\$ 166,896</u>	<u>\$ 166,896</u>
Total Capital Outlay	\$ 166,896	\$ 166,896	\$ 166,896

CITY OF SALISBURY, NORTH CAROLINA

WATER AND SEWER FUND

**STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES**

For the Year Ending June 30, 2003
With Estimated Actual for the Year Ending June 30, 2002 and
Actual for the Year Ended June 30, 2001

	2001	2002	2003
	Actual	Estimate	Budget
OPERATING REVENUES:			
Charges for services	<u>\$ 12,037,258</u>	<u>\$ 13,283,158</u>	<u>\$ 14,779,245</u>
NONOPERATING REVENUES:			
Interest earned on investments	\$ 103,320	\$ 30,000	\$ 25,000
Miscellaneous revenues	<u>424,817</u>	<u>329,750</u>	<u>339,160</u>
Total nonoperating revenues	<u>\$ 528,137</u>	<u>\$ 359,750</u>	<u>\$ 364,160</u>
OTHER FINANCING SOURCES:			
Contributed Capital	<u>\$ 2,863,121</u>	<u>\$ -</u>	<u>\$ -</u>
Total revenues and other financing sources	<u>\$ 15,428,516</u>	<u>\$ 13,642,908</u>	<u>\$ 15,143,405</u>

CITY OF SALISBURY
FY 2002-2003 BUDGET SUMMARY
WATER AND SEWER FUND

	Actual	Budgeted	Requested	Mgr Recommends	Adopted
	FY 00-01	FY 01-02	FY 02-03	FY 02-03	FY 02-03
REVENUE	\$ 15,428,516	\$ 13,770,730	\$ 16,491,432	\$ 15,143,405	\$ 15,143,405
EXPENSES	Actual	Budgeted	Requested	Mgr Recommends	Adopted
	FY 00-01	FY 01-02	FY 02-03	FY 02-03	FY 02-03
UTILITIES MGT & ADMINISTRATION					
Personnel	\$ 451,415	\$ 590,018	\$ 739,640	\$ 735,317	\$ 735,317
Operations	4,755,372	1,973,772	2,152,777	2,154,698	2,154,698
Capital	-	-	10,000	10,000	10,000
TOTAL	\$ 5,206,787	\$ 2,563,790	\$ 2,902,417	\$ 2,900,015	\$ 2,900,015
WATER RESOURCES					
Personnel	\$ 342,918	\$ 240,697	\$ 293,316	\$ 291,154	\$ 291,154
Operations	456,215	491,305	496,381	499,527	499,527
Capital	-	-	-	-	-
TOTAL	\$ 799,133	\$ 732,002	\$ 789,697	\$ 790,681	\$ 790,681
WATER & SEWER MAINT. & CONST.					
Personnel	\$ 808,457	\$ 808,410	\$ 941,748	\$ 933,965	\$ 933,965
Operations	1,248,526	917,063	1,151,760	1,136,926	1,136,926
Capital	-	484,988	574,300	574,300	574,300
TOTAL	\$ 2,056,983	\$ 2,210,461	\$ 2,667,808	\$ 2,645,191	\$ 2,645,191
TECHNICAL SERVICES					
Personnel	\$ 437,518	\$ 402,696	\$ 415,773	\$ 412,918	\$ 412,918
Operations	87,964	95,860	96,067	101,340	101,340
Capital	-	17,750	28,500	28,500	28,500
TOTAL	\$ 525,482	\$ 516,306	\$ 540,340	\$ 542,758	\$ 542,758
WASTEWATER TREATMENT					
Personnel	\$ 678,859	\$ 663,217	\$ 686,699	\$ 681,807	\$ 681,807
Operations	821,630	820,791	822,232	814,171	814,171
Capital	-	8,550	-	-	-
TOTAL	\$ 1,500,489	\$ 1,492,558	\$ 1,508,931	\$ 1,495,978	\$ 1,495,978
METER SERVICES					
Personnel	\$ 340,393	\$ 383,220	\$ 387,577	\$ 384,305	\$ 384,305
Operations	69,500	93,121	96,783	102,489	102,489
Capital	-	-	9,000	9,000	9,000
TOTAL	\$ 409,893	\$ 476,341	\$ 493,360	\$ 495,794	\$ 495,794
FACILITIES MAINTENANCE					
Personnel	\$ 486,181	\$ 462,231	\$ 433,601	\$ 430,226	\$ 430,226
Operations	765,650	867,000	866,079	883,112	883,112
Capital	-	3,500	-	-	-
TOTAL	\$ 1,251,831	\$ 1,332,731	\$ 1,299,680	\$ 1,313,338	\$ 1,313,338

	Actual FY 00-01	Budgeted FY 01-02	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
DEBT SERVICE					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operations	1,771,224	4,120,900	6,128,966	4,959,650	4,959,650
Capital	-	-	-	-	-
TOTAL	\$ 1,771,224	\$ 4,120,900	\$ 6,128,966	\$ 4,959,650	\$ 4,959,650
CAPITAL PROJECTS					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operations	-	-	-	-	-
Capital	-	325,641	-	-	-
TOTAL	\$ -	\$ 325,641	\$ -	\$ -	\$ -
GRAND TOTAL					
Personnel	\$ 3,545,741	\$ 3,550,489	\$ 3,898,354	\$ 3,869,692	\$ 3,869,692
Operations	9,976,081	9,379,812	11,811,045	10,651,913	10,651,913
Capital	-	840,429	621,800	621,800	621,800
TOTALS	\$ 13,521,822	\$ 13,770,730	\$ 16,331,199	\$ 15,143,405	\$ 15,143,405

STATEMENT OF PURPOSE

To serve as the central management and administration source and engineering support for activities, operations, and projects related to the Water and Sewer Utility.

COUNCIL PERFORMANCE GOALS

1. Continue to develop joint water and sewer extension policies with consideration of managed growth criteria.

DEPARTMENTAL PERFORMANCE GOALS

1. Assist in cooperative effort with County to extend water and sewer to growth corridors.
2. Continue implementation of the major Water and Sewer Capital Improvement projects.
3. Pursue update of City Code of Ordinances to correspond to Revised Construction Standards, Revised Water Emergency Management Plan, and new Drought Conservation Plan.
4. Continue strategic planning efforts resulting in short and long term plans for Utilities expansion.
5. Continue efforts toward rate stabilization and overall fiscal stability.
6. Develop and maintain GIS database of the utility system.
7. Develop and maintain a system-wide hydraulic model utilizing new software.
8. Review all Water and Sewer fees to determine actual costs of service and recommend revised fees to City Council.
9. Continue to develop toward becoming one of the best Water and Sewer utilities in the State and region.
10. Pursue Local Permit Program for Water/Sewer extensions within utility service area.
11. Focus on cross training with other divisions within Utilities Department and the City.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 451,415	\$ 590,018	\$ 739,640	\$ 735,317	\$ 735,317
Operating	4,755,372	1,973,772	2,152,777	2,154,698	2,154,698
Capital	-	-	10,000	10,000	10,000
TOTAL	\$ 5,206,787	\$ 2,563,790	\$ 2,902,417	\$ 2,900,015	\$ 2,900,015

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Administration (100)				
Utilities Director	1	1	1	1
Assistant Utilities Director	1	1	1	1
Productivity Analyst	1	1	1	1
Department Secretary	1	1	1	1
Compliance Coordinator	0	1 ¹	1	1
Utilities Engineering (800)				
Utilities Engineering Manager	1	1	1	1
Utilities Engineer I/II/III	1	1	2 ¹	2 ¹

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Senior Office Assistant	1	0 ²	0	0
Engineering Technician I/II/III	2	1 ³	1	1
Engineering Intern	0	1 ³	1	1
Utilities Inspection/Location Specialist	0	0	1 ¹	1 ¹
SCADA Technician	1	0 ²	0	0
Co-Op (Temp/Full-Time)	<u>1</u>	<u>0</u> ²	<u>0</u>	<u>0</u>
TOTAL	11	9	11	11

¹ New position

² Reduction in workforce

³ Position reclassification

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Utility Administration (100)			
Portable Motorola Radio	\$ 3,000	\$ 3,000	\$ 3,000
Office Furniture	4,000	4,000	4,000
Utility Engineering (800)			
Portable Motorola Radio	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
Total Capital Outlay	\$ 10,000	\$ 10,000	\$ 10,000

STATEMENT OF PURPOSE

To provide the City's water utility customers with a sufficient supply of high quality potable water that meets all regulation standards for purity, taste, appearance, and flow adequacy at a reasonable cost to the consumer.

DEPARTMENTAL PERFORMANCE GOALS

1. Oversee the expansion of the treatment capacity of the Water Plant from 12 MGD to 18 MGD.
2. Adjust operational process measures to meet new SDWA Regulations.
3. Evaluate the use of a pre-oxidant for TOC removal.
4. Prepare and distribute the Consumer Confidence Report to customers on water quality and explain the requirements to the general public.
5. Continue the public education program outreach to schools and civic organizations.
6. Continue the partnership with Rowan County (contract operations) for the Highway 70 water distribution system.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 342,918	\$ 240,697	\$ 293,316	\$ 291,154	\$ 291,154
Operating	456,215	491,305	496,381	499,527	499,527
Capital	-	-	-	-	-
TOTAL	\$ 799,133	\$ 732,002	\$ 789,697	\$ 790,681	\$ 790,681

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Water Treatment Plant (811)				
Water Treatment Supervisor	1	1	1	1
Senior Plant Operator	1	1	1	1
Senior Office Assistant	.5	0 ¹	1 ⁴	1 ⁴
Water Resources Manager	1	0 ²	0	0
Water Plant Operator I/II	4	4	4	4
Laboratory Analyst	<u>1</u>	<u>0</u> ³	<u>0</u>	<u>0</u>
TOTAL	8.5	6	7	7

¹ Position reclassified to 821-000

² Reduction in Workforce

³ Position reclassified to 815-900

⁴ Position reclassified from 821-000

STATEMENT OF PURPOSE

To provide the City's Water/Sewer Utility with an effective, efficient system for the distribution of potable water and the collection of waste through an equally effective, efficient sewer system.

DEPARTMENTAL PERFORMANCE GOALS

1. Continue our inflow and infiltration preventive maintenance program.
2. Implement a water main flushing program, including development of a computer model to simulate unidirectional system-wide flushing.
3. Include inflow and infiltration related projects in the 5-year Capital Improvement Program projections.
4. Maintain compliance with new collection system permit requirements.

PERFORMANCE MEASURES

	<u>FY96-97</u>	<u>FY97-98</u>	<u>FY98-99</u>	<u>FY99-00</u>	<u>FY00-01</u>
Change out or add 5/8" thru 1" water meters	716	995	900	1,141	1,300
Change out or add 1-1/2" & 2" water meters	24	24	30	20	14
Change out or add 3" or larger water meters	3	4	6	4	2
Install check valves on existing water services	635	712	528	590	588
Install water taps	380	358	442	439	364
Replace/install fire hydrants	18	11	20	22	8
Replace water valves	46	30	60	22	24
Clean and TV inspect sewer lines - feet	281,000	260,000	260,000	252,000	260,000
Install sewer taps	107	176	134	145	118

BUDGET REQUEST SUMMARY

	<u>Actual</u> <u>FY00-01</u>	<u>Budgeted</u> <u>FY01-02</u>	<u>Requested</u> <u>FY02-03</u>	<u>Mgr Recommends</u> <u>FY02-03</u>	<u>Adopted</u> <u>FY02-03</u>
Personnel	\$ 808,457	\$ 808,410	\$ 941,748	\$ 933,965	\$ 933,965
Operating	1,248,526	917,063	1,151,760	1,136,926	1,136,926
Capital	-	484,988	574,300	574,300	574,300
TOTAL	\$ 2,056,983	\$ 2,210,461	\$ 2,667,808	\$ 2,645,191	\$ 2,645,191

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Administration (100)				
Utility Maintenance Manager	1	0 ¹	0	0
Utilities Systems Manager	0	1 ¹	1	1
Assistant Systems Manager	0	0	2 ¹	2 ¹
Senior Office Assistant	2	1 ²	1	1
Inventory Control Specialist	1	1	0 ¹	0 ¹
Maintenance Scheduler	1	1	0 ¹	0 ¹
Distribution Maint. & Const. (850)				
Utilities Maintenance Supervisor	1	1	1	1
Utilities Maintenance Technician	3	3	3	3
Seasonal Workers (Temp/Full-Time)	2	0 ²	0	0
New Water/Sewer Connections (851)				
Utilities Maintenance Supervisor	1	1	1	1
Utilities Maintenance Technician	2	3 ¹	4 ³	4 ³
Water/Sewer Service Replacement (853)				
Utilities Maintenance Supervisor	1	0 ²	1 ³	1 ³
Utilities Maintenance Technician	2	3 ¹	3	3
Preventive Maintenance (854)				
Utilities Maintenance Supervisor	1	1	1	1
Utilities Maintenance Technician	4	4	4	4
Collection Maint. & Construction (856)				
Utilities Maintenance Supervisor	1	1	1	1
Utilities Maintenance Technician	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL	26	24	26	26

¹ Position reclassified

² Reduction in workforce

³ New position

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Systems Administration (100)			
Ice Machine	\$ 5,000	\$ 5,000	\$ 5,000
Portable Motorola Radio	3,000	3,000	3,000
Enclose Building	30,000	30,000	30,000
Water Distribution Maintenance (850)			
Portable Motorola Radio	3,000	3,000	3,000
Hydraulic Tool Pack	3,000	3,000	3,000
Hydra-Stop Fittings	3,700	3,700	3,700
New Construction (851)			
Hydraulic Tool Pack	3,000	3,000	3,000
Pipe Saw	1,600	1,600	1,600
Portable Motorola Radio	3,000	3,000	3,000
Service Replacement (853)			
Hydraulic Tool Pack	3,000	3,000	3,000
Portable Motorola Radio	3,000	3,000	3,000
Preventative Maintenance (854)			
Motorola Mobile Radio	3,000	3,000	3,000
Sewer Lateral Camera	7,000	7,000	7,000
Sewer Collection Maintenance (856)			
Motorola Mobile Radio	3,000	3,000	3,000
Water & Sewer Extensions (857)			
Water Line Extension	250,000	250,000	250,000
Sewer Line Extension	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
Total Capital Outlay	\$ 574,300	\$ 574,300	\$ 574,300

STATEMENT OF PURPOSE

To operate the City’s regional wastewater analysis laboratory and implement the City’s industrial pretreatment program.

DEPARTMENTAL PERFORMANCE GOALS

1. Continue providing technical and analytical support to the other Divisions within the Utilities Department in a cost-effective, professional manner.
2. Protect the wastewater collection and treatment system from the adverse effects of commercial and industrial discharges by maintaining a strong, effective industrial pretreatment program.
3. Investigate and determine sources of harmful discharges.
4. Promote and provide advice about greasetraps to commercial entities.
5. Develop and incorporate FOG (food, oil, and grease) components into sewer use and pretreatment ordinance.
6. Obtain commercial laboratory status for the water treatment plant laboratory with the State of North Carolina.
7. Integrate all laboratory bench sheets, reports, and forms with State reporting.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 437,518	\$ 402,696	\$ 415,773	\$ 412,918	\$ 412,918
Operating	87,964	95,860	96,067	101,340	101,340
Capital	-	17,750	28,500	28,500	28,500
TOTAL	\$ 525,482	\$ 516,306	\$ 540,340	\$ 542,758	\$ 542,758

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Technical Services Manager	1	0 ¹	0	0
Finance & Support Services Manager	0	1 ²	1	1
Laboratory Supervisor	1	1	1	1
Regulatory Compliance Technician	1	1	1	1
Laboratory Analyst	4	5 ³	5	5
Industrial Pretreatment Coordinator	1	1	1	1
Senior Office Assistant	.5	0 ⁴	0	0
TOTAL	8.5	9	9	9

¹ Reduction in workforce

² New position

³ Position reclassified from 811-811

⁴ Position reclassified to 813-100

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Technical Services (900)			
Portable Motorola Radio	\$ 3,000	\$ 3,000	\$ 3,000
Ion Gas Chromatograph	25,500	25,500	25,500
Total Capital Outlay	\$ 28,500	\$ 28,500	\$ 28,500

STATEMENT OF PURPOSE

To provide the City’s utility customers with a system capable of treating domestic and industrial waste generated by its utility customers using methods that satisfies the standards and requirements of various regulatory agencies.

DEPARTMENTAL PERFORMANCE GOALS

1. Process water discharge which complies with all environmental regulations.
2. Investigate alternatives for biosolid processing and thickening at our Town Creek Wastewater Treatment Plant.
3. Continue application of residual solids on approved acreage.
4. Prepare and make available to the public an annual wastewater system compliance report.
5. Abandon Spencer’s wastewater treatment plant and pump to Grants Creek Wastewater Treatment Plant.
6. Continue partnership with Rowan County (contract operations) for Highway 70 Wastewater Treatment Plant.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 678,859	\$ 663,217	\$ 686,699	\$ 681,807	\$ 681,807
Operating	821,630	820,791	822,232	814,171	814,171
Capital	-	8,550	-	-	-
TOTAL	\$ 1,500,489	\$ 1,492,558	\$ 1,508,931	\$ 1,495,978	\$ 1,495,978

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Administration (100)				
Wastewater Treatment Manager	1	0 ¹	0	0
Wastewater Treatment Supervisor	0	1 ¹	1	1
Senior Office Assistant	.5	0 ²	0	0
Town Creek WWTP (901)				
Senior Wastewater Plant Operator	0	1 ¹	1	1
Wastewater Plant Operator	5	4 ¹	4	4
Grant Creek WWTP (902)				
Senior Wastewater Plant Operator	0	1 ¹	1	1
Wastewater Plant Operator	5	4 ¹	4	4
Residuals Management (903)				
Residuals Manager	1	0 ¹	0	0
Residuals Supervisor	0	1 ¹	1	1
Residuals Operator	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
TOTAL	16.5	16	16	16

¹ Position reclassified

² Reduction in workforce

STATEMENT OF PURPOSE

To maintain, test, and read utility meters.

DEPARTMENTAL PERFORMANCE GOALS

1. Complete readings of all meters in a timely manner each month for billing purposes.
2. Test and verify the accuracy of large commercial meters on an annual basis.
3. Respond to customer concerns regarding high bills or problems with meters quickly and professionally.
4. Research the implementation of remote/radio reading technology.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 340,393	\$ 383,220	\$ 387,577	\$ 384,305	\$ 384,305
Operating	69,500	93,121	96,783	102,489	102,489
Capital	-	-	9,000	9,000	9,000
TOTAL	\$ 409,893	\$ 476,341	\$ 493,360	\$ 495,794	\$ 495,794

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Meter Maintenance (852)				
Meter Maintenance Supervisor	1	0 ¹	0	0
Senior Meter Mechanic	0	1 ¹	1	1
Meter Mechanic	2	2	2	2
Meter Reading (855)				
Meter Services Manager	1	0 ¹	0	0
Meter Reading Supervisor	1	1	1	1
Senior Meter Reader	0	1 ¹	1	1
Meter Reader	<u>5</u>	<u>6</u> ²	<u>6</u>	<u>6</u>
TOTAL	10	11	11	11

¹ Position reclassified

² Position added with Town of Spencer acquisition effective 10/1/2000

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Meter Services (855)			
Radix Units	\$ <u>9,000</u>	\$ <u>9,000</u>	\$ <u>9,000</u>
Total Capital Outlay	\$ 9,000	\$ 9,000	\$ 9,000

STATEMENT OF PURPOSE

To maintain the process equipment for the Utility’s water and wastewater facilities and oversee the maintenance of the buildings and grounds of the treatment plants.

DEPARTMENTAL PERFORMANCE GOALS

1. Continue to improve reliability of all lift stations in the Rockwell, Granite Quarry, and Town of Spencer’s sewer systems.
2. Work with Water/Sewer Division to identify leaks to correct inflow and infiltration problems.
3. Keep the plant process running efficiently by maintaining the treatment plant equipment.
4. Work with the plant personnel, engineers, and contractors in the upgrade and expansion of the Water Treatment Plant.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 486,181	\$ 462,231	\$ 433,601	\$ 430,226	\$ 430,226
Operating	765,650	867,000	866,079	883,112	883,112
Capital	-	3,500	-	-	-
TOTAL	\$ 1,251,831	\$ 1,332,731	\$ 1,299,680	\$ 1,313,338	\$ 1,313,338

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Administration (000)				
Plants Maintenance Manager	1	0 ¹	0	0
Plants Manager	0	1 ¹	1	1
Senior Office Assistant	.5	1 ²	0 ⁵	0 ⁵
F.M. Raw Water Supply (810)				
Plants Maintenance Technician	1	1	1	1
F.M. Water Treatment Plant (811)				
Plants Maintenance Technician	2	1 ¹	1	1
F.M. Water Maintenance (850)				
Plants Maintenance Supervisor	1	0 ³	0	0
F.M. Sewer Maintenance (856)				
Utilities Systems Supervisor	0	1 ¹	1	1
Systems Maintenance Technician	0	3 ¹	2 ⁶	2 ⁶
Plants Maintenance Technician	2	0 ¹	0	0
F.M. Town Creek WWTP (901)				
Plants Maintenance Supervisor	1	0 ⁴	0	0
Plants Maintenance Technician	1	1	2 ⁶	2 ⁶
F.M. Grant Creek WWTP (902)				
Plants Maintenance Supervisor	1	1	1	1
Plants Maintenance Technician	2	1 ¹	1	1
F.M. Residuals Management (903)				
Plants Maintenance Technician	<u>1</u>	<u>0</u> ¹	<u>0</u>	<u>0</u>
TOTAL	13.5	11	10	10

¹ Position reclassified

² Position reclassified from 811-811

³ Position reclassified to 817-100

⁴ Position reclassified to 721-800

⁵ Position reclassified to 811-811

⁶ Position reclassified within the division

STATEMENT OF PURPOSE

To provide for principal and interest payments on outstanding Water and Sewer Fund debt.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	1,771,224	4,120,900	6,128,966	4,959,650	4,959,650
Capital	-	-	-	-	-
TOTAL	\$ 1,771,224	\$ 4,120,900	\$ 6,128,966	\$ 4,959,650	\$ 4,959,650

DEPARTMENT - Capital Projects

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
Capital	-	325,641	-	-	-
TOTAL	\$ -	\$ 325,641	\$ -	\$ -	\$ -



CITY OF SALISBURY, NORTH CAROLINA
WATER AND SEWER CAPITAL RESERVE FUND
STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES

For the Year Ending June 30, 2003
With Estimated Actual for the Year Ending June 30, 2002 and
Actual for the Year Ended June 30, 2001

	2001 Actual	2002 Estimate	2003 Budget
REVENUES:			
Miscellaneous:			
Interest earned on investments	\$ 38,228	\$ 22,600	\$ 20,000
OTHER FINANCING SOURCES:			
Operating transfer from Water and Sewer Fund	304,265	304,265	312,101
Total revenues and other financing sources	\$ 342,493	\$ 326,865	\$ 332,101

FUND - Water and Sewer Capital Reserve

STATEMENT OF PURPOSE

The Water and Sewer Capital Reserve funds replacement cost of Water and Sewer Utility vehicles and computers and accrues reserves for future purchases.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	214,015	199,651	199,651	199,651
Capital	<u>228,870</u>	<u>115,250</u>	<u>162,850</u>	<u>132,450</u>	<u>132,450</u>
TOTAL	\$ 228,870	\$ 329,265	\$ 362,501	\$ 332,101	\$ 332,101

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Administration			
Computer Equipment	\$ 12,100	\$ 2,700	\$ 2,700
Total Capital Outlay	\$ 12,100	\$ 2,700	\$ 2,700
Utilities Engineering			
Computer Equipment	\$ 14,150	\$ 14,150	\$ 14,150
Replace #670 & #671 with 4WD Extended Cab Truck	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>
Total Capital Outlay	\$ 32,150	\$ 32,150	\$ 32,150
Maintenance & Construction			
Add 4WD Extended Cab Truck	\$ 19,900	\$ 19,900	\$ 19,900
Add 3/4 Ton 4WD Truck	<u>29,500</u>	<u>29,500</u>	<u>29,500</u>
Total Capital Outlay	\$ 49,400	\$ 49,400	\$ 49,400
Technical Services			
Computer Equipment	\$ 4,700	\$ 4,700	\$ 4,700
Replace #711 with 4WD Extended Cab Truck	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>
Total Capital Outlay	\$ 22,700	\$ 22,700	\$ 22,700
Wastewater Treatment Plants			
Computer Equipment	\$ 2,000	\$ 1,000	\$ 1,000
Add Fork Lift	<u>30,000</u>	<u>10,000</u>	<u>10,000</u>
Total Capital Outlay	\$ 32,000	\$ 11,000	\$ 11,000
Meter Services			
Computer Equipment	\$ 9,000	\$ 9,000	\$ 9,000
Total Capital Outlay	\$ 9,000	\$ 9,000	\$ 9,000
Facilities Maintenance			
Computer Equipment	\$ 5,500	\$ 5,500	\$ 5,500
Total Capital Outlay	\$ 5,500	\$ 5,500	\$ 5,500

CITY OF SALISBURY, NORTH CAROLINA

TRANSIT FUND

**STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES**

For the Year Ending June 30, 2003
With Estimated Actual for the Year Ending June 30, 2002 and
Actual for the Year Ended June 30, 2001

	2001	2002	2003
	Actual	Estimate	Budget
OPERATING REVENUES:			
Charges for services	\$ 78,014	\$ 75,687	\$ 89,500
NONOPERATING REVENUES:			
Intergovernmental	\$ 307,260	\$ 320,465	\$ 335,380
Miscellaneous revenues	27,614	13,683	16,000
Total nonoperating revenues	\$ 334,874	\$ 334,148	\$ 351,380
OTHER FINANCING SOURCES:			
Contributed Capital	\$ -	\$ 4,562	\$ 23,580
Operating Transfer from General Fund	160,282	160,282	160,282
Total other financing sources	\$ 160,282	\$ 164,844	\$ 183,862
Total revenues and other financing sources	\$ 573,170	\$ 574,679	\$ 624,742

CITY OF SALISBURY
FY 2002-2003 BUDGET SUMMARY
TRANSIT FUND

	Actual		Budgeted		Requested		Mgr Recommends		Adopted	
	FY 00-01		FY 01-02		FY 02-03		FY 02-03		FY 02-03	
REVENUE	\$	474,554	\$	495,335	\$	577,627	\$	624,742	\$	624,742
EXPENSES		Actual		Budgeted		Requested		Mgr Recommends		Adopted
		FY 00-01		FY 01-02		FY 02-03		FY 02-03		FY 02-03
TRANSIT - OPERATIONS										
Personnel	\$	318,061	\$	349,815	\$	362,947	\$	360,265	\$	360,265
Operations		143,292		108,457		133,962		116,962		116,962
Capital		-		-		-		-		-
TOTAL	\$	461,353	\$	458,272	\$	496,909	\$	477,227	\$	477,227
TRANSIT - ADMINISTRATION										
Personnel	\$	107,511	\$	95,629	\$	100,620	\$	99,919	\$	99,919
Operations		59,083		20,106		21,396		21,396		21,396
Capital		-		-		-		-		-
TOTAL	\$	166,594	\$	115,735	\$	122,016	\$	121,315	\$	121,315
TRANSIT - CAPITAL										
Personnel	\$	-	\$	-	\$	-	\$	-	\$	-
Operations		-		-		-		-		-
Capital		-		7,400		26,200		26,200		26,200
TOTAL	\$	-	\$	7,400	\$	26,200	\$	26,200	\$	26,200
GRAND TOTAL										
Personnel	\$	425,572	\$	445,444	\$	463,567	\$	460,184	\$	460,184
Operations		202,375		128,563		155,358		138,358		138,358
Capital		-		7,400		26,200		26,200		26,200
TOTALS	\$	627,947	\$	581,407	\$	645,125	\$	624,742	\$	624,742

STATEMENT OF PURPOSE

The Transit Administration Division of the Public Services Department provides a safe, efficient, and affordable transportation alternative to the general public in the cities of Salisbury, Spencer, and East Spencer; thus permitting greater accessibility to employment, social, recreational, educational, and medical facilities. The department also operates an ADA demand response paratransit system that includes three wheelchair lift-equipped vans for citizens unable to access fixed route vehicles because of mental or physical disabilities.

DIVISIONAL PERFORMANCE GOALS

1. Develop a plan to expand existing routes to areas currently not served.
2. Prepare and implement a plan to partially fund a maintenance shift supervisor.
3. Update the Drug and Alcohol policy as required by the Federal Transit Administration.
4. Develop and implement a passenger vehicle and system safety plan as recommended by the NCDOT.
5. Update fixed route maps and schedules.

PERFORMANCE MEASURES

	<u>FY96-97</u>	<u>FY97-98</u>	<u>FY98-99</u>	<u>FY99-00</u>	<u>FY00-01</u>
Passenger Trips	167,161	158,758	161,479	163,787	164,102
ADA Passengers	4,396	6,424	6,866	6,889	6,732

BUDGET REQUEST SUMMARY

	<u>Actual</u> <u>FY00-01</u>	<u>Budgeted</u> <u>FY01-02</u>	<u>Requested</u> <u>FY02-03</u>	<u>Mgr Recommends</u> <u>FY02-03</u>	<u>Adopted</u> <u>FY02-03</u>
Personnel	\$ 107,511	\$ 95,629	\$ 100,620	\$ 99,919	\$ 99,919
Operating	59,083	20,106	21,396	21,396	21,396
Capital	-	-	-	-	-
TOTAL	\$ 166,594	\$ 115,735	\$ 122,016	\$ 121,315	\$ 121,315

PERSONNEL DETAIL

<u>Position Title</u>	<u>Authorized</u> <u>FY 00-01</u>	<u>Authorized</u> <u>FY 01-02</u>	<u>Mgr Recommends</u> <u>FY 02-03</u>	<u>Adopted</u> <u>FY 02-03</u>
Transit Manager	1	1	1	1
Transit Dispatcher	1	1	1	1
TOTAL	2	2	2	2

DEPARTMENT - Public Services
DIVISION - Transit Operations

651

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 318,061	\$ 349,815	\$ 362,947	\$ 360,265	\$ 360,265
Operating	143,292	108,457	133,962	116,962	116,962
Capital	-	-	-	-	-
TOTAL	\$ 461,353	\$ 458,272	\$ 496,909	\$ 477,227	\$ 477,227

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Transit Operator	6	7 ¹	6 ²	6 ²
Mechanic/Master Mechanic	2	2	2	2
Fleet Services Shift Supervisor	0	0	.5 ²	.5 ²
Transit Operator (Temp/Part-Time)	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL	11	12	11.5	11.5

¹ New position

² Position reclassified with shared funding with Fleet

DEPARTMENT - Public Services
DIVISION- Transit Capital Outlay

653

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
Capital	-	<u>7,400</u>	<u>26,200</u>	<u>26,200</u>	<u>26,200</u>
TOTAL	\$ -	\$ 7,400	\$ 26,200	\$ 26,200	\$ 26,200

CAPITAL OUTLAY

	Requested FY 02-03	Mgr Recommends FY 02-03	Adopted FY 02-03
Computer	\$ 3,200	\$ 3,200	\$ 3,200
Four Post Vehicle Lift	<u>23,000</u>	<u>23,000</u>	<u>23,000</u>
Total Capital Outlay	\$ 26,200	\$ 26,200	\$ 26,200

CITY OF SALISBURY, NORTH CAROLINA

SPECIAL REVENUE FUNDS

**STATEMENT OF REVENUES
AND OTHER FINANCING SOURCES**

For the Year Ending June 30, 2003
With Estimated Actual for the Year Ending June 30, 2002 and
Actual for the Year Ended June 30, 2001

	<u>2001</u> <u>Actual</u>	<u>2002</u> <u>Estimate</u>	<u>2003</u> <u>Budget</u>
REVENUES:			
Intergovernmental:			
Federal	\$ 272,765	\$ 388,000	\$ 501,000
Miscellaneous:			
Interest earned on investments	\$ 357	\$ -	\$ -
Other	<u>345,844</u>	<u>350,000</u>	<u>150,000</u>
	<u>\$ 346,201</u>	<u>\$ 350,000</u>	<u>\$ 150,000</u>
Total revenues	<u>\$ 618,966</u>	<u>\$ 738,000</u>	<u>\$ 651,000</u>

FUND – Special Revenue Funds

STATEMENT OF PURPOSE

The Special Revenue Funds account for the operations of the City's Community Development programs as financed by the U.S. Department of Housing & Urban Development and the Cabarrus/Iredell/Rowan HOME consortium.

BUDGET REQUEST SUMMARY

	Actual FY00-01	Budgeted FY01-02	Requested FY02-03	Mgr Recommends FY02-03	Adopted FY02-03
Personnel	\$ 7,487	\$ -	\$ 35,289	\$ 35,289	\$ 35,289
Operating	559,662	1,191,990	615,711	615,711	615,711
Capital	-	-	-	-	-
TOTAL	\$ 567,149	\$ 1,191,990	\$ 651,000	\$ 651,000	\$ 651,000

PERSONNEL DETAIL

Position Title	Authorized FY 00-01	Authorized FY 01-02	Mgr Recommends FY 02-03	Adopted FY 02-03
Minimum Housing/Inspection Specialist	0	0	1 ¹	1 ¹
TOTAL	0	0	1	1

¹Position transferred from the General Fund

DESCRIPTION OF CAPITAL IMPROVEMENT PROGRAM

FISCAL YEARS 2003 - 2007

The Capital Improvement Program (CIP) contains the budgeted and proposed capital improvements by project description, proposed funding source, and scheduled costs. The CIP is a planning and financial tool for the City to prepare for future needs. The City's CIP is in two parts. The first part covers the proposed capital improvements in the General Fund. The second covers those improvements in the Water and Sewer Fund. A brief narrative is provided for each proposed project. Following the narratives, a detailed CIP schedule for each fund is presented.

General Fund CIP

The following projects have been proposed over the next five years in the General Fund. Funding has been provided for the FY2002-03 projects in the budget.

City Office Building: Future plans include roof repairs, exterior cleaning and weatherproofing, construction of a parking lot addition, and complete installation of a building-wide sprinkler system.

Impact on Operations: *There will be no impact on operations.*

Police Headquarters: Improvements have been proposed as the result of a facilities assessment that include the renovation of the second floor, installation of a new roof, exterior and interior wall repairs, new carpet and paint.

Impact on Operations: *There will be no impact on operations. There may be an impact on debt service costs if the City decides to finance the construction costs. The estimated debt service for the improvements would be \$137,000 annually.*

The Plaza: Future improvements include HVAC Replacement, up-dating the paint and carpeting throughout, and a structured replacement of appliances in the apartments.

Impact on Operations: *There will be no impact on operations.*

HVAC Repairs to Various Facilities: The City is continuing repair and replacement of outdated HVAC systems.

Impact on Operations: *There will be no impact on operations.*

Fire Department: Future improvements include paving a parking lot, window replacement, roof replacement, and construction of a drafting pit at Station 51. At Station 52 future improvements include the repaving of the station's front apron, roof replacement, and window replacement. Improvements at Station 53 include remodeling the bathroom and replacing its concrete drive. It is also anticipated that a new fire station will be constructed in FY07. This station is needed to protect the growth around the Salisbury Mall/Highway 70 area.

Impact on Operations: *The greatest impact of the CIP on General Fund operations will be in the construction and staffing of the new fire station. Currently, the estimated additional personnel, operations and debt service costs will be approximately \$826,000 annually. There will be no impact on operations for the other improvements.*

Public Services – Street Division – Equipment/Materials Storage/Office and Parking Addition: The City has an old landfill that is used for storage of materials such as compost, dirt, road salt, and sand. Storage facilities are needed to keep these materials dry and allow for continuation of work projects regardless of weather conditions. Additionally, future improvements include an addition to the office, employee parking, and enclosing an equipment bay.

Impact on Operations: *There will be no impact on operations.*

Public Services – Cemeteries: The wall around Old Lutheran Cemetery will be replaced and the Chestnut Hill Cemetery parking lot will be resurfaced. Future improvements include a wrought iron fence around Chestnut Hill.

Impact on Operations: *There will be no impact on operations.*

Public Services – Hurley Park: Implement various improvements to the Park including a new deck at the pond and new benches.

Impact on Operations: There will be no impact on operations.

Public Services-Fleet Management Facility: Due to the growth in the City’s fleet and the size of certain vehicles, the Fleet building will require an addition and equipping.

Impact on Operations: There will be no impact on operations, but may impact debt service as debt is issued to finance the addition.

Parks and Recreation – Various Park Improvements: Funding is recommended to continue improving the state of the parks and replace old and worn equipment and facilities.

Impact on Operations: There will be no impact on operations. A constant amount of funding is appropriated annually to improve and renovate park equipment and facilities.

Sports Complex Renovation: As this facility ages, future renovations will be required to repair the fields and buildings. The fields need to be properly graded to promote adequate drainage, then re-seeded.

Impact on Operations: There will be no impact on operations

Town Creek Park Development: The Town Creek Park would be developed to include multipurpose fields, walking trails, and basketball courts. Future costs associated with Town Creek include the construction of a gymnasium, replacement of the existing pool, and development of greenspace.

Impact on Operations: Will increase debt service approximately \$183,000 annually and require additional annual operational expenditures of \$50,000.

Parks and Recreation – Bankshot Basketball: Future plans include installing a new bankshot basketball court.

Impact on Operations: There will be no impact on operations.

Parks and Recreation – Park Land Acquisition: Future plans include acquiring new land for parks.

Impact on Operations: There will be no impact on operations.

Impact on Operations in General Fund – Most capital improvements will not have a major impact on the operating costs of the General Fund except for the staffing and operations of a new fire station. A constant amount of funding is set aside in the General Fund Budget for improvements to upgrade aging and inadequate offices and buildings.

Water and Sewer Fund CIP

With the issuance of \$20,505,000 Combined Enterprise System Revenue Bonds on April 16, 2002 together with agreements with Rowan County for \$7,800,000 and Rowan County Power, LLC for \$7,500,000, the City has funded a majority of the major capital projects for the next couple years. Funds raised from this bond offering and funding agreements will provide funds for water line extensions and replacements, increased capacity of the water plant, new raw water lines, and other projects.

The Water and Sewer Fund's CIP is divided into water projects and sewer projects. The following water projects have been proposed over the next five years. Funding has been provided for the FY2002-03 projects in the budget.

Annexation Area: Future annexation plans will, if approved, necessitate the extension of both water and wastewater lines.

Water Line Repair and Replacement: Each year, the City budgets funds to repair and replace our aging water distribution system. Actual projects are identified and prioritized annually.

Water Line Extensions: Each year the City budgets funds to extend water lines in accordance with the Water/Sewer Extension Policy. Actual projects are identified and prioritized annually.

Raw Water Intake: Our existing raw water intake facility is located on the Yakin River. It currently has the capability to withdraw 18 million gallons daily (MGD). With the expansion of the capacity of the Water Treatment Plant to 24 MGD, a new raw water intake will need to be built.

Raw Water Pump Station: The existing raw water pump station has the capacity to pump 18 MGD of water from the raw water intake facility. With the expansion of the capacity of the Water Treatment Plant to 24 MGD and the construction of a new raw water intake facility, a new raw water pump station will need to be built.

The following sewer projects have been proposed over the next five years.

Sewer Line Repair and Replacement: Each year, the City budgets funds to repair and replace our aging sewer collection system. Actual projects are identified and prioritized annually.

Sewer Line Extensions: Each year, the City budgets funds to extend sewer lines in accordance with the Water/Sewer Extension Policy. Actual projects are identified and prioritized annually.

Grant Creek and Town Creek WWTP Upgrade: The State of North Carolina is not proposing nutrient limits as part of the basinwide management plan. Therefore, it is possible that we could operate the two existing WWTPs for an additional 10 to 15 years before a new combined WWTP would have to be built. In order to operate the aging facilities for that length of time and maintain compliance, it will be necessary to replace and upgrade existing equipment and consider the construction of additional clarifiers and tertiary treatment such as sand filters.

Impact on Operations in Water/Sewer Fund - These capital improvements will not have an adverse impact of the operating costs of the Water and Sewer Fund. Currently, no additional staffing is proposed due to any CIP project, either for construction or ongoing operation. The proposed improvements are needed for upgrading aging infrastructure, providing services to new areas, equipping the system with backup and meeting mandates from State and federal government.

The City participates in extension projects that have an approximate 10-year payback, based on availability of funds in each budget year. During FY2002-03, the City is budgeting \$500,000 for extension projects. Any costs beyond the estimated payback or availability of funds are required to be paid by the developer.

Debt service requirements for the CIP are calculated in the Water/Sewer rate structure. The City does not anticipate issuing any additional debt during FY2002-03. Utility rates including operations and debt service for residential customers are projected to increase an average of 6.83% in FY2002-03.

**CAPITAL IMPROVEMENT PROGRAM (FY 2003-07)
GENERAL FUND SCHEDULE**

PROJECT DESCRIPTION (\$ 000's)	PROPOSED FUNDING SOURCE	TOTAL PROJECT COST FY 03-07	FIVE YEAR SCHEDULE (FY)				
			2002-03	2003-04	2004-05	2005-06	2006-07
BUILDINGS AND GROUNDS							
City Office Building	General Fund	\$ 381	\$ -	\$ 301	\$ 46	\$ 17	\$ 17
Police Headquarters	Lease Purchase	1,054	-	1,054	-	-	-
The Plaza	General Fund	158	46	26	27	27	32
HVAC Repairs to Various Facilities	General Fund	157	25	42	30	30	30
Fire Department							
Miscellaneous Improvements	General Fund	383	-	155	127	101	-
Construct new Fire Station	Lease Purchase	1,700	-	-	-	-	1,700
Addition and Equipping Fleet Management Facility	Lease Purchase	339	-	289	50	-	-
Equipment/Materials Storage/ Office Addition - Street Division	General Fund	250	-	50	50	20	130
Facility Improvements- Cemetery Division	General Fund	46	8	18	10	10	-
Hurley Park Improvements	General Fund	24	-	24	-	-	-
PARKS & RECREATION							
Park Improvements	General Fund	550	100	100	100	125	125
Sports Complex Renovations	General Fund	250	-	-	-	-	250
Town Creek Park Development							
Gym	General Obligation	1,500	-	1,500	-	-	-
Pool	Bonds	500	-	500	-	-	-
Park Development		400	-	200	-	200	-
Bankshot Basketball	General Fund	40	-	-	40	-	-
Park Land Acquisition	General Fund	100	-	-	100	-	-
TOTAL GENERAL FUND		\$ 7,451	\$ 179	\$ 3,958	\$ 534	\$ 513	\$ 2,267

**CAPITAL IMPROVEMENT PROGRAM (FY 2003-07)
WATER AND SEWER FUND SCHEDULE**

PROJECT DESCRIPTION (\$ 000's)	PROPOSED FUNDING SOURCE	TOTAL PROJECT COST FY 03-07	FIVE YEAR SCHEDULE (FY)				
			2002-03	2003-04	2004-05	2005-06	2006-07
WATER IMPROVEMENTS							
Annexation Area	Revenue Bonds	\$ 1,359	\$ -	\$ -	\$ 1,359	\$ -	\$ -
New Intake Facility	Revenue Bonds	10,000	-	-	-	-	10,000
New Pump Station	Revenue Bonds	4,100	-	-	-	-	4,100
Water Storage Tanks	Revenue Bonds	2,600	-	2,600	-	-	-
Water Line Repair	W/S Rates	500	100	100	100	100	100
Water Line Extension	W/S Rates	1,250	250	250	250	250	250
TOTAL WATER IMPROVEMENTS		\$ 19,809	\$ 350	\$ 2,950	\$ 1,709	\$ 350	\$ 14,450
SEWER IMPROVEMENTS							
Annexation Area	Revenue Bonds	\$ 2,704	\$ -	\$ -	\$2,704	\$ -	\$ -
Grant Creek WWTP Upgrade	Revenue Bonds	2,100	-	-	-	1,050	1,050
Town Creek WWTP Upgrade	Revenue Bonds	2,100	-	-	-	1,050	1,050
Sewer Line Repair	W/S Rates	1,000	200	200	200	200	200
Sewer Line Extension	W/S Rates	1,250	250	250	250	250	250
TOTAL SEWER IMPROVEMENTS		\$ 10,054	\$ 450	\$ 1,350	\$ 3,154	\$ 2,550	\$ 2,550
TOTAL WATER/SEWER IMPROVEMENTS		\$ 29,863	\$ 800	\$ 4,300	\$ 4,863	\$ 2,900	\$ 17,000



DEBT MANAGEMENT PROGRAM

OUTSTANDING DEBT

As of June 30, 2002, the City of Salisbury will have \$62,551,534 in outstanding debt for all funds. The type of debt and the breakdown between funds are shown below:

General Fund:	
General obligation bonds	\$ 2,825,000
Capital leases	<u>2,434,349</u>
	<u>\$ 5,259,049</u>
Water and Sewer Fund:	
General obligation bonds	\$ 16,080,000
Revenue bonds	22,270,000
Capital leases	3,874,595
State Clean Water Revolving Loans	<u>15,067,590</u>
	<u>\$ 57,292,185</u>
Total	<u>\$ 62,551,234</u>

General Fund

The City has lease agreements to finance the acquisition of various equipment. These agreements qualified as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, were recorded at the present value of the future minimum lease payments as of the date of their inception. These lease agreements are outlined as follows:

Lease for capital improvements and acquisition of facilities from Wachovia Bank of North Carolina, dated December 1, 1996, payable in fourteen semi-annual installments of \$149,222.75 at an effective annual interest rate of 4.91%.

Lease for capital building improvements from BB&T, dated December 29, 1999, payable in twenty semi-annual installments of \$63,331.96 at an effective annual interest rate of 4.73%.

Lease for fire truck from First Bank, dated June 29, 2000, payable in eight semi-annual installments of \$83,447.92 at an effective interest rate of 5.20%.

Lease for capital improvements of facilities from Bank of America, dated December 22, 2000, payable in thirty semi-annual installments varying from \$59,875 on June 22, 2001 to \$34,223 on December 22, 2015 at an effective interest rate of 5.3251%.

The construction and improvements to facilities funded by Wachovia Bank of North Carolina and BB&T are complete. The construction and improvements to facilities funded by Bank of America are currently under construction. All improvements are recorded at their construction cost upon completion. The fire truck, funded by First Bank, has been recorded at the present value of the future minimum lease payments as of the date of its inception.

The City issued \$373,000 general obligation bonds in November 1993. These bonds were designated for improvements to downtown parking facilities in the amount of \$273,000, while the balance of \$100,000 was for construction of recreation facilities. These bonds were issued at an average interest rate of 4.846%, maturing serially to 2004.

In November 1995, the City issued \$355,000 general obligation bonds for parks and recreational improvements. These bonds were issued at an average rate of 5.2756%, maturing serially to 2006.

In December 1997, the City issued \$3,000,000 general obligation bonds for parks and recreational improvements. These bonds were issued at an average rate of 4.79%, maturing serially to 2017.

Future maturities and interest on General Fund long-term debt are:

Year Ending	General Obligation Bonds		Capital Leases		Total							
	June 30,	Principal	Interest	Principal	Interest	Principal	Interest					
2003	\$	180,000	\$	136,020	\$	590,401	\$	115,292	\$	770,401	\$	251,312
2004		180,000		127,210		467,497		85,542		647,497		212,752
2005		200,000		118,400		165,771		67,484		365,771		185,884
2006		190,000		108,650		170,514		59,192		360,514		167,842
2007		200,000		99,550		175,484		50,674		375,484		150,224
2008		200,000		90,050		180,692		41,995		380,692		132,045
2009		200,000		80,550		186,149		32,911		386,149		113,461
2010		200,000		70,950		128,535		23,644		328,535		94,594
2011		200,000		61,350		66,667		18,633		266,667		79,983
2012		200,000		51,750		66,667		15,123		266,667		66,873
2013		200,000		42,150		66,667		11,535		266,667		53,685
2014		200,000		32,550		66,667		7,987		266,667		40,537
2015		200,000		22,950		66,667		4,438		266,667		27,388
2016		200,000		13,350		33,333		890		233,333		14,240
2017		75,000		3,750		-		-		75,000		3,750
Totals	\$	2,825,000	\$	1,059,230	\$	2,431,710	\$	535,340	\$	5,256,710	\$	1,594,570

Water and Sewer Fund

Long-term debt of the Water and Sewer Fund includes the following general obligation and revenue bond issues:

	Balance
	<u>June 30, 2002</u>
Sanitary Sewer Series 1989, average rate of 6.5245%, issued July 1989, maturing serially to 2008	\$ 575,000
Sanitary Sewer Series 1992, average rate of 6.0982%, issued January 1992, maturing serially to 2011	600,000
Refunding Series 1993, average rate of 4.1860%, issued November 1993, maturing serially to 2008	1,605,000
Water and Sanitary Sewer Series 1995, average rate of 5.2756%, issued November 1995, maturing serially to 2015	10,350,000
Water Bonds Series 1997, average rate of 4.79%, issued December 1997, maturing serially to 2008	400,000
Combined Enterprise Revenue Series 1998A, average rate of 4.87%, issued January 1998, maturing serially to 2018	1,765,000
Combined Enterprise Revenue Series 2002, average rate of 4.84%, issued April 2002, maturing serially to 2022 with terms in 2020 and 2027	20,505,000
Water Bonds Series 1998, average rate of 4.4%, issued June 1998, maturing serially to 2017	<u>2,550,000</u>
	<u>\$17,845,000</u>

The general obligation bonds were issued to finance the construction of facilities utilized in the operations of the water and sewer systems and are being retired by the resources of the Water and Sewer Fund. These bonds bear interest, payable semiannually, and are collateralized by the full faith, credit, and taxing power of the City. The

combined enterprise revenue bonds were issued to finance the construction of facilities utilized in the operations of the water and sewer systems and are being retired by the resources of the Water and Sewer Fund. These bonds bear interest, payable semiannually, and are collateralized by the receipts of only the Water and Sewer Fund.

The Revenue Bond General Trust Indenture requires that the City must maintain certain debt covenants relating to reporting requirements, annual budgets, and minimum utility funds revenues. Net revenues available for revenue bond debt service can not be less than one hundred twenty percent (120%) of the long-term debt service requirement for parity indebtedness. The calculations of the City's revenue bond coverage for the last three years are as follows:

Fiscal Year	Gross Revenues (1)	Operating Expenditures(2)	Net Revenues Available for Revenue Bond Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
1999	\$ 12,182,228	\$ 8,536,338	\$ 3,645,890	\$ 342,506	\$ 372,041	\$ 714,547	510.24%
2000	12,050,171	8,968,739	3,081,432	337,506	354,327	691,833	445.40%
2001	12,715,931	8,635,605	4,080,326	952,506	577,160	1,529,666	266.75%

(1) Total operating revenues plus investment earnings exclusive of revenue bond investment earnings.

(2) Total operating expenses exclusive of depreciation.

(3) Parity debt includes revenue bonds and N. C. State Clean Water Bonds only.

The City refunded a portion of the Sanitary Sewer Series 1988 bonds in November 1993. These bonds were refunded at an average interest rate of 4.1860%, which produced a net interest cost savings of \$174,748.

The City has entered into various agreements to lease certain water and sewer distribution systems. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. Interest rates on these agreements range from 3.385% to 5.6%. The City has recorded water and sewer assets related to these leases at their fair market value of \$7,898,494. The future minimum lease payments at June 30, 2002 total \$5,150,134, including \$1,275,540 of interest. Upon completion of these lease payments the City will take ownership of the related assets.

In addition to this debt, the City also owes the State of North Carolina for debt issued through its Clean Water Revolving Loan program. Total Clean Water Debt is composed of the following four loans:

	Balance June 30, 2002
Clean Water Loan for Sewer purposes, average rate of 5.03%, issued July 1989, maturing serially to 2017	\$ 3,750,000
Clean Water Loan for Water purposes, average rate of 5.03%, issued January 1992, maturing serially to 2017	337,590
Clean Water Loan for Sewer purposes, average rate of 2.60%, issued June 1998, maturing serially to 2017	8,280,000
Clean Water Loan for Water purposes, average rate of 2.60%, issued January 1999, maturing serially to 2017	<u>\$2,700,000</u>
	<u>\$15,067,590</u>

Future maturities and interest of Water and Sewer Fund for all types of long-term debt are:

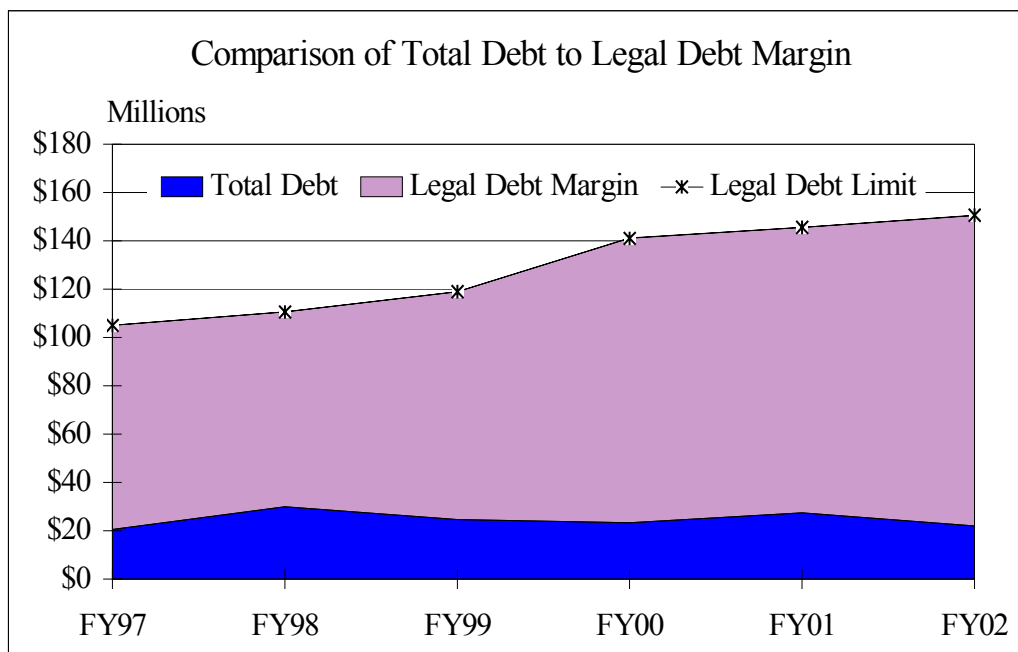
Year Ending June 30,	General Obligation Bonds		Revenue Bonds		Clean Water Bonds		Capital Leases		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2003	1,275,000	819,510	225,000	792,939	882,506	502,122	263,312	158,108	2,645,818	2,272,680
2004	1,270,000	756,173	590,000	980,659	882,506	471,819	269,677	147,763	3,012,183	2,356,414
2005	1,275,000	693,045	610,000	963,411	882,506	441,517	271,109	137,071	3,038,615	2,235,044
2006	1,275,000	629,603	630,000	945,591	882,506	411,214	270,612	126,307	3,058,118	2,112,715
2007	1,270,000	565,955	650,000	925,580	882,506	380,911	264,190	115,559	3,066,696	1,988,005
2008	1,215,000	502,518	675,000	903,788	882,506	350,608	260,847	104,983	3,033,353	1,861,897
2009	1,175,000	438,900	700,000	879,725	882,506	320,305	267,585	94,604	3,025,091	1,733,534
2010	1,175,000	377,850	730,000	853,890	882,506	290,003	274,409	83,860	3,061,915	1,605,603
2011	1,175,000	316,800	760,000	906,333	882,506	259,700	276,324	72,745	3,093,830	1,555,578
2012	1,175,000	255,700	795,000	792,505	882,506	229,397	283,334	61,480	3,135,840	1,339,082
2013	1,175,000	195,000	835,000	757,145	882,506	199,094	240,799	50,370	3,133,305	1,201,609
2014	1,175,000	134,625	870,000	723,478	882,506	168,791	240,799	40,830	3,168,305	1,067,724
2015	1,175,000	73,250	910,000	686,909	882,506	138,488	240,799	31,260	3,208,305	929,907
2016	175,000	12,375	950,000	647,972	882,506	108,186	240,799	21,690	2,248,305	790,222
2017	100,000	4,500	995,000	606,493	882,506	77,883	60,000	12,120	2,037,506	700,995
2018	-	-	1,045,000	562,162	610,000	47,580	60,000	8,670	1,715,000	618,412
2019	-	-	935,000	515,000	610,000	31,720	50,000	5,220	1,595,000	551,940
2020	-	-	980,000	468,250	610,000	15,860	30,000	2,320	1,620,000	486,430
2021	-	-	1,030,000	419,250	-	-	10,000	580	1,040,000	419,830
2022	-	-	1,080,000	367,750	-	-	-	-	1,080,000	367,750
2023	-	-	1,135,000	313,750	-	-	-	-	1,135,000	313,750
2024	-	-	1,195,000	257,000	-	-	-	-	1,195,000	257,000
2025	-	-	1,250,000	197,250	-	-	-	-	1,250,000	197,250
2026	-	-	1,315,000	134,750	-	-	-	-	1,315,000	134,750
2027	-	-	1,380,000	69,000	-	-	-	-	1,380,000	69,000
Totals	\$ 16,080,000	\$ 5,775,803	\$ 22,270,000	\$ 15,670,578	\$ 15,067,590	\$ 4,445,198	\$ 3,874,595	\$ 1,275,540	\$ 57,292,185	\$ 27,167,119

PROPOSED DEBT

The City of Salisbury currently does not anticipate issuing any additional debt during FY2002-03.

LEGAL DEBT MARGIN

As shown, the City has maintained an ample legal debt margin. This margin is based on a debt limit of eight percent of assessed valuation less total debt as required by North Carolina General Statutes. The margin allows for the incurring of proposed debt to finance the needed water and sewer infrastructure projects as outlined in Section X - CAPITAL IMPROVEMENT PROGRAM. Furthermore, the City complies with the Debt Management Policy as defined on page 2-4.



Computation of Legal Debt Margin at June 30, 2002

Debt limit: Assessed value of \$1,884,427,434 x 8%		\$ 150,754,195
Amount of debt applicable to debt limit:		
Total bonded debt	\$ 18,905,000	
Total capitalized lease obligation	<u>6,306,305</u>	
Total outstanding debt	\$ 25,211,305	
Less:		
Deductions allowed for water bonds issued	<u>2,950,000</u>	
Total amount of debt applicable to debt limit		<u>22,261,305</u>
LEGAL DEBT MARGIN		<u>\$ 128,492,890</u>

DIRECT AND OVERLAPPING DEBT⁽¹⁾

The table below shows the computation of direct and overlapping debt from the City and Rowan County. These amounts are as of June 30, 2001.

	Net General Obligation Debt <u>Outstanding</u>	Percentage Applicable to City of <u>Salisbury</u>	City of Salisbury's <u>Share of Debt</u>
City of Salisbury	\$ 3,025,000	100.00%	\$ 3,025,000
Rowan County ⁽²⁾	32,400,000	24.15%	<u>7,824,600</u>
Total direct and overlapping debt			<u><u>\$ 10,849,600</u></u>

⁽¹⁾ Based on assessed valuation.

⁽²⁾ Net debt and assessed valuation figures provided by Rowan County



BALANCING COSTS AND SERVICES

A Five Year Service Level and Revenue Projection With Analysis

The Shopping Trip

You have just parked in the supermarket's parking lot and gone inside. As you stand at the beginning of the first aisle with your shopping cart, you see a variety of items for sale on the shelves. Some goods are necessities such as bread and milk. Others are luxuries such as smoked salmon or lobster. In selecting items and placing them in your shopping cart, you note the differences in quality, quantity, and price. As you are completing your trip to the supermarket, you arrive at the check-out counter. It is at this point that you have an opportunity to calculate the total cost of the individual selections that were made, and whether or not you have funds available to purchase them. Not wanting to come up short at the check-out counter, you have had to carefully select each item in accordance with your shopping list. Decisions and choices were made. You feel comfortable with the results.

Service Levels

Selecting levels of municipal services for the citizens of Salisbury is a lot like a trip to the supermarket. Decisions on service levels for various municipal services must be made in accordance with our "shopping list." For example, decisions regarding the selection of the City's Insurance Services Office (I.S.O.) fire rating must be made. There are significant differences in the level of fire service offered by a volunteer fire department and a class two I.S.O. rated fire department. Questions regarding the number of lane miles of roads to be resurfaced and the amount of police patrol must be decided. Priorities must be set in order to select not only the different kinds of services to be offered the citizens of Salisbury, but the varying levels of services offered. Both quality of service and cost must be considered.

In the following analysis, each service department has prepared cost estimates to provide three different levels of service. Included in this analysis is the purpose of the department, a graph of the three expenditure projections, and a description of the services provided, eliminated, or added.

The current service level represents the level of service that the department currently provides the public or other City departments. The reduced service level represents a level of service below that currently provided. It may include such items as reduced manpower, elimination of capital expenditures, reduced maintenance of equipment and facilities, or elimination of a current program. An enhanced service level represents a higher level of service than currently provided. This enhanced service level can include such items as additional personnel, additional capital expenditures, or new programs. Using FY02 as the base year, each level of service was evaluated and cost estimates developed for a five year period. These estimates detail personnel, operations, and capital outlay.

In reviewing each department's three service levels, City Council has the opportunity to determine the financial impact of selecting various levels of municipal services for our citizens. Some departments' reduced service levels represent elimination or shifting of personnel, and the elimination or deferral of capital outlay, special projects, and specific programs.

This listing of service levels is similar in many respects to our trip to the supermarket. North Carolina General Statutes require the City to provide certain services. Other services may be selected based on the desire of our citizens and their willingness to pay for a particular level of service.

Revenue Structure

The City's General Fund has five major sources of revenues: taxes, licenses and permits, intergovernmental revenue, charges for services, administrative revenue, and miscellaneous revenue. Taxes are composed of property, sales, and dog taxes. Licenses and permits are composed of privilege licenses and cable television franchise fees. Intergovernmental revenues are composed of grants, state-shared revenues, and reimbursements. Charges for services are composed of user fees and reimbursed charges. Administrative revenue represents the Water and Sewer Fund contribution to the operations of the General Fund. Miscellaneous revenues are composed of interest revenue, sales, and revenues not allocated elsewhere.

It would appear that with these various revenue sources, the generation of revenue to meet service level expenditure requirements would be a simple task. This, however, is not the case.

Revenues available to finance our local government can be characterized as either "elastic" or "inelastic." Elastic revenues are highly responsive to changes in the economic base and inflation. As the economic base expands or inflation goes up, elastic revenues rise in roughly proportional or greater amounts. Likewise, they go down during times of deflation and recession. For example, sales tax revenue, though the tax rate remains the same, increases during better economic periods due to the increase in retail business and declines during poor times. Yields from inelastic revenue sources, such as user fees and charges, are somewhat unresponsive to changes in economic conditions and require that government officials change fees and charges to obtain a change in revenue. Most City revenue sources are inelastic. Two of the few remaining elastic revenues the City has are sales tax revenue and privilege licenses.

Several revenue types such as Powell Bill, intangibles taxes, sales taxes, and 80% retailers' and wholesalers' inventory reimbursement are distributed within Rowan County based on either population or tax levy. As Rowan County has raised its tax levy over the past several years, our percentage of those revenues based on tax levy has decreased. Additionally, increased population in Rowan County and other County municipalities has decreased Salisbury's share of those revenues based on populations. The increase in the tax rate for FY00 resulted in the City getting a slightly larger share of these revenues during FY01. However, the final census count resulted in the City having a smaller share of those revenues in FY02. In addition, three companies including one that was one of our top ten taxpayers closed in 2000. Their closing will affect the assessed values of the City beginning in FY01 and will result in the City of Salisbury having a smaller percentage of these revenues in future years. Our overall share of these revenues is going to continue to decline without annexation or extensive new growth annually.

City revenues also face another limitation; the State tampering with state-shared revenues and reimbursements. In the past, the State has eliminated property tax on retail, wholesale, and manufacturers' inventories. They then placed a cap on income to municipalities from intangible taxes, utility franchise taxes, and inventory reimbursements. This cap on utility franchise taxes expired in FY95. Intangible taxes has been repealed by the General Assembly and replaced with an annual appropriation. Both the intangible tax and inventory reimbursements are subject

annually to the whims of the General Assembly for funding and as we have seen the last two years, also subject to being withheld by the Governor to balance the State's budget if needed. During February of 2002 the City also discovered that other revenues that are collected by the State and remitted to the City are subject to being withheld by the Governor to balance the State budget.

The City directly controls only property taxes, user fees and charges, privilege licenses, and the Water and Sewer Fund contribution (which is actually a reimbursement for services performed in the General Fund for the Water and Sewer Fund). These four revenues are the only ones that City Council can increase or decrease at will. During FY02, these four sources in the General Fund will account for 70% of the total revenue. If the State returns the withheld funds prior to the end of FY02, the percentage would be 65%. The City lacks control over all other revenues.

Property taxes may be adjusted in two ways. The tax rate can be either changed, and/or the assessed value of the property can be raised or lowered. Each year, City Council sets the property tax rate as part of adopting the annual budget ordinance.

User fees and charges for some services have been established to reimburse the City for all or part of the cost for that service. City Council has absolute control over both services for which to levy a fee and the amount of the fee.

Privilege licenses are controlled by both the State and City Council. A city may levy a privilege license on certain types of businesses and professions as established by State Statutes. The State also sets a maximum rate for some businesses and professions. Most businesses, however, do not have a maximum license rate or amount. City Council has the authority to set a license rate and/or amount for these businesses.

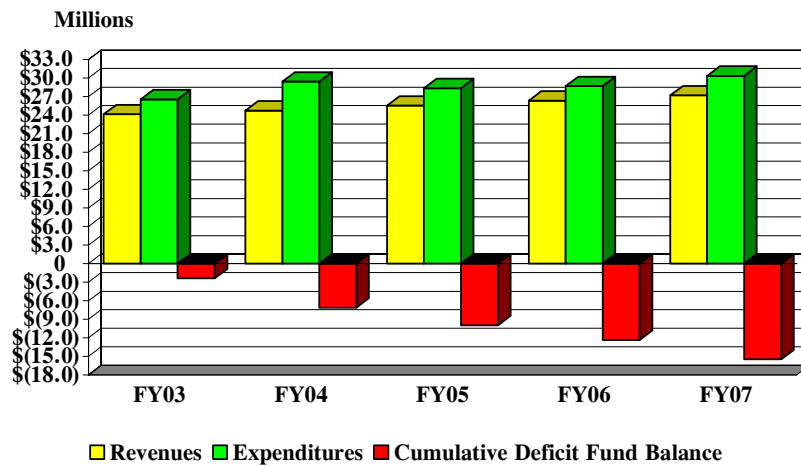
Administrative revenue is the Water and Sewer Fund's contribution to the operations of the General Fund. It represents the Water and Sewer Fund's share of expenses incurred in the General Fund for such things as water and sewer billing, financial administration, fleet management, purchasing, personnel administration, legal, and general management services. The funding of the contribution is a component of the water and sewer rates set by City Council and should not exceed the actual costs incurred in the General Fund for the Water and Sewer Fund's operations.

In summary, most City revenues can be characterized as inelastic with no City control. The City controls only property taxes, user fees and charges, privilege licenses, and administrative revenue.

Comparison Of Projected Expenditures For Five Years To Forecasted Revenues

As shown in Exhibit 1 on the next page, projected expenditures are anticipated to exceed projected revenues over the next five years at current service levels. There are two primary reasons for revenues lagging behind expenditures. First, the economy has been slowing over the past year and is expected to slow a bit more yet. One of the City's primary revenue sources is sales tax as discussed earlier. With the economy slowing, people are slowing their purchase of new goods. The estimated effect of the slowing economy during FY03 is \$600,000. The slowing economy is also affecting the construction industry. Commercial construction and housing starts are declining which further impacts sales tax receipts. The growth rate for property taxes and sales tax will increase in future years as the economy improves. For FY03, the City Council will face with some tough decisions on maintaining the current service level, or reducing it since the current revenue structure will not be able to support it without future tax rate increases, increased fees on services,

**Exhibit 1
REVENUE COMPARED TO
CURRENT LEVEL EXPENDITURES**



or new fees for services.

The City also needs to continue to pursue the annexation of areas surrounding it. Failure to pursue these areas will result in increased tax rates and/or lower service levels over time since the residents of these areas do increase the demand for services within the City. These areas have significant property valuations and population that will allow the City to

continue to grow and meet the service demands requested by its citizens.

Previous Budget Actions

City Council has evaluated annually additional measures that address revenue options, increased productivity measures, increased services, or the elimination of services. City Council took a major step in FY99 to increase revenues to continue to provide its existing service level. City Council was provided options that would match revenues to expenditures through a combination of revenue enhancements and service reductions. After reviewing their options, City Council trimmed some service level enhancements, increased the property tax rate and added a commercial waste collection fee. This action resulted in allowing the City to continue to provide the current service level to citizens.

In FY01 in response to a request from the citizens to deal with improving and maintaining viable neighborhoods, City Council increased the tax rate by three cents to fund an increase in service levels in the Fire Department, Police Department, and Community Development.

In FY02, City Council had each department review their budgets for items other than personnel and capital and make a 22% reduction in discretionary line items. These cuts were made so to have minimal impact on the current service level and eliminate the need to increase the tax rate.

How Do We Finance Local Government in the Future?

After City Council selects the service levels they desire, the question becomes "how to generate sufficient revenues to finance it?" Currently, property taxes, user fees and charges, privilege licenses, and water and sewer rates are the only revenue sources the City controls. Each of these sources has both advantages and disadvantages.

The property tax possesses several elements of which characterize its usefulness: it provides a stable source of revenue; it is easily administered; it is relatively easy to adjust; and it taxes nonresident property owners who benefit from local services.

On the other hand, the property tax is ranked as the most unpopular tax along with the federal income tax. Reasons for this unpopularity include: the property tax falls on unrealized capital gain as opposed to income; it is collected in a large lump-sum amount; and there is an anxiety about potential inequities associated with property reappraisal.

User fees and charges accounted for 9.1% of FY02 revenues, a slight increase of .6% from FY01. Had the City received the withheld funds by the State, the increase would actually be a decrease of .1%. Historically, the City has not used this revenue source to generate funds for operations. Advantages to user fees and charges include: charges increase users' awareness of the cost of providing a particular service; they give the City a clear indication of the level of service selected by citizens based on service usage; service charges are equitable in that the benefits of the service are paid for by those using the service; they ensure that service delivery decisions are based on the relationship of service levels to demand; and they focus on cost of service.

Exhibit 2

A negative public reaction to services which have been provided for "free" in the past can generally be expected as user fees and charges are implemented. Generally, revenue to support certain services has gone unnoticed as they have been derived from many sources of municipal revenue. Cost analysis is the basis for the equitable implementation and administration of user fees and charges. Exhibit 2 shows examples of the types of user fees and charges the City could use. Also included are suggestions on the extent to which user fees and charges should cover the cost of a particular service.

Privilege licenses are levied on businesses and professions in the City limits within the statutory authority of the General Assembly. This

revenue accounted for 1.3% of the General Fund's revenue in FY02. Receipts from this source come from both variable and fixed charges. State Statutes regulate the license rate for certain businesses and professions while exempting others. The City uses rates set forth in the State Statutes. All other businesses fall under the City's gross receipts tax. Under this provision, a business is taxed at a percentage, set by City Council, of its adjusted gross receipts.

SERVICES FOR WHICH LOCAL GOVERNMENTS COMMONLY CHARGE A FEE	
<p>Recreation and leisure activities Athletic fields (P) Athletic leagues (F)* Auditorium/civic center (F) Concession rental (F) Equipment rental (F) Parks (P) Recreation center rental (F) Recreation classes (F)* Swimming pools (P) Tennis courts (P)</p>	<p>Public works Abandoned-vehicle removal (F) Barricades (F) Cemeteries (P) Curb cuts (F) Maps (F) Sign permits (F) Street cuts (F) Weed cutting (P)</p>
<p>Planning and economic development Annexation (F) Development guide or manual (F) Maps (F) Plat processing (F) Zoning variance (F)</p>	<p>Police protection Accident and offense reports (F) DWI processing (F) Funeral escorts (F) Other special-occasion escorts (F) Police services at special events (F) Serving warrants (F) Vehicle impoundment (F)</p>
<p>Sanitation Landfill (P) Large-item solid-waste pickup (F)* Solid waste collection (F) Street cleaning (P)</p>	<p>Miscellaneous Document search (F) Meeting room rentals (F) Photocopying records (F) Vending machine space rental (F)</p>
<p>"F" means that the fee for service should be set so as to recover the <i>full</i> cost of providing the service. An "F*" indicates that full cost pricing should be required only for certain classes of users; a partial subsidy should be provided for some users, such as the elderly, children, or nonprofit organizations.</p>	
<p>"P" means that the fee for service should be set so as to recover only <i>part</i> of the cost of the service. A partial subsidy is justified for any one or all of the reasons discussed in the chapter.</p>	
<p>Source: Adapted from Robert L. Bland, <i>Financing City Government in Texas: A Revenue Manual for City Officials</i> (Austin: Texas Municipal League, 1986)</p>	

Advantages to initiating privilege licenses as a revenue source to support local government include: the ease of administration; the fact that it can be easily adjusted; and change in privilege license revenue increases proportionally to the local economy.

Administrative revenue represents the Water and Sewer Fund's contribution to the operations of the General Fund. Any increases or decreases in this revenue should be the result of a change in the cost of the services provided by the General Fund to the Water and Sewer Fund. This revenue provides a method to recover the cost of services for the Water and Sewer Fund provided by the General Fund.

Besides the revenue options reviewed above, City Council may want to consider supporting changes in the General Statutes which could provide the City with additional sources of revenue. Four examples of changes in the statutes the City could utilize to increase revenues would be a real estate transfer tax, a local income tax, prepared foods tax and an auto tax. All four sources are used successfully by municipalities in other states. In North Carolina, some municipalities are already using the auto tax and prepared foods tax. Authority exists currently for the City to levy a five dollar charge per vehicle whose proceeds are undesignated.

Authority also exists to levy a five dollar charge per vehicle whose proceeds are designated for mass transit support. In addition to changes at the local level, it is apparent that North Carolina local government will need the assistance of our General Assembly in addressing these challenges to finance local government.

Conclusion

The challenge of financing local government is a complex issue. Providing balanced revenues to equitably finance local government services and capital needs is a significant problem facing all local governments across North Carolina and the Country. With declining State and Federal assistance to cities, the citizens of Salisbury will receive the level of local government services for which they are willing to pay. Setting priorities has become more important. We may not be able to be all things to all people.

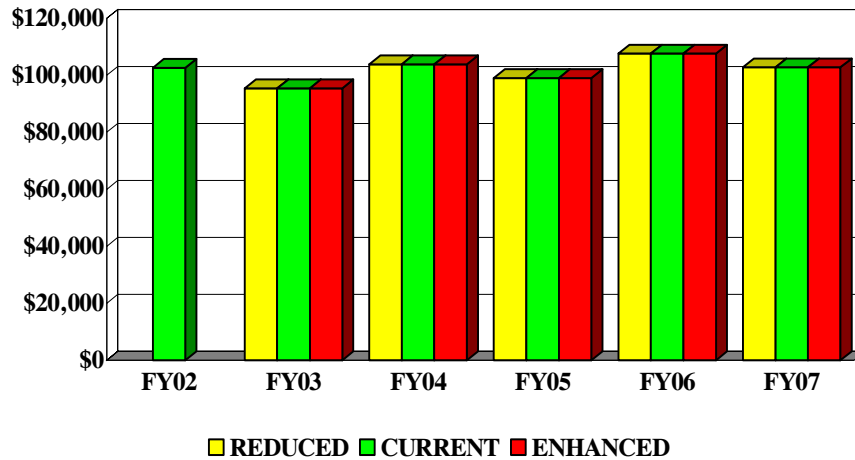
This analysis of local government revenues and a corresponding projection of local government expenditures is updated each year by the City's Finance Department. This report anticipates local government revenue shortfalls in meeting local government service demands. Simultaneously, it is recommended the City evaluate all existing and alternative sources of revenue available to finance local government. With this tool in hand, City Council will be in a better position to equitably raise revenue to support local government services, to determine the level of services offered to our citizens, to consider certain productivity improvements to reduce local government costs, and to determine certain priorities in the various kinds of local government services offered. This approach offers no easy solutions; however, it gives our local government leaders a better handle to address the financing of Salisbury's local government services.

CITY COUNCIL

Statement of Purpose

To function as the duly elected representatives of the citizens of Salisbury in creating and maintaining a safe, livable environment in accordance with North Carolina State Statutes and Federal law. To create and maintain up-to-date municipal codes, establish public policies and adopt budgets designed to provide effective, efficient municipal services. To strive to develop and maintain a sustainable feeling of safety for all areas of the City, to provide leisure services, and recreational opportunities and to foster leadership and support for the continued economic development and planned growth of the community.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Establish and maintain public services and facilities deemed necessary or desirable for the health, safety, comfort, welfare, convenience and good order of the public
- Provide for the organization of City government
- Provide for a City Manager under the Council/Manager form of government and a City Attorney in accordance with the City Charter
- Create and establish by ordinance or resolution Authorities, Boards and Commissions, as it may deem necessary or appropriate to the administration, regulation, operation, services, activities, and functions which the City is authorized by Law to perform, regulate, and continue
- Make and provide for the execution of regulatory ordinances
- Provide for planning, sub-division and building regulations
- Schedule regular and special public meetings and public hearings in order to hear the public and conduct City business
- Provide for a Code of Ordinance in accordance with State Law

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service Level:

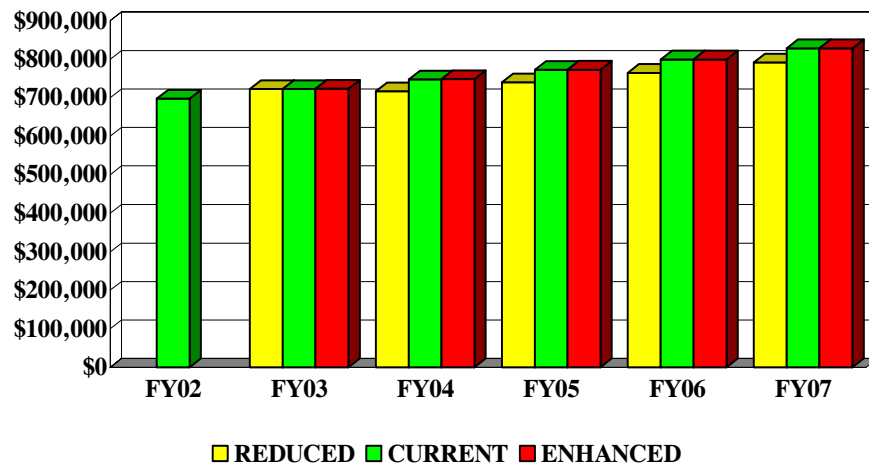
- No enhanced service level is proposed

CITY MANAGEMENT AND ADMINISTRATION

Statement of Purpose

To serve as a central source of information, advice and support for the City Council and Management Team. To manage and coordinate preparation and presentation of the annual municipal budget for consideration and adoption by the City Council, with subsequent responsibility for its implementation and control. To manage and coordinate development and implementation of the City’s Goal-Setting process, publish an Annual Report to citizens, and provide a central location for the collection, storage and dissemination of official municipal records and documents. To provide professional leadership and counsel to the City staff in carrying out the mission of the City, develop strategies for delivering municipal services in an effective, efficient manner; respond to citizens requests and complaints and implement special projects assigned by the Mayor and City Council. To provide risk management services for the municipality that includes safety, liability insurance management, worker’s compensation, OSHA compliance and third party claims against the City.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Direct and supervise the administration of all departments, offices and agencies of the City
- Recommend to the City Council policy or other matters affecting the City
- Ensure that all laws of the State, the City Charter, ordinances, resolutions and regulations of the City Council are faithfully executed in the City
- Prepare and submit the annual budget and capital improvements program to the City Council
- Submit annually to the City Council and make available to the public a complete report on the finances and administrative activities of the City
- Present reports to the City Council concerning the operations of City departments
- Award, approve and execute contracts including the acquisition of real estate by the City in accordance with State and local laws and ordinances
- Recommend the adoption of a classification and compensation plan, performance appraisals and other personnel ordinances and regulations to the City Council
- Schedule items for and prepare minutes of City Council meetings and other proceedings
- Maintain and safeguard public records and official copies of City documents
- Assist the City Council in a goal setting and goal evaluation process
- Respond to requests for information from the general public
- Provide administrative support to the Mayor, the City Council and the City Manager
- Coordinate activities with various City departments, citizens, other governmental units, outside agencies and organizations
- Direct, oversee, and participate in the development of the Departments' work plan

- Monitor and review the City's liability insurance program
- Receive, review and process annexation petitions and street and alley closing petitions
- Provide for legal assistance for the City Council, Management team and the Municipal Corporation
- Maintain and update a Code of Ordinances for the City
- Provide a comprehensive safety and risk management program that includes training, inspection, investigation, and accident review

Reduced Service Level:

- Reduce level of clerical support

Enhanced Service Level:

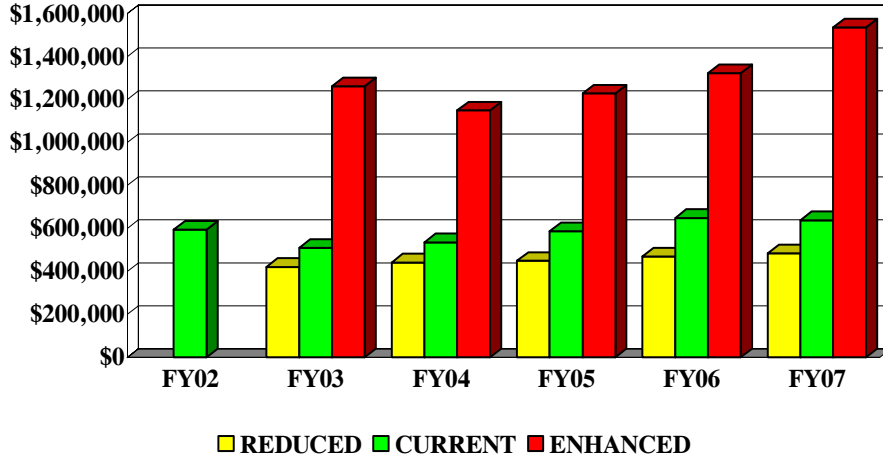
- No enhanced level is proposed

HUMAN RESOURCES

Statement of Purpose

To provide a centralized source of support and assistance to the City related to its need for the management of human resources. Specific functions include general personnel administration, recruitment and selection, training and development, health and wellness, compensation and benefits.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide systems to recruit, screen, and select City employees
- Coordinate employee separations, promotions, and reclassifications
- Provide a comprehensive Employee Benefits Program
- Manage the employee Classification and Compensation System
- Manage the employee Performance Appraisal System
- Provide management, supervisory, and employee training programs
- Provide general employee orientation and coordinate departmental employee orientation
- Provide an annual Employee Service Awards and Recognition Program
- Provide Personnel Policy and Employee Handbook
- Provide an Employee Assistance Program
- Provide employee relations assistance and consultation to managers, supervisors, and employees
- Manage the City's Affirmative Action Program
- Monitor employment trends relative to the City workforce
- Provide comprehensive Drug Testing Program
- Coordinate Police selection/promotional processes

Reduced Service Level:

- Eliminate comprehensive Employee Benefits Program
- Provide bimonthly general employee orientation
- Eliminate management, supervisory, and employee training
- Eliminate employee awards and recognition program
- Eliminate employment trends monitoring

Enhanced Service Level:

- Provide extensive in-house benefits counseling, and administration
- Provide in-house management, supervisor and employee training and career development programs
- Provide extensive in-house Employee Assistance Program and Occupational Health/Wellness Program
- Provide extensive retirement/health benefits

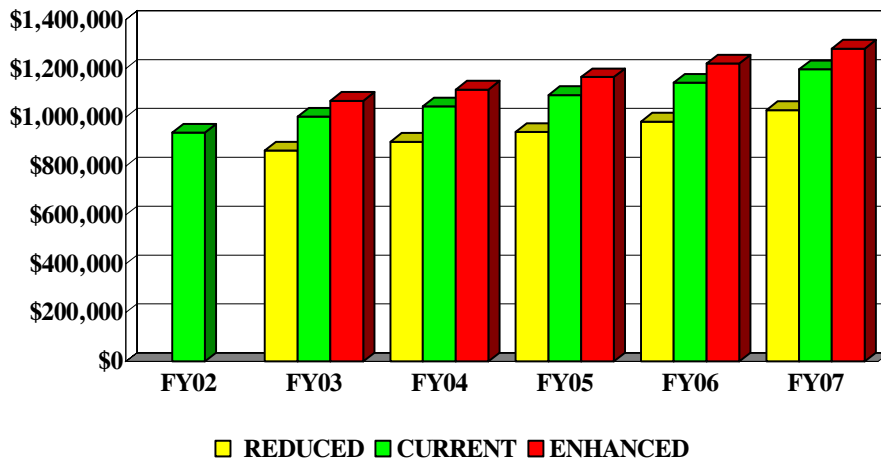
- Provide recruitment incentives
- Provide scheduled salary adjustments annually
- Provide enhanced level of recruitment efforts for Police and Fire Departments
- Provide Broadbanding Salary Plan including career development incentives
- Provide enhanced performance evaluation system

FINANCE DEPARTMENT

Statement of Purpose

To provide a centralized source for handling the financial affairs of the City including: maintaining a financial record keeping system, protecting municipal assets as required by the Local Government Commission Fiscal Control Act, managing the City’s Debt Service Program, preparing and monitoring the annual and five-year budgets, preparing standards for performance and benchmarking, utilizing an investment program for the City's idle cash, providing payroll and disbursement services, collecting utility and other revenues, providing a source of information and support related to the purchase/lease of supplies, equipment and contractual services, managing a fixed asset system, plus maintaining a technology system that provides state-of-the-art data processing, computer, telephone, and telecommunications capability.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide a biweekly payroll
- Provide weekly processing of outstanding accounts payable
- Provide monthly billing of water and sewer services
- Provide billing of business privilege licenses
- Collect receipts for water and sewer, privilege licenses, and other miscellaneous accounts receivable
- Provide daily posting and deposit of city receipts
- Provide assistance for water and sewer customers
- Assist in preparation of annual budget, budget documents, and budget amendments
- Provide assistance to auditors with the annual audit
- Prepare annual financial statements
- Provide maintenance of City general ledger and all subsidiary ledgers
- Prepare reports for other government entities
- Monitor cash requirements and invest available cash
- Coordinate authorization and issuance of City debt
- Conduct periodic inventory of fixed assets
- Participate in the North Carolina Local Government Performance Measurement Project
- Prepare and maintain fixed asset records
- Prepare annual Powell Bill financial report
- Provide special reports and projects as requested
- Provide part-time grants support
- Coordinate bank services, including direct deposit and direct debit

- Provide support to prepare and monitor the budget and produce benchmarking and performance measurement evaluations

Reduced Service Level:

- Eliminate Account Clerk position, which decreases timely information in general ledger maintenance and reporting function
- Eliminate a customer service clerk which reduces support for utility customer assistance
- Reduce processing for accounts payable to biweekly cycle
- Reduce investment opportunities to low yield overnight markets
- Eliminate Mail Coordinator which requires each department to send individuals to other departments for mail and inter-office correspondence

Enhanced Service Level:

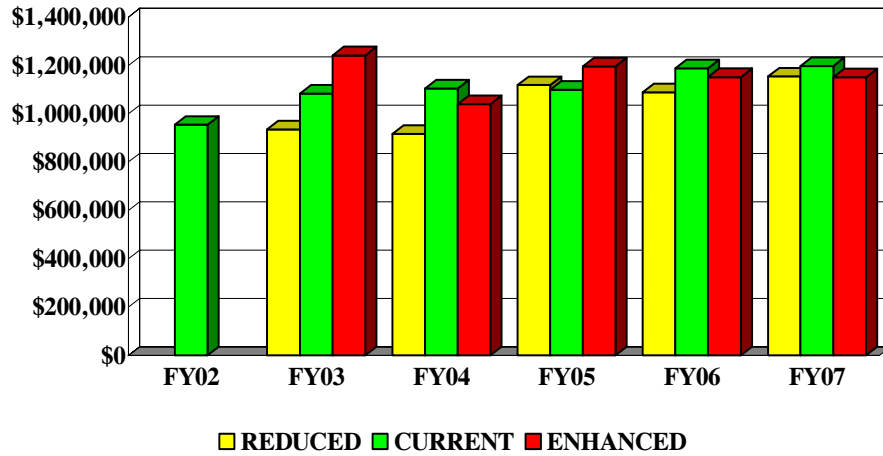
- Provide additional customer service support for utility, privilege license, and miscellaneous receivable billing and collection
- Provide additional collection support for delinquent receivables
- Provide additional support to prepare and monitor the budget and produce benchmarking and performance measurement evaluations

FINANCE-TECHNOLOGY SERVICES DIVISION

Statement of Purpose

To provide a centralized source of procedures, information and support related to the storage and electronic processing of data, business transactions, information and other computer-related capability.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Perform daily computer systems backup
- Maintain system security and system passwords
- Diagnose systems or software problems
- Plan and participate in the training of City personnel
- Assist users in resolving systems problems
- Plan and direct installation of new equipment
- Prepare documentation and instruction for users of systems
- Test and debug new software
- Maintain integrity of database
- Conduct feasibility studies
- Maintain efficient hardware configuration
- Design, implement, and monitor disaster recovery plan
- Evaluate and approve requests for computer hardware
- Initiate and monitor contracts for computer maintenance
- Continue implementation of Information System Plan

Reduced Service Level:

- Reduce scope of implementation of Information System Plan
- Eliminate Training Program

Enhanced Service Level:

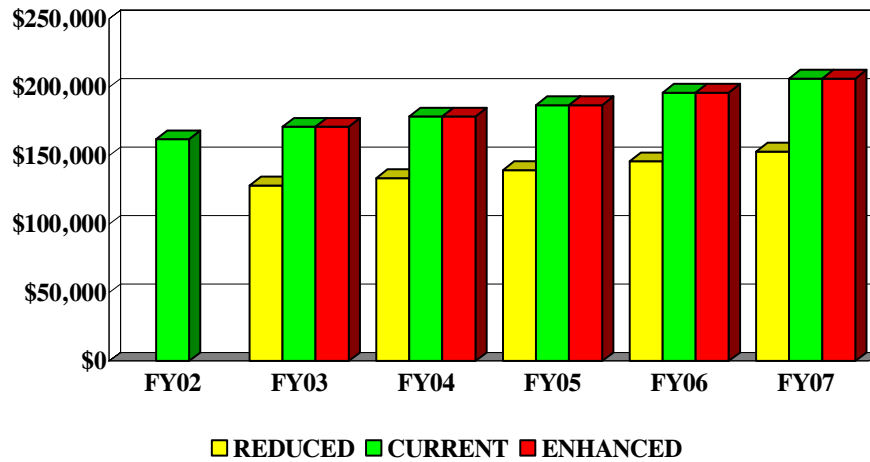
- Develop more in-house programs
- Develop in-house expertise in networking
- Expand implementation of Information System Plan

FINANCE-PURCHASING DIVISION

Statement of Purpose

To provide a centralized source of procedures, information, and support related to the purchase and/or lease of supplies, materials, equipment and contractual services for the City and to manage and maintain a system of fixed asset identification, reporting and accountability.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Request and receive 120 quotations
- Request and receive 29 formal quotations annually
- Issue 1,027 purchase orders annually
- Assist in maintaining detailed records on the City's asset inventory
- Provide product knowledge and vendor information to user departments on a daily basis
- Assist in preparation of fleet specifications
- Provide contract administration services for various departments
- Receive, distribute and audit electronically 6,500 weekly transactions generated by the 310 users of the City's Visa Card program.
- Receive, distribute, and audit manually 1,620 monthly "paper" statements with receipts for the City's Visa Card program
- Receive, distribute, and audit manually 5,500 weekly Fuelman statements for the City's fueling requirements for 189 users

Reduced Service Level:

- Eliminate assistance to departments in gathering informal quotations

Enhanced Service Level:

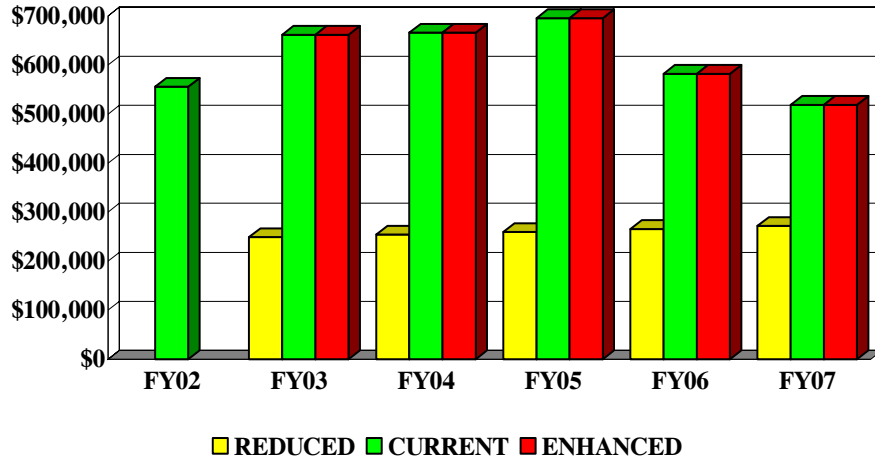
- No enhanced service level is proposed

TELECOMMUNICATIONS

Statement of Purpose

To manage, coordinate and monitor the City's telecommunications system in the areas of telephone, radio, 9-1-1, cable, emergency services communications, and to specify, recommend and implement solutions to the City's communications needs. Traffic Signal Technicians from the Traffic Operations Division of the Public Services Department support this department.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide daily 9-1-1 service to city citizens
- Provide daily operation and maintenance for the City's radio systems
- Provide daily installation and repair service for the City's telephone and cable systems
- Operate and manage the Al's Knob Tower Site

Reduced Service Level:

- Eliminate 9-1-1 service to public
- Eliminate purchases of telecommunications equipment

Enhanced Service Level:

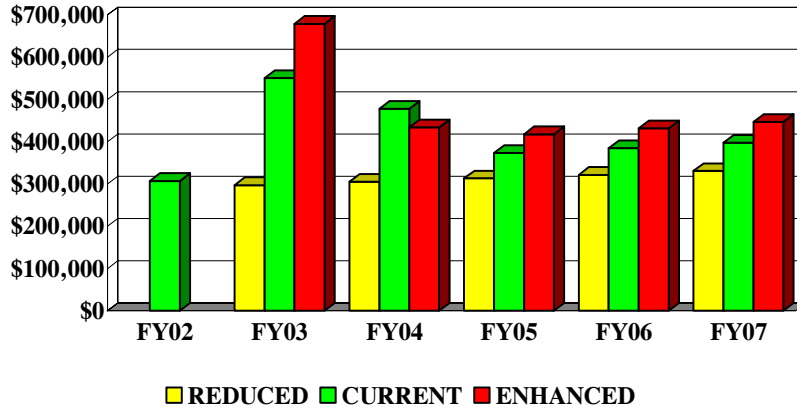
- No enhanced service level is proposed

CITY OFFICE BUILDINGS

Statement of Purpose

To provide centrally located facilities for holding meetings of the City Council, its boards and commissions and other groups who may from time-to-time need public meeting space. In addition, provide office and conference space for the Mayor, City Manager, Finance, Human Resources, Recreation Administration, Land Management and Development and other support staff engaged in the operation of municipal government in Salisbury.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide space for public meetings
- Provide central facilities to house administrative and some operational Departments
- Provide maintenance and cleaning services for City Office Buildings

Reduced Service Level:

- Reduce funding for renovation of office space and parking lot expansion
- Eliminate Facilities Maintenance Manager

Enhanced Service Level:

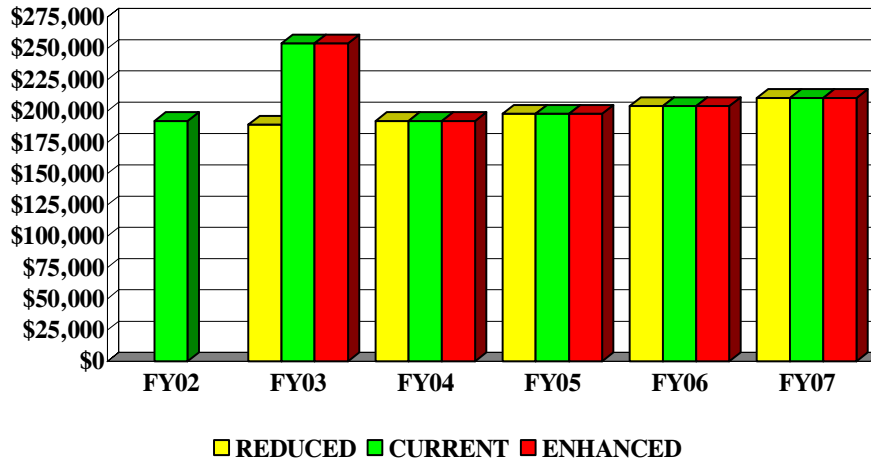
- Provide for further renovation of meeting and office space and exterior enhancement
- Add HVAC Technician

PLAZA

Statement of Purpose

To continue ownership and management of the Plaza, originally structured as a public/private partnership to increase economic vitality in the central business district, establish new housing units in the downtown and provide additional office facilities and meeting space for the City. The building is now fully owned by the City.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Improve economic vitality of downtown business district
- Provide additional centralized office, commercial, retail, and meeting space

Reduced Service Level:

- Reduce scope of repairs

Enhanced Service Level:

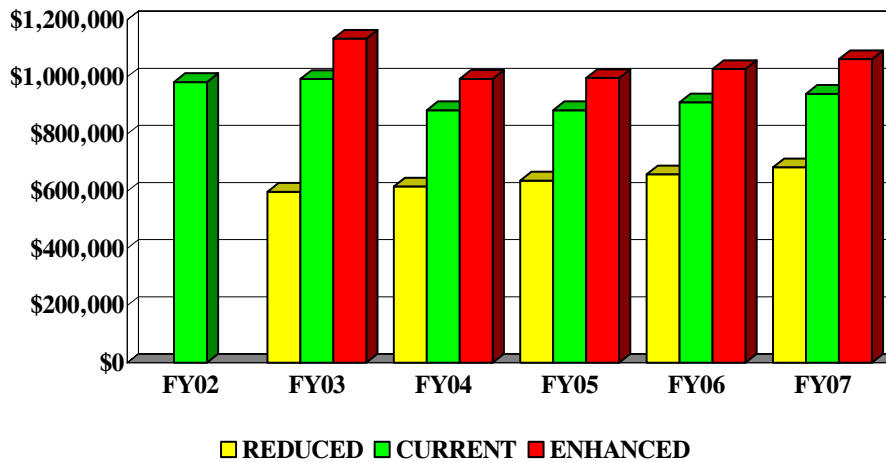
- No enhanced service level is proposed

PLANNING AND COMMUNITY DEVELOPMENT

Statement of Purpose

To provide for a coordinated planning program to insure orderly growth within the City to include population, land use, thoroughfares, public facilities, neighborhoods, zoning, subdivision regulations, greenways, GIS, and other specialty areas. To formulate, develop and recommend policies, plans and local ordinances intended to improve the overall appearance, and economic climate within the City and its extraterritorial areas through elimination of slums and blighted conditions in commercial and residential areas. To serve as a central point of contact for citizens to access current geographic information and coordinate mapping and data development for City departments.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide staff for the Salisbury Planning Board
- Prepare zoning reconnaissances
- Prepare and assimilate statistical and census data
- Prepare ordinances, code updates, and annexation studies
- Conduct board and commission training
- Carry out comprehensive planning
- Staff Community Appearance Commission
- Provide design assistance for appearance issues
- Facilitate public/private development projects (i.e., Gateway, Innes Street projects, and Flowers Bakery)
- Staff Historic District Commission
- Prepare facade and Innes Street grant programs
- Acquire and dispose of property related to City development projects
- Prepare work write-ups and inspections for housing rehabilitation
- Apply for Federal and State grant funds
- Administer Federal and State grant and loan programs
- Maintain City map files
- Provide for affordable housing in City
- Develop and implement plans for neighborhood development and assistance
- Provide for GIS services
- Contract for CDBG and Neighborhood services

Reduced Service Level:

- Eliminate special projects
- Contract for real estate services/eliminate Director position

Enhanced Service Level:

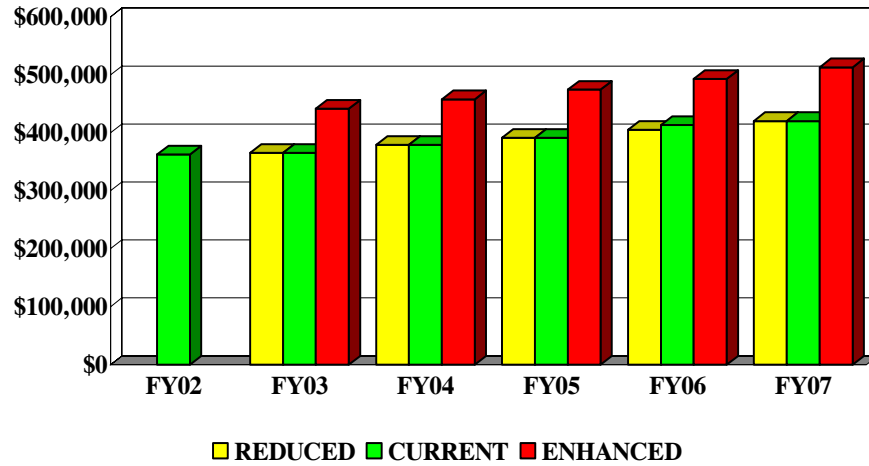
- Provide for GIS Technician
- Increase scope of land acquisitions
- Ensure City's investment in GIS data through development of metadata
- Develop enterprise-wide GIS
- Increase scope of special projects

DEVELOPMENT SERVICES DIVISION

Statement of Purpose

To provide citizens, builders and developers a centralized source of information, permit services, code enforcement, zoning and special district board support through a Development Services Center.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Administer and enforce City zoning
- Perform inspections to insure compliance with various codes and ordinances
- Issue certificates of compliance
- Maintain files for all improvements and work performed, such as water/sewer connections, fees paid, driveway permits, zoning permits, grading permits, and for board and commission meetings
- Perform staff liaison and secretarial work for the Zoning Board of Adjustment and the Historic District Commission
- Receive complaints, investigate problems, and proceed with appropriate action for resolution
- Assist developers, contractors and the general public in securing the appropriate permits and approvals
- Maintain a street address system as prescribed by City Ordinance and coordinate all addresses with the emergency service agencies and the U.S. Postal Service
- Conduct a monthly Technical Review Committee meeting with various City, County, and State representatives
- Continuously update and maintain Division files
- Continuously update and maintain zoning layer on GIS

Reduced Service Level:

- Eliminate capital purchases

Enhanced Service Level:

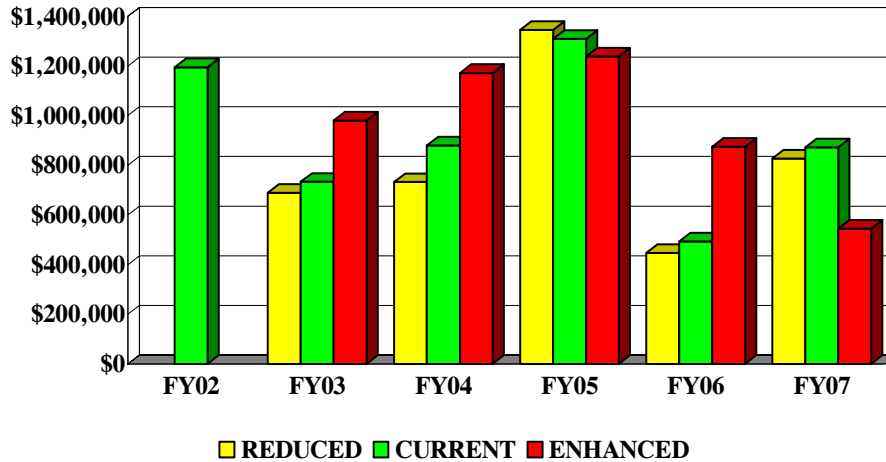
- Add a second Code Enforcement position for additional enforcement of City zoning ordinance violations that are mandated by additional requirement to the Code of Ordinances and the additions to City territory through annexations, voluntary annexations, and expansion of extraterritorial jurisdiction
- Add a Development Services Assistant Manager to help in all facets of office work, which includes helping customers, reviewing plans, taking phone calls and other office functions

ENGINEERING DIVISION

Statement of Purpose

To provide a centralized source of general engineering services for the City including surveying, design work, review and approval of final plans submitted by outside consultants, site inspections and coordination of project activities initiated between the City and other agencies.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Prepare annual Powell Bill Map and Certified Statement
- Administer the subdivision ordinance and the floodway ordinance
- Administer the City's street lighting program
- Prepare periodic reports for the City Council and NCDOT concerning traffic needs
- Administer the design and construction of State-funded Small Urban Transportation Improvements
- Administer the design and construction of City street improvements and special projects
- Respond to citizen requests concerning traffic studies, parking changes, and storm drainage projects
- Provide preliminary surveying for easement acquisition and design work
- Review designs submitted by outside consultants for conformance with City Standards and Policies
- Inspect construction projects for conformance with approved plans
- Administer voluntary annexations and alley closings
- Provide current City limits/street maps to all Departments
- Provide storm drainage reconnaissance for rezoning requests
- Promote the goals of the Innes Street Vision Study
- Design expansions to the Greenway System
- Update orthophoto base mapping
- Administer Telecommunications wireline ordinance

Reduced Service Level:

- Reduce the number and scope of special projects and extend completion time
- Reduce funding of storm drainage grants
- Reduce future year funding of mapping updates
- Discontinue street light improvements for existing neighborhoods for approximately two years

Enhanced Service Level:

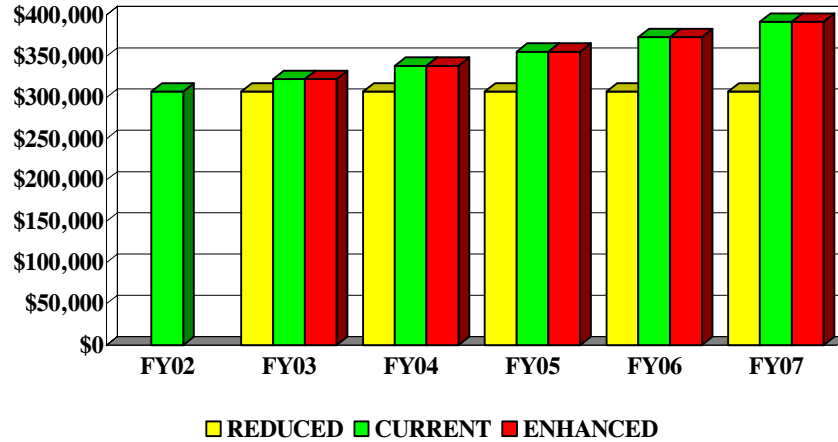
- Participate in enhancements to East Innes Street at Interstate 85
- Implement a neighborhood traffic calming program
- Implement a sidewalk expansion program
- Increase future year funding of mapping updates

STREET LIGHTING

Statement of Purpose

To provide for the lighting of the City's streets.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide for 5% annual increase for installation of new street lights in accordance with the City's street lighting policy

Reduced Service Level:

- Maintain existing street lights, no new installations

Enhanced Service Level:

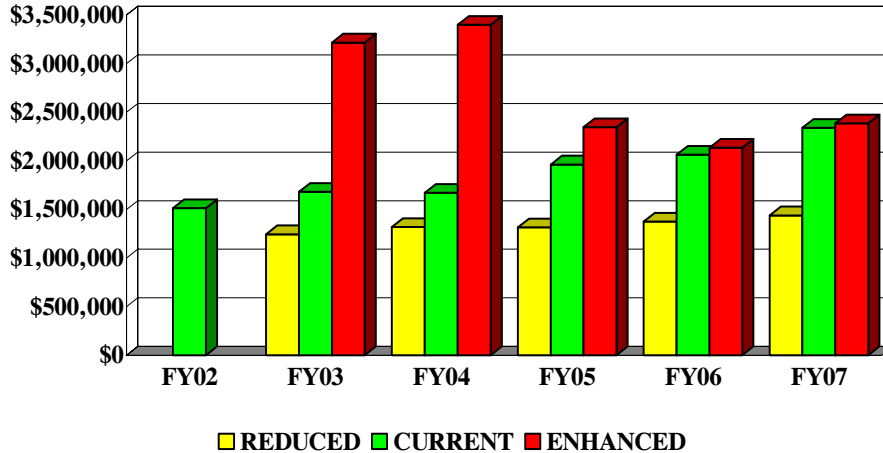
- No enhanced service level is proposed

POLICE DEPARTMENT-SERVICES DIVISION

Statement of Purpose

To serve as the support unit of the department providing telecommunications, an armory, clerical and secretarial services, evidence storage and tracking, animal control, D.A.R.E. school resource officers, crime prevention officers, a records-keeping system, and building maintenance.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide 24-hour radio and telephone communications
- Conduct records management systems
- Provide for evidence/property management
- Provide crime prevention and nuisance abatement services to public
- Conduct Drug Abuse Resistance Education (D.A.R.E.) to local schools
- Provide animal control for City
- Provide school crossing guards
- Provide School Resource Officers in Middle and High Schools and the Alternative High School
- Provide vehicle fleet management
- Conduct internal affairs
- Provide training and recruitment
- Provide parking control
- Administer special permits

Reduced Service Level:

- Eliminate four School Resource Officers
- Eliminate full time Nuisance Abatement/Community Service Officer position
- Eliminate two Telecommunicator positions

Enhanced Service Level:

- Add firing range in FY 2003
- Remodel building in FY 2003

In FY 2003, add:

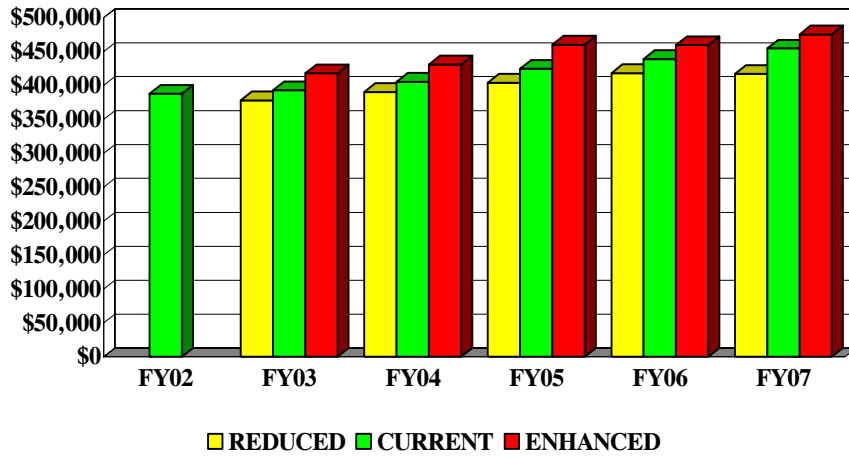
- Two Telecommunications positions
- One Animal Control Specialist
- One Crime Prevention Coordinator
- Two Police Information Clerks (PIC)

POLICE DEPARTMENT-ADMINISTRATION DIVISION

Statement of Purpose

To serve as the central management and administrative unit for the activities and operations associated with the Police Department.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide general administration for department
- Conduct planning and research
- Provide fiscal management for department
- Develop policy and procedures
- Plan budget for department
- Supervise accreditation program

Reduced Service Level:

- Eliminate Police Chaplain Program, Diversity Enhancement Services, and Wellness Program

Enhanced Service Level:

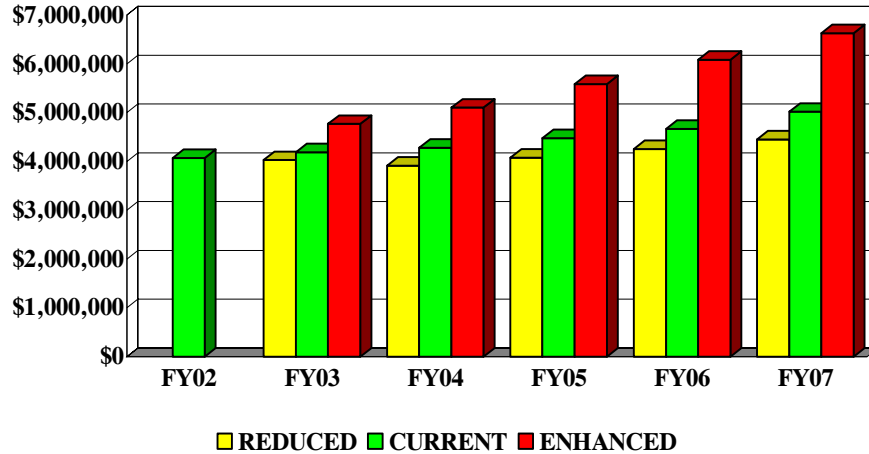
- Increase efforts for Crime Control Plan
- Increase efforts for Wellness Program
- Increase efforts for Diversity Enhancement Training

POLICE DEPARTMENT-OPERATIONS DIVISION

Statement of Purpose

To provide 24-hour law enforcement service for the citizens of Salisbury including: protection of life and property, traffic enforcement, investigation of traffic accidents, investigation of criminal activities, crime lab, crime analysis, and housing authority patrol.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide 24-hour police patrol
- Respond to calls for service from citizens
- Investigate criminal activity
- Provide for specialized investigation of criminal activity
- Investigate non-criminal complaints
- Conduct traffic accident investigations
- Provide traffic law enforcement
- Provide special response to high risk situations (e.g., hostage situations)
- Provide for special police operations (stakeouts, etc.)
- Provide for specialized drug enforcement
- Conduct building and property checks
- Enforce State and local laws
- Add one Officer eliminated by Housing Authority Grant
- Maintain six officers under Universal Grant expiring FY 2003

Reduced Service Level:

- Reduce two officers funded by Housing Authority Office Grant at its expiration in FY 2002
- Reduce patrol component by six officers at the expiration of Universal Grant in FY 2003
- Eliminate Housing Authority officers
- Eliminate one Investigator

Enhanced Service Level:

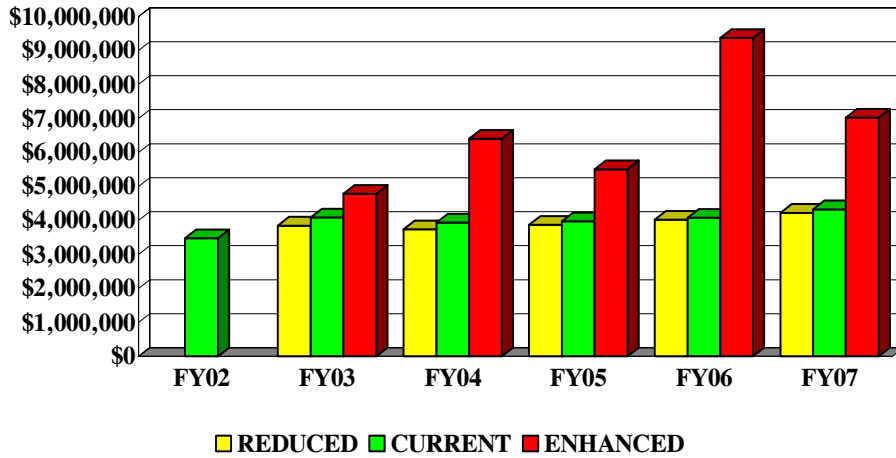
- Add six patrol officers annually to increase patrol coverage and related enforcement activities
- Add one Lieutenant and one Sergeant in FY 2003

FIRE DEPARTMENT

Statement of Purpose

To provide capable, well trained personnel and necessary equipment to suppress fires and effectively manage hazardous chemical accidents that may occur in our community related to transportation or industry; to provide rescue services as needed and basic life support through an updated First Responder Program. To continue to work toward a more fire-safe community through Loss Prevention activities, including minimum housing activities, building inspections, code enforcement, and public education programs.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide fire suppression services
- Provide Hazardous Material Incidents Management
- Provide rescue and First Responder services
- Investigate suspicious fires for cause and origin
- Provide fire code enforcement
- Provide minimum housing services
- Provide minimum housing code enforcement
- Conduct public fire education for schools and community groups
- Conduct water flow tests as needed for industry and insurance companies
- Provide blood pressure screening program for citizens
- Provide and install smoke detectors for the elderly and handicapped
- Provide and instruct up-to-date State Certification Training
- Conduct product research and analysis
- Provide data management
- Prepare, submit, and administer departmental budget
- Monitor underground storage tank installations and removals
- Conduct plans review for new developments and industries
- Correct deteriorating conditions of buildings and station drives

Reduced Service Level:

- Incur more fire loss through less inspections and code enforcement
- Incur more fire loss through reduced “on-duty” manpower
- Residential and commercial increases in insurance cost by reducing personnel on-duty and response time increases
- Reduce level of personnel training
- Reduce data management
- Delayed equipment and manpower response time
- Personnel reduction would result in reduction of response equipment
- Cause diminished safety margin
- Lose our ISO Class 2 rating
- Reduce two administrative staff positions
- Reduce minimum housing inspection/enforcement capabilities
- Reduce product research and analysis

Enhanced Service Level:

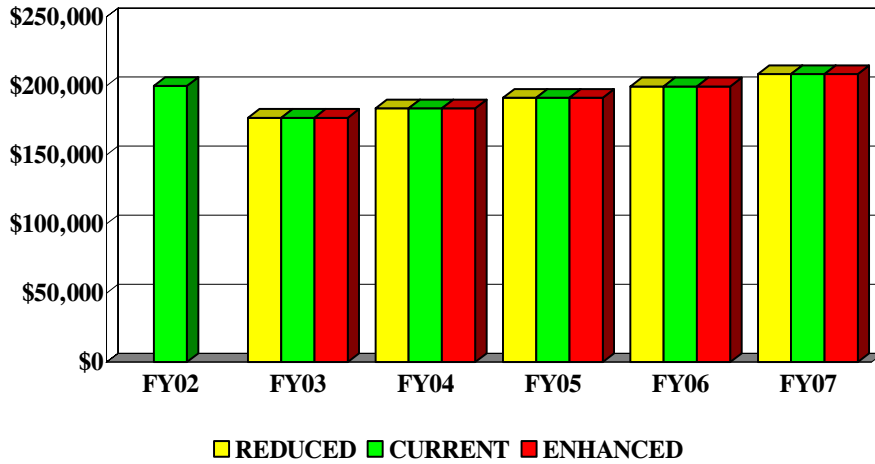
- Complete implementation of increasing current staffing level to meet minimum needs as stated by NFPA and supported by OSHA. These Fire Control Specialists are necessary to meet “2 in 2 out” requirements. Addition of 6 Fire Control Specialists in FY 2003
- Reassign two temporary positions for Hydrant Maintenance back to the Fire Department
- Begin phase in of Station 50 personnel and equipment
 - FY 2003 - Hire 6 Fire Control Specialists for Station 50
 - FY 2003 - Hire architect and finalize drawings for new Station 50
 - FY 2004 - Hire 3 Fire Control Specialists for Station 50
 - FY 2004 - Begin construction of Station 50
 - FY 2004 - Hire 3 Engineers for Station 50
 - FY 2005 - Purchase equipment for Engine 504
 - FY 2005 - Hire 3 Fire Control Specialists for Station 50
 - FY 2005 - Hire 3 Captains for Station 50
 - FY 2005 - Station 50 in operation
- Begin phase in of Station 54 personnel and equipment
 - FY 2005 - Purchase land for Station 54
 - FY 2005 - Hire architect and finalize drawings for Station 54
 - FY 2005 - Hire 9 Fire Control Specialists for Station 54
 - FY 2006 - Begin construction of Station 54
 - FY 2006 - Spec and order new Pumper for Station 54
 - FY 2006 - Spec and order new Aerial Platform for Station 54
 - FY 2006 - Hire 3 Fire Control Specialists for Station 54
 - FY 2006 - Hire 6 Engineers for Station 54
 - FY 2006 - Hire 1 Battalion Chief
- Increase safety factors
- Pursue an ISO Class 1 rating (the highest rating that can be earned)

PUBLIC SERVICES-ADMINISTRATION DIVISION

Statement of Purpose

To serve as the central management and administration source for activities and operations related to the Public Services Department including Fleet Management, Landscape Operations, Cemetery, Hurley Park, Traffic Operations, Waste Management, Streets and Transit.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Conduct daily planning/information sessions with division managers
- Maintain office hours ten hours daily (7:00 a.m. - 5:00 p.m.)
- Provide administrative and clerical support to six division managers
- Provide "real time" response to public inquiries and/or provide immediate notification to division managers
- Provide temporary staffing in reaction to special projects or unforeseen circumstances
- Keep public those activities of the Public Services Department directly affecting the general public

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service:

- No enhanced service level is proposed

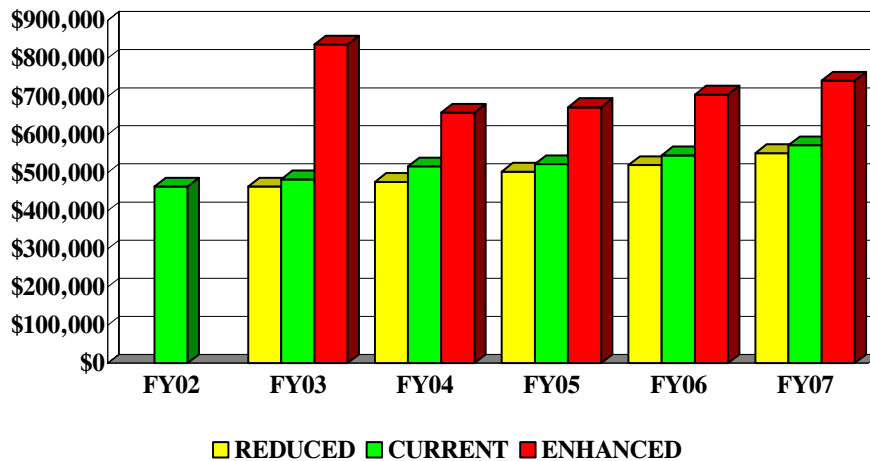
PUBLIC SERVICES-TRAFFIC OPERATIONS DIVISION

Statement of Purpose

To provide the City with a resource capable of effectively monitoring and evaluating municipal traffic safety, traffic flow, and parking needs; then develop and implement programs designed to address those needs through a network of traffic signals, traffic control signs, pavement markings and parking control devices.

The group is also responsible for the installation and maintenance of a telecommunications system throughout the organization (excluding Public Safety telecommunications equipment).

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Monitor and evaluate traffic safety, flow and parking as needed
- Maintain and repair 90 traffic signals annually
- Maintain and repair 9,000+ traffic control signs
- Maintain 22,000 feet of crosswalk and stop bar markings
- Maintain 80 miles of yellow center line
- Maintain 700 directional arrows
- Maintain and repair 275 telephone sets
- Maintain and repair 3.2 miles of phone cable
- Install new phone sets and phone systems
- Install and repair computer cabling
- Provide on-call service for after hours repair to traffic signals and signs
- Provide on-call service for problems at tower site in Granite Quarry
- Install and remove mobile and base station radios
- Assist in studies to alleviate citizens' requests and complaints
- Perform electrical projects and repair within City departments
- Maintain the Brown Street Clock on the Square
- Provide trouble shooting and repair assistance to the Plaza
- Fabricate signs for City departments
- Provide traffic control in work zones for City departments

Reduced Service Level:

- Maintain City-owned signals, signs, and pavement markings only
- Eliminate in-house repair to City telecommunications systems
- Eliminate fabrication of signs for City departments
- Eliminate traffic control assistance to City departments
- Eliminate thermoplastic markings installation

Enhanced Service Level:

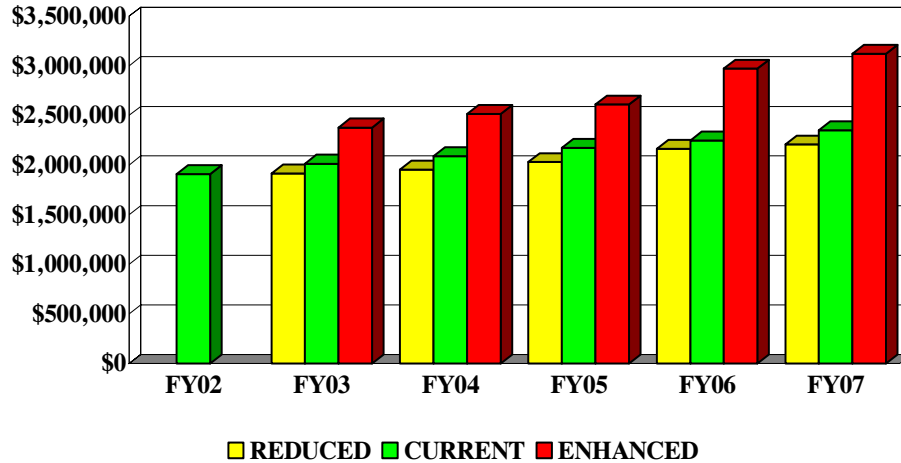
- Add one new crew in FY 2003 to rejuvenate thermoplastic material biannually
- Replace all traffic control signs with hi-intensity type signs
- Upgrade street name signs from 6" to 9"
- Upgrade "stop" signs to 36" minimum
- Enclose area between buildings to facilitate better office and storage space in FY 2003
- Take over maintenance of all signals in the county

PUBLIC SERVICES-STREET DIVISION

Statement of Purpose

To plan, implement and manage the construction and maintenance of all City streets, sidewalks, drainage system and rights-of-way through a program of maintenance, construction, cleaning, and general beautification. To fund activities associated with street construction, maintenance, cleaning and rights-of-way maintenance as provided for by revenue received from the State of North Carolina through the Powell Bill Fund.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Install minimum of 75 new driveway aprons annually
- Replace minimum of 6,000 feet of sidewalk annually
- Repair approximately 1,200 feet of curb and gutter annually
- Construct, repair, and upgrade drainage systems within rights-of-way as needed
- Remove debris from streets and gutters within 45 working days on a rotating schedule
- Provide leaf collection every 3 weeks on a rotating schedule seasonally
- Provide passable street conditions during periods of ice and snow, covering all City streets within an 8-hour period or as storm allows
- Provide support to other divisions and departments with equipment and manpower as needed
- From Powell Bill funds, provide pavement maintenance to 146 miles of city streets, resurface approximately 16 lane miles of city streets annually, and perform road maintenance to 4 miles of gravel streets
- Provide yard debris collection weekly on same day as other collections
- Perform paving and patching of street cuts as a result of utility connections and service

Reduced Service Level:

- Eliminate loose leaf collection
- Eliminate limb and yard waste collection

Enhanced Service:

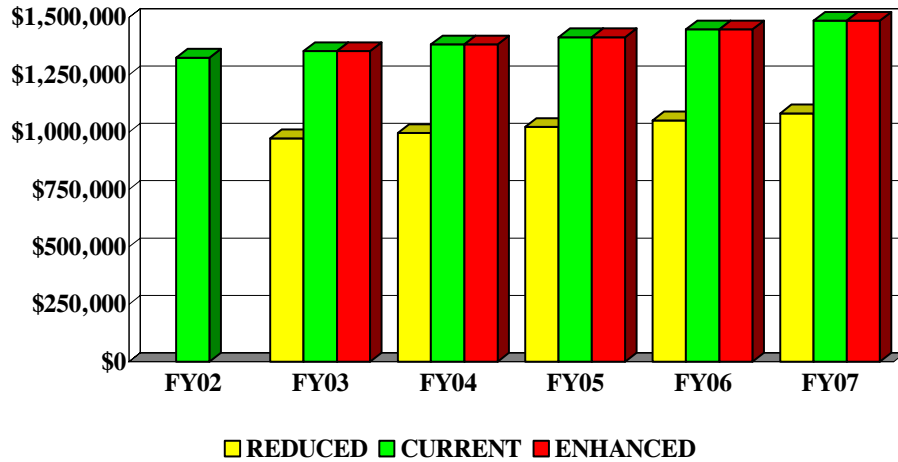
- Provide funding to increase sidewalk repairs/installations
- Add street sweeper to enhance removal of debris from streets and gutters within 30 working days
- Increase manpower to upgrade street maintenance and concrete operations
- Enhance dry storage for equipment and materials
- Enhance funds for target neighborhoods, downtown sidewalks, utility strips, and drainage improvements city wide

PUBLIC SERVICES-WASTE MANAGEMENT DIVISION

Statement of Purpose

To maintain a clean, healthy environment for the citizens of Salisbury through the regular collection, transportation, and disposition of industrial, commercial and residential refuse, and other debris using an effective, efficient system of waste management and recycling.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide once weekly curbside residential garbage and trash collection
- Provide multiple commercial collection by City crews
- Provide one free private collection of each front-end container weekly
- Provide once weekly curbside recycling

Reduced Service Level:

- Eliminate free collection of each front-end container
- Eliminate one position which compromises daily collections

Enhanced Service Level:

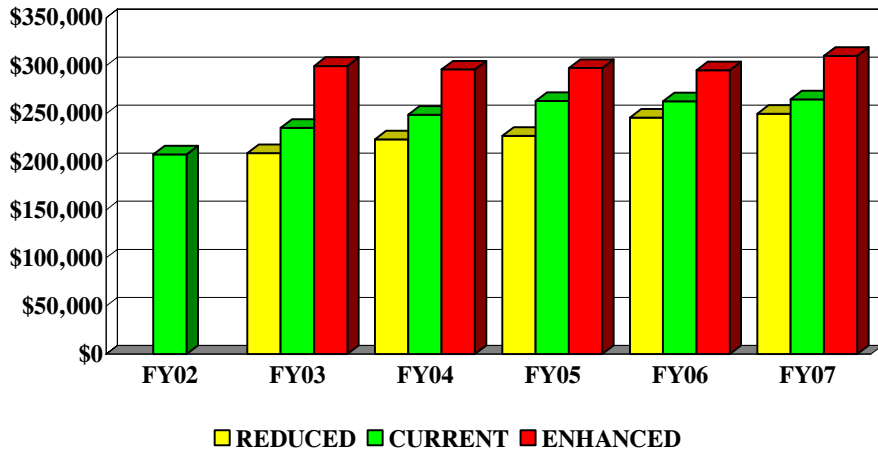
- No enhanced service level is proposed

PUBLIC SERVICES-CEMETERY DIVISION

Statement of Purpose

To operate, maintain and develop seven municipal cemeteries totaling 78.6 acres of publicly controlled burial grounds.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Offer for sale grave spaces in three of the seven municipal cemeteries
- Open 200 grave sites annually
- Maintain existing graves as required
- Mow all cemeteries biweekly

Reduced Service Level:

- Reduce frequency of mowing during summer months

Enhanced Service Level:

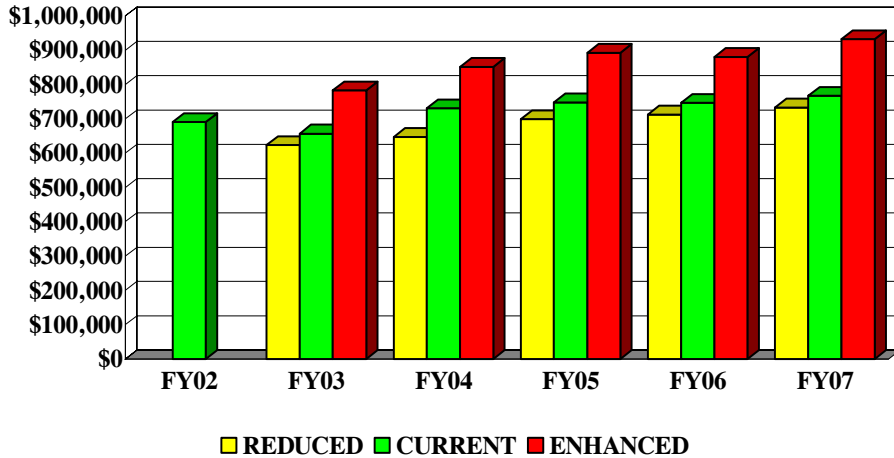
- Mow on nine day cycle
- Add equipment for additional personnel
- Increase number and scope of improvement projects at cemeteries

PUBLIC SERVICES-LANDSCAPE OPERATIONS DIVISION

Statement of Purpose

To perform a wide range of activities regarding the development and maintenance of publicly controlled landscapes throughout the City including horticultural management, vegetation control, urban forestry, and nuisance abatement to be completed in a prompt, courteous, and efficient manner.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide mowing operations for 146 miles of street right-of-way every 14 to 21 days; approximately 200 acres of parks and open space and over 100 parcels of public property every 7 to 10 days
- Maintain landscape areas including trees, shrubs, turfgrass areas, and City facilities every 10 to 14 days
- Provide aerial lift truck for hanging flags, banners, Christmas decorations, etc.
- Facilitate goals/objectives of Salisbury Tree Board and Community Appearance Commission: plant 500 trees and complete 3 to 4 landscape projects annually
- Provide nuisance abatement; respond within 10 working days after receiving work order
- Perform tree safety maintenance along public rights-of-way and parks on a case by case basis
- Provide support to Street Division during snow removal and leaf collection
- Provide staff support to Public Services Director for special projects
- Provide maintenance for greenway to assist Parks and Recreation 2 times yearly
- Provide maintenance for Eastern Gateway Park every 7 to 10 days
- Provide seasonal color change 4 times per year
- Provide trash removal along highly visible roadside areas every 7 to 10 days

Reduced Service Level:

- Provide mowing operations for street right-of-way every 21 to 28 days and parks, open space, and public property every 14 to 21 days
- Implement/maintain landscape areas every 14 to 21 days
- Plant 150 to 200 trees annually and eliminate landscape projects
- Respond to nuisance abatement within 15 days

Enhanced Service Level:

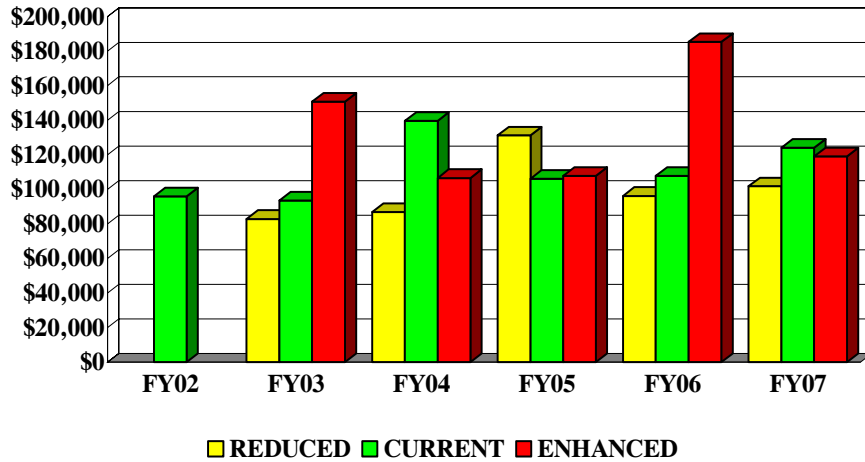
- Provide mowing operations for street right-of-way every 7 to 10 days and parks, open space, and public property every 5 to 7 days
- Implement/maintain landscape areas every 7 to 10 days
- Plant 700 to 800 trees and complete 4 to 6 landscape projects annually
- Respond to nuisance abatement within 5 days
- Implement a systematic tree safety maintenance program
- Provide for additional parking at shop

PUBLIC SERVICES-LANDSCAPING-HURLEY PARK

Statement of Purpose

To maintain and continue development of the 15-acre Elizabeth Holmes Hurley Park in conjunction with J.F. Hurley Foundation and the City of Salisbury’s Hurley Park Advisory Commission.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Maintain plant collections, trails, and display gardens daily
- Maintain records of daily park activities
- Apply agricultural chemicals seasonally, as needed, three to five times weekly
- Generate Hurley Park newsletter quarterly
- Administer and monitor park use
- Maintain structures, park furniture, and irrigation systems daily
- Locate and procure plant materials/supplies
- Facilitate goals and objectives of Hurley Park Advisory Committee within the context of the Hurley Park Master Plan: complete three special projects annually

Reduced Service Level:

- Maintain plant collections, trails, and display gardens one day per week
- Eliminate record maintenance
- Eliminate Hurley Park newsletter
- Maintain structures, park furniture, and irrigation systems weekly
- Complete one special project annually

Enhanced Service Level:

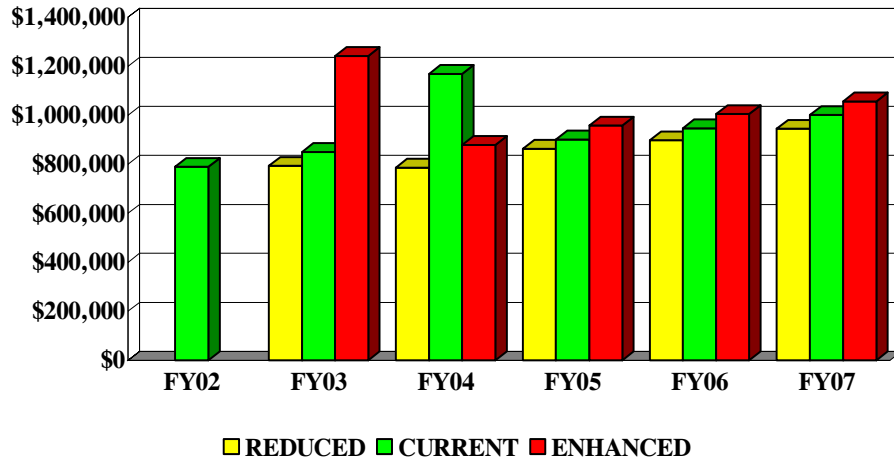
- Provide additional funds for park development
- Complete five special projects annually

PUBLIC SERVICES-FLEET MANAGEMENT DIVISION

Statement of Purpose

To provide a centralized resource for the maintenance, modifications, and repair of City vehicles and equipment, including Transit System buses, to offer expertise in the development of specifications used in the purchase or lease of new vehicles and equipment, and to keep vehicle records and provide financial records on vehicle repairs.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Repair and maintain the City fleet
- Provide a comprehensive preventive maintenance program for the City fleet
- Prepare vehicle modifications as needed
- Perform fabrication of specialized equipment
- Purchase off-road diesel fuel for the City off-road equipment
- Maintain the off-road fueling station
- Review and assist in the development of vehicle specifications and make purchase recommendations
- Provide road service calls when needed
- Maintain titles and licenses for City fleet
- Rebuild vehicle components
- Provide parts and supplies for the City fleet and other divisions' needs
- Maintain all fleet records
- Provide fleet operator training when needed
- Maintain employee development through training
- Receive estimates and authorize the repair of all fleet wreck repairs
- Continue implementation of Fleet Management computerization system to track Preventative Maintenance Program, equipment repair history, mechanic production, parts receiving, distribution and inventory control
- Provide for additional service bays and upfit Fleet facility in FY 2004

Reduced Service Level:

- Incur longer vehicle/equipment downtime for maintenance
- Incur declining level of technical abilities of personnel

Enhanced Service Level:

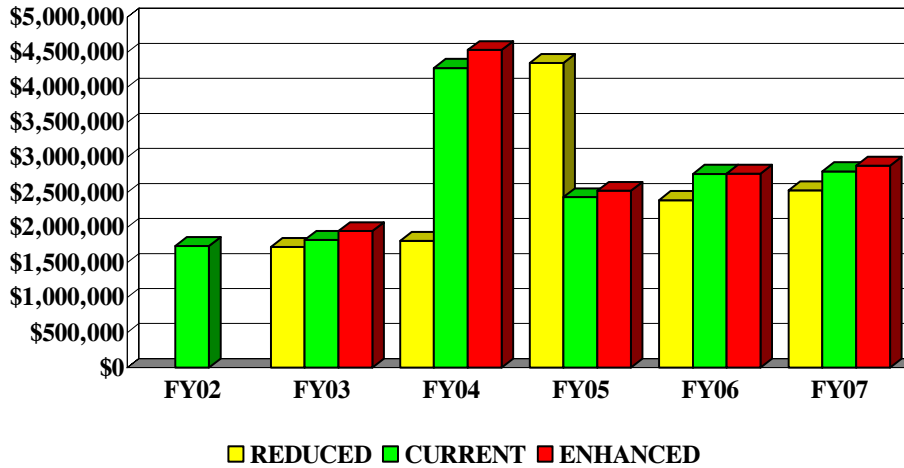
- Add Mechanic in FY 2003 to alleviate backlog of Preventative Maintenance Program
- Provide for additional service bays and upfit Fleet facility in FY 2003

PARKS AND RECREATION DEPARTMENT

Statement of Purpose

To provide the citizens of Salisbury with a variety of quality leisure services through safe, attractive, maintained parks and diversified programs that meet the current and future needs of the community.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide administration, planning, and development of a comprehensive park system, quality leisure activities, and programming
- Provide comprehensive youth/teen programming in athletics, craft classes, workshops, camps, playgrounds, and afterschool activities at 4 facilities
- Provide comprehensive adult programming in athletics, fitness, craft classes, life skills, and enrichment workshops at 4 facilities
- Provide quality tennis programming for all residents at 2 locations on 10 courts
- Provide special events and services for residents
- Provide Senior Citizen programming through support of the Ruffy-Holmes Senior Center
- Maintain all parkland, greenway, facilities, and playground equipment for the safety of all participants
- Make available for public use Parks and Recreation facilities for community events
- Provide a public pool for aquatic activities
- Maintain 447 acres of parkland in 15 locations
- Maintain 9 ballfields, 4 soccer fields, 9 outdoor basketball courts and 1 disc golf course
- Develop Town Creek Park in FY 2004

Reduced Service Level:

- Decrease the number of Recreation Aides at Civic Center resulting in the elimination of the summer camp program and reduce operating expenditures associated to the camp program
- Eliminate a full time Building and Grounds Maintenance position and replace with part time employees, but will still result in reduced mowing and trash collection frequencies for all parks
- Eliminate Recreation Leader resulting in a 15 – 20% reduction of programs for Hall Gym and Lincoln Park Pool
- Delay program staff support of the Community Park
- Delay development of Town Creek Park until FY 2005

Enhanced Service Level:

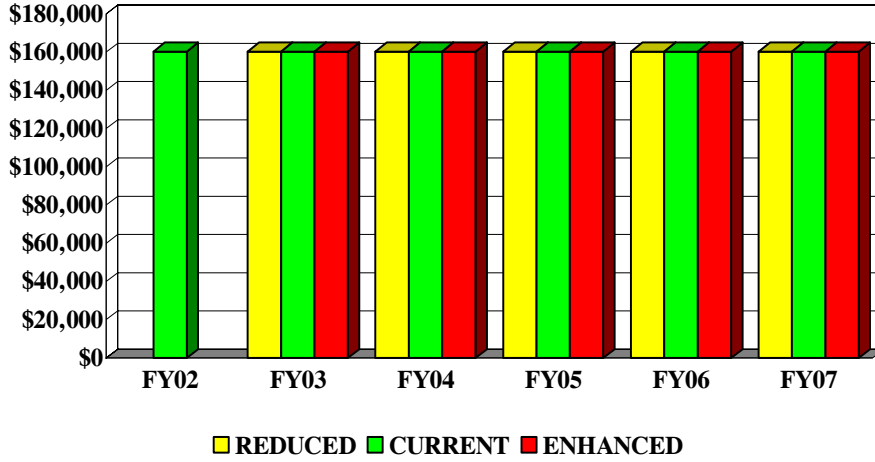
- Add two Recreation Aides to improve park maintenance during the peak summer season
- Add two Recreation Aide to increase neighborhood playgrounds at low or no cost and provide a mobile sports unit to visit each playground site

TRANSPORTATION

Statement of Purpose

To provide for funding the City's share of the City Transit System.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide City supplement to Mass Transit operations

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service Level:

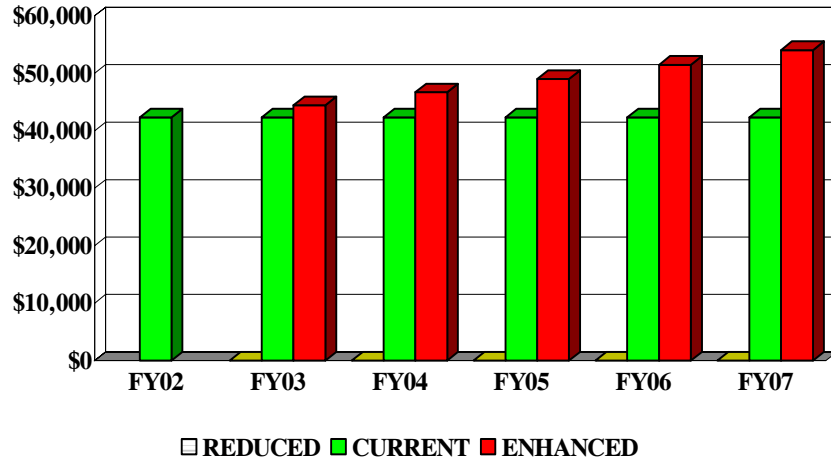
- No enhanced service level is proposed

EDUCATION

Statement of Purpose

To provide for funding the Supplementary Education System.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide a supplement to the Supplementary Education Center at historical level

Reduced Service Level:

- Eliminate any supplement to Supplementary Education Center

Enhanced Service Level:

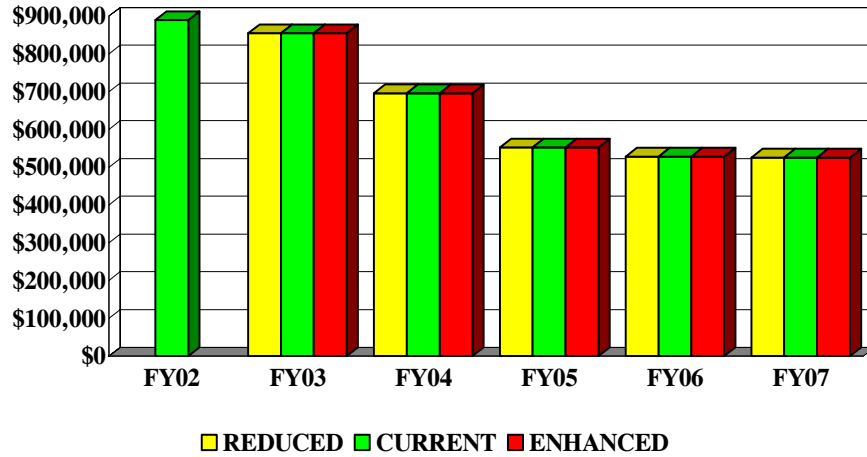
- Increase funding by 5% annually which could be used to enhance curriculum materials or special projects

DEBT SERVICE

Statement of Purpose

To provide for the payment of interest and principal payments on outstanding General Fund debt.

COMPARISON OF SERVICE LEVELS



Current Service Level:

- Provide funding for the existing General Fund debt service

Reduced Service Level:

- No reduced service level is proposed

Enhanced Service Level:

- No enhanced service level is proposed



PERFORMANCE MEASUREMENT

The North Carolina Local Government Performance Measurement Project

This section summarizes the results from the North Carolina Local Government Performance Measurement Project (the “Performance Measurement Project”) for the City of Salisbury. The following pages present performance and cost information for the City of Salisbury in comparison with the thirteen other cities participating in the project along with explanatory information about the services. This information is reprinted from the Institute of Government report entitled “North Carolina Local Government Performance Measurement Project – Final Report on City Services for Fiscal Year 2000-01 Performance and Cost Data”, dated February 2002. Specific information on the other cities’ results and a discussion about the performance measures can be found in the official publication.

The Performance Measurement Project

The Performance Measurement Project is an ongoing effort by several cities and counties in North Carolina to measure and compare local government services and costs. The City of Salisbury is a participant in the Performance Measurement Project, which includes the cities of Asheville, Cary, Chapel Hill, Charlotte, Concord, Durham, Greensboro, Hickory, High Point, Raleigh, Wilmington, Wilson, and Winston-Salem. Coordinated by the Institute of Government, the report analyzed the following local services: residential refuse collection, household recycling, yard waste and leaf collection, asphalt maintenance and repair, fire services, emergency communications, police services, and building inspections. Fleet Maintenance will be added as an additional category, next fiscal year.

The scope of the Performance Measurement Project includes:

- Develop methods that North Carolina’s cities and counties can use in their efforts to measure and assess the performance and costs of public services and test and refine these methods by applying them to a select group of local government services.
- Produce reliable data that the participating local jurisdictions can use to assess the performance and costs of the services studied in the project.
- Provide information to help local governments identify performance benchmarks as well as innovative or improved methods of service delivery.

By participating in the Performance Measurement Project, local governments have comparative performance and cost data to track their performance and costs in relation to other local governments along with their own historical performance and cost data. By using the information, local governments can hopefully provide their services more effectively and efficiently.

Performance Measurement for the City of Salisbury

The City of Salisbury has committed to continuing in the North Carolina Local Government Performance Measurement Project in FY2002-03 and beyond. As shown in the Budget Message, Outcome #11, goal 1 is to participate in statewide programs with other cities to establish performance standards. Every City department has been challenged to develop meaningful performance measurements as a benchmark for improving services to our citizens.

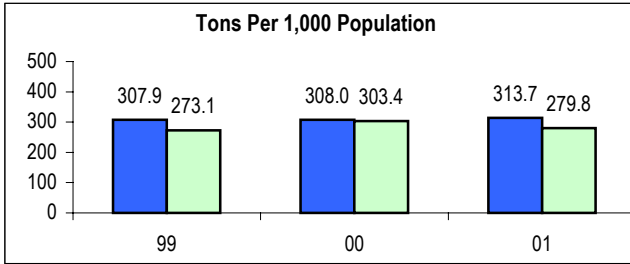
Salisbury

Residential Refuse Collection

FISCAL YEARS 1999, 2000 & 2001

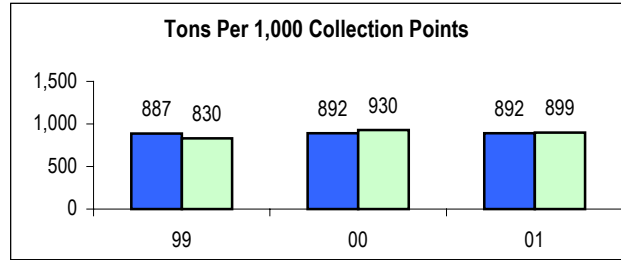
Chart Legend: City (Blue), Average (Green)

Workload Measure



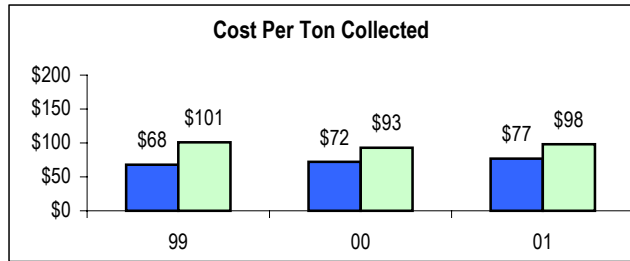
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Workload Measure



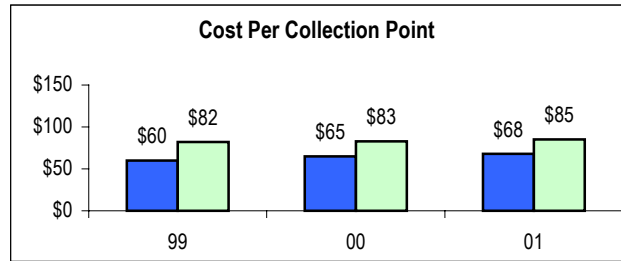
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Efficiency Measure



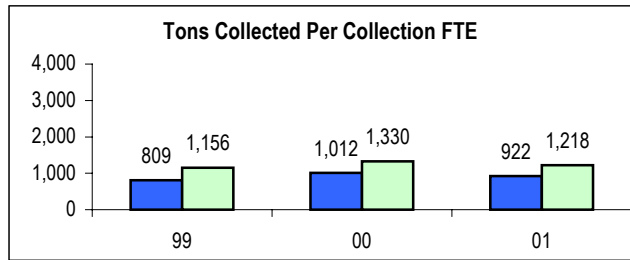
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Efficiency Measure



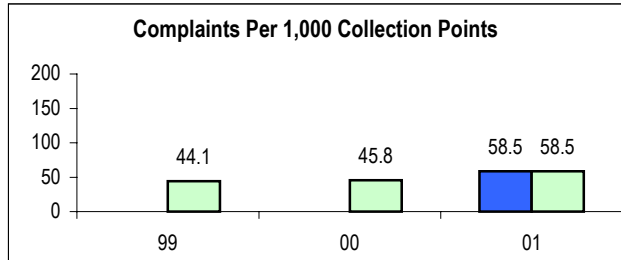
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Efficiency Measure



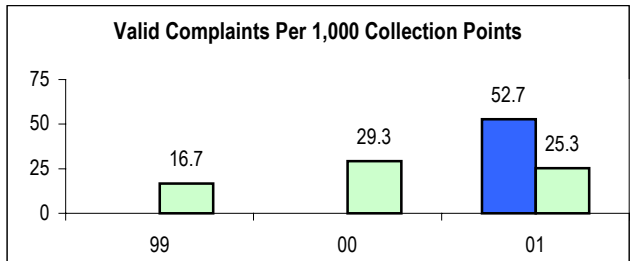
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Effectiveness Measure



n = 11

Effectiveness Measure



n = 8

Salisbury

Residential Refuse Collection

Fiscal Year 2000–01

CITY PROFILE	
Population (Census 2000)	26,462
Land Area (Square Miles)	17.8
Persons per Square Mile	1,488
Topography	Gently Rolling
County	Rowan
Climate	Moderate; Some Snow & Ice
Median Family Income (NC Dept. Commerce)	\$60,400

FULL COST PROFILE	
Cost Breakdown By %	
Personal Services	49.3%
Operating Costs	32.1%
Capital Costs	18.6%
TOTAL	100.0%
Cost Breakdown By \$	
Personal Services	\$ 313,331
Operating Costs	\$ 203,964
Capital Costs	\$ 117,894
TOTAL	\$ 635,189

SERVICE PROFILE	
FTE Positions–Collection	9.0
FTE Positions–Other	2.0
Tons Collected	8,300
Residential Customers (number represents collection points)	9,300
Collection Location	Curbside (Backyard for Disabled and for Fee)
Collection Frequency	1 x week
Size of Crews (most commonly used)	1 & 2 person
Percentage of Service Contracted	10%
Service Fee	No
Type of Equipment	6 semi-automatic Compactors

EXPLANATORY INFORMATION
<p>Service Level and Delivery</p> <p>Salisbury provides residential refuse collection service once per week at curbside. Backyard collection service is provided for disabled customers only.</p> <p>The city employed six crews during FY 2000–01, three composed of one driver and one collector and three composed of one driver. Six semi-automated packers were used during the fiscal year. Sixteen collection routes were used with an average of one trip per route per day to the transfer station of four miles.</p> <p>Each resident has one ninety-gallon rollout cart provided and paid for by the city. The city collected 8,300 tons of residential refuse during FY 2000–01 at a cost per ton of \$77. Not included in the cost per ton was a \$28 per ton landfill tipping fee. Salisbury contracted 10 percent of its residential refuse collection during FY 2000-01 at a cost of \$65,500 to service apartments with dumpsters.</p> <p>Salisbury defines its semi-automated packers as low-entry compactors that can be driven from either side of the truck, with the refuse being dumped in the rear of the truck from rollout carts.</p> <p>Conditions Affecting Service, Performance, and Costs</p>

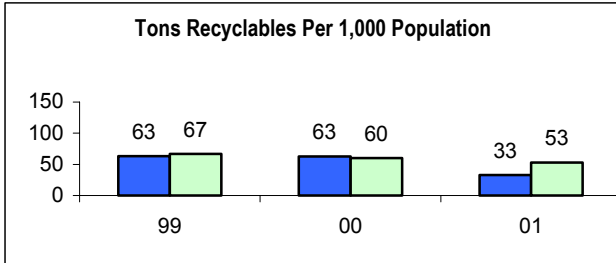
Salisbury

Household Recycling

FISCAL YEARS 1999, 2000 & 2001

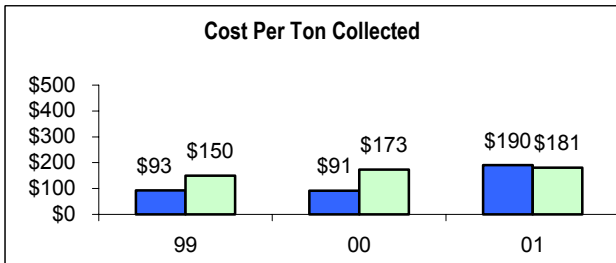
Chart Legend: ■ City ■ Average

Workload Measure



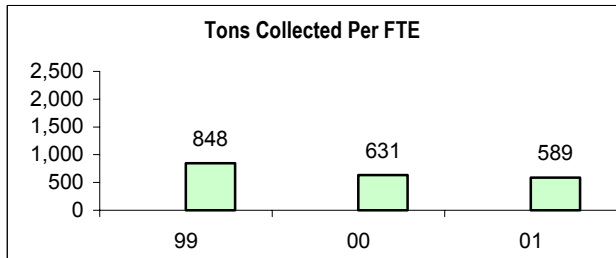
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Efficiency Measure



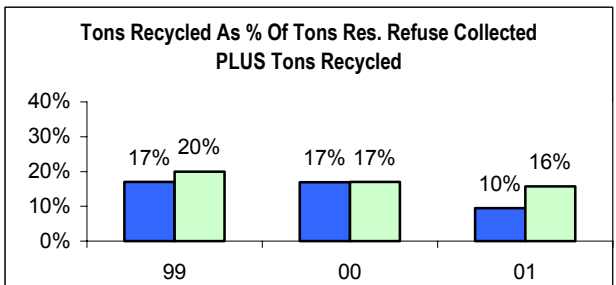
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Efficiency Measure



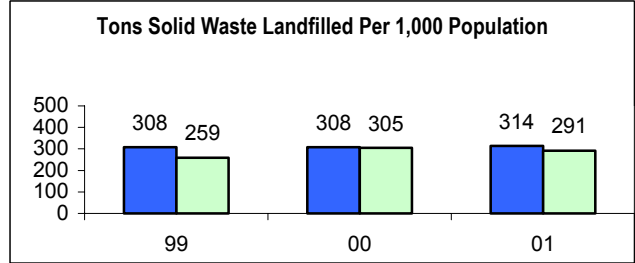
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Effectiveness Measure



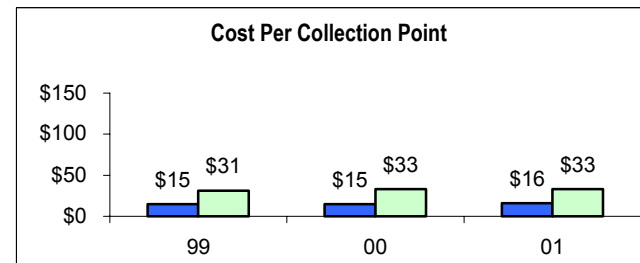
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Workload Measure



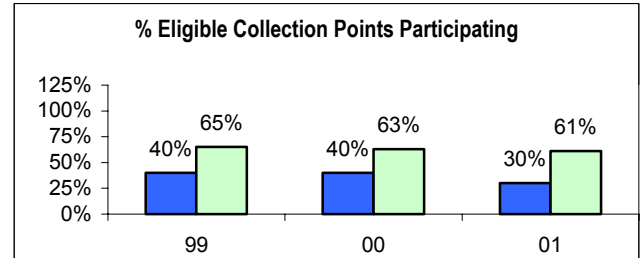
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Efficiency Measure



n = 12

Effectiveness Measure



n = 12

Salisbury

Household Recycling

Fiscal Year 2000–01

CITY PROFILE

Population (Census 2000)	26,462
Land Area (Square Miles)	17.8
Persons per Square Mile	1,488
Topography	Gently Rolling
County	Rowan
Climate	Moderate; Some Snow & Ice
Median Family Income (NC Dept. Commerce)	\$60,400

FULL COST PROFILE

Cost Breakdown By %	
Personal Services	0.0%
Operating Costs	100.0%
Capital Costs	0.0%
TOTAL	100.0%
Cost Breakdown By \$	
Personal Services	\$ -
Operating Costs	\$ 165,744
Capital Costs	\$ -
TOTAL	\$ 165,744

SERVICE PROFILE

FTE Positions–Collection	NA
FTE Positions–Other	NA
Tons Collected	870
Collection Points	10,300
Collection Location	Curbside
Collection Frequency	1 X Week
Number of Drop-Off Centers	0
Percentage of Service Contracted	100%
Revenue from Recycling	NA
Revenue as Percent of Cost	NA

EXPLANATORY INFORMATION

Service Level and Delivery

Salisbury provides once-a-week curbside collection of recyclable materials from households. The city provides and pays for the fourteen-gallon recycling bins that residents use. Residents place materials commingled into the bins. The recyclable materials collected are:

- glass—all colors
- newspaper
- magazines
- mixed paper and mail
- telephone books
- cardboard—2x3 broken down and cereal boxes
- plastics—No. 1 and No. 2
- cans—all aluminum and steel

The city contracts 100 percent of its recycling program. Recyclables are sorted at the curb by the contractor and taken to the county recycling site. The city charged a monthly recycling fee of \$1.44 in FY 2000–01.

Conditions Affecting Service, Performance, and Costs

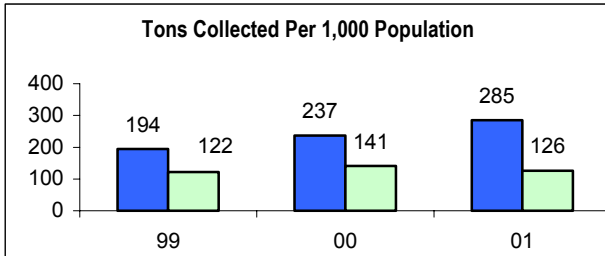
Salisbury

Yard Waste/Leaf Collection

FISCAL YEARS 1999, 2000 & 2001

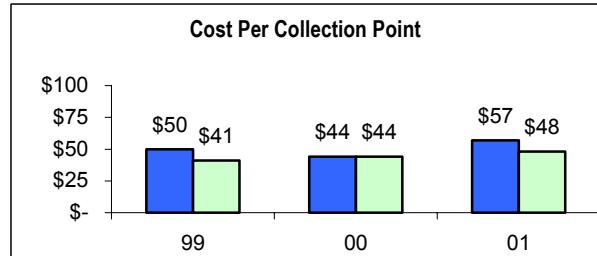
Chart Legend: ■ City ■ Average

Workload Measure



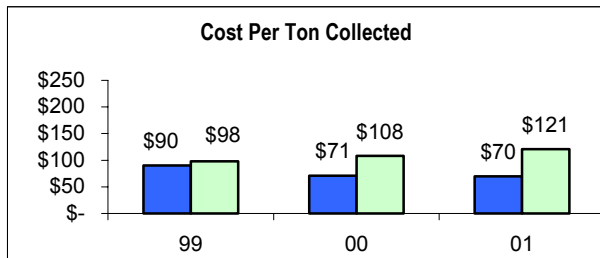
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Efficiency Measure



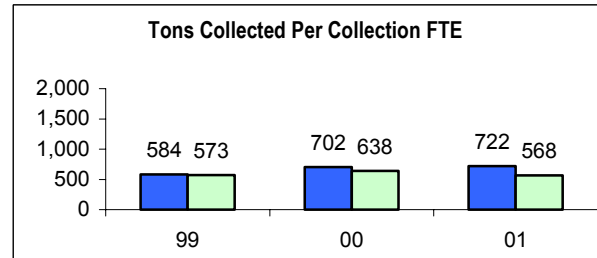
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Efficiency Measure



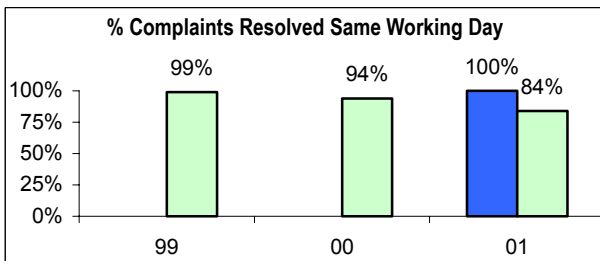
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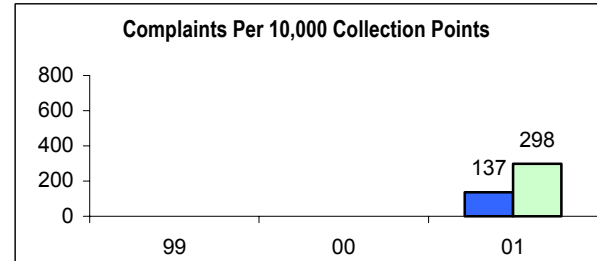
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Effectiveness Measure



n = 6

Effectiveness Measure



n = 9

Salisbury

Yard Waste/Leaf Collection

Fiscal Year 2000–01

CITY PROFILE		EXPLANATORY INFORMATION
Population (Census 2000)	26,462	<p>Service Level and Delivery Yard waste is picked up weekly at the curb in Salisbury. Yard waste includes limbs, shrubs, bagged grass clippings, and bagged leaves. It is collected the same day as trash and recycling materials for city residents.</p> <p>The city uses two, three-person crews, each consisting of a driver and two laborers, on packer trucks for yard waste collection. A two-member crew operating a knuckleboom truck is used to pick up large brush piles and limbs.</p> <p>Loose leaves are collected from curbside during leaf season, which runs from mid-October through March. Loose leaves are collected every third week during leaf season, and bagged leaves are collected weekly with the regular yard waste program.</p> <p>The city did not charge a fee for its yard waste collection program during FY 2000–01.</p> <p>Conditions Affecting Service, Performance, and Costs Complaints per 10,000 Collection Points was previously reported as Valid Complaints per 10,000 Collection Points.</p>
Land Area (Square Miles)	17.8	
Persons per Square Mile	1,488	
Topography	Gently Rolling	
County	Rowan	
Climate	Moderate; Some Snow & Ice	
Median Family Income (NC Dept. Commerce)	\$60,400	
FULL COST PROFILE		
Cost Breakdown By %		
Personal Services	53.3%	
Operating Costs	32.4%	
Capital Costs	14.3%	
TOTAL	100.0%	
Cost Breakdown By \$		
Personal Services	\$ 282,383	
Operating Costs	\$ 171,732	
Capital Costs	\$ 75,986	
TOTAL	\$ 530,101	
SERVICE PROFILE		
FTE Positions–Collection	10.5	
FTE Positions–Other	included above	
Collection Points		
Yard Waste	9,300	
Leaf Collection	9,300	
Tons Collected		
Yard Waste	5,000	
Leaves	2,546	
Total	7,546	
Collection Frequency		
Yard Waste	1 X Week	
Leaf Collection	1 X Week	
Service Fee	None	

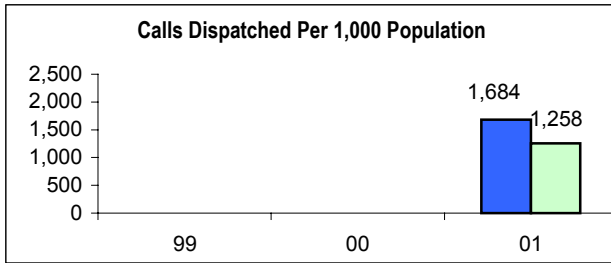
Salisbury

Police Services

FISCAL YEARS 1999, 2000 & 2001

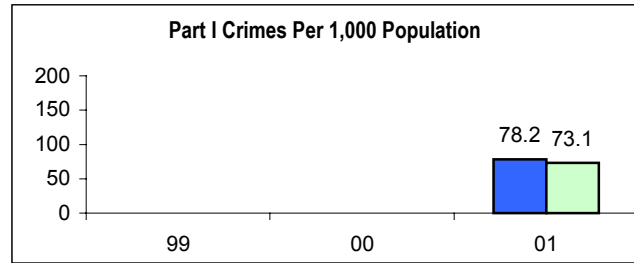
Chart Legend: ■ City ■ Average

Workload Measure



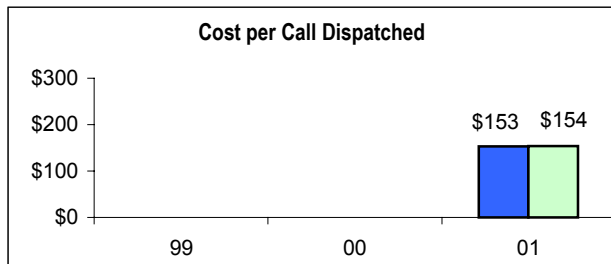
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Workload Measure



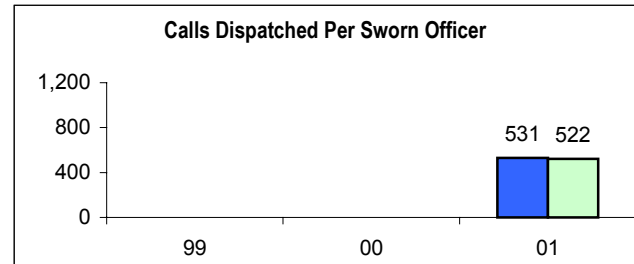
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Efficiency Measure



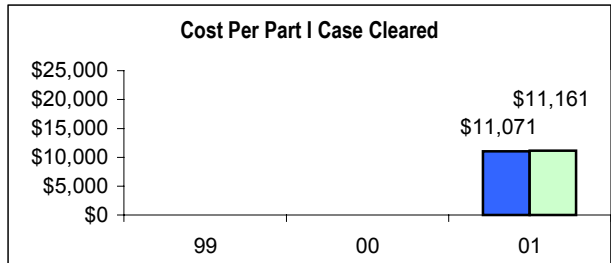
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Efficiency Measure



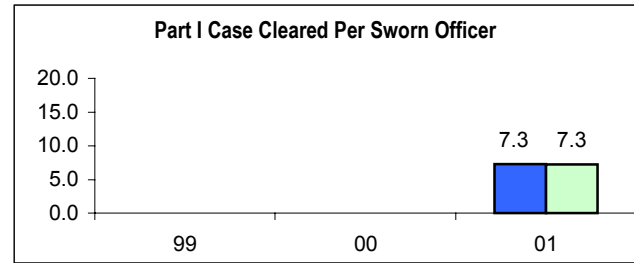
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Efficiency Measure



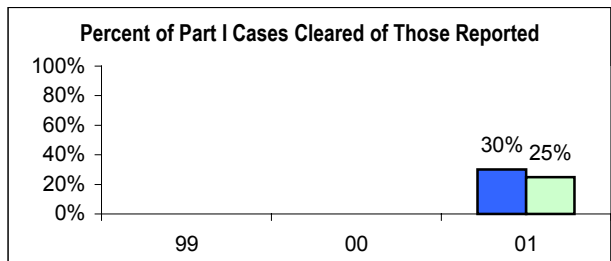
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Efficiency/Effectiveness Measure



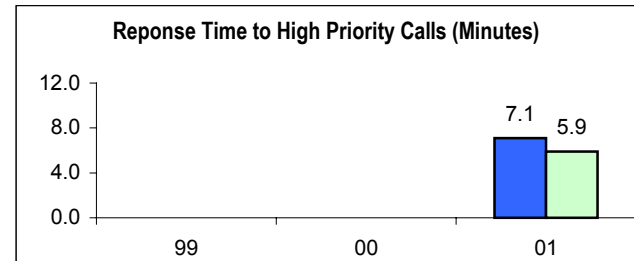
n = 14

Effectiveness Measure



n = 14

Effectiveness Measure



n = 13

Salisbury

Police Services

Fiscal Year 2000–01

CITY PROFILE

Population (Census 2000)	26,462
Land Area (Square Miles)	17.8
Persons per Square Mile	1,488
County	Rowan
Median Family Income (NC Dept. Commerce)	\$60,400
Unemployment Rate (ESC-00)	5.6%
Part I Crimes Reported	
Homicide	5
Rape	10
Robbery	74
Assault	100
Burglary	374
Larceny	1,380
Auto Theft	115
Arson	12
TOTAL	2,070

FULL COST PROFILE

Cost Breakdown By %	
Personal Services	61.5%
Operating Costs	24.2%
Capital Costs	14.3%
TOTAL	100.0%
Cost Breakdown By \$	
Personal Services	\$ 4,185,258
Operating Costs	\$ 1,644,965
Capital Costs	\$ 978,730
TOTAL	\$ 6,808,953

SERVICE PROFILE

FTE Positions–Sworn	84.0
FTE Positions–Other	22.3
Part I Crimes Cleared	
Persons	123
Property	492
Total	615
Reporting Format	UCR/IBR
Part II Crimes Reported	1,560
Number of Calls Dispatched	44,572
Traffic Accidents	1,692
Property Damage	NA

EXPLANATORY INFORMATION

Service Level and Delivery

Salisbury's police department provides an array of police services, including patrol, investigations, a traffic unit, a special response unit, bicycle patrol, animal control, drug enforcement, and two school programs.

The city had eighty-four sworn officer positions authorized for FY 2000–01, with an average length of service of 8.1 years. The police department is located in a two-story facility and employs three substations. One substation is located in a neighborhood, one substation is located in the business district, and the other occupies an apartment in the Salisbury Housing Authority apartment complex.

Uniform officers work a variety of shift schedules, including a twelve-hour schedule, four days on and four off. Some work a ten-hour schedule with five days on and three off. The rotating twelve-hour shifts include augmented mid-hour shifts and late shifts that may be moved according to need.

The police department was successful in clearing a total of 615 cases in FY 2000–01. Eighty-one complaints about police officers were received in FY 2000–01 with fourteen of the complaints sustained.

The city defines high priority emergency calls as those crimes that are in progress, life threatening, or potentially life threatening circumstances. Each officer is assigned a vehicle and allowed to take it home.

Conditions Affecting Service, Performance, and Costs

The average response time to high priority calls in FY 2000–01 reflects the response time of the unit assigned to the call. Self-initiated calls with a response time of zero are not included in the average response time to high priority calls.

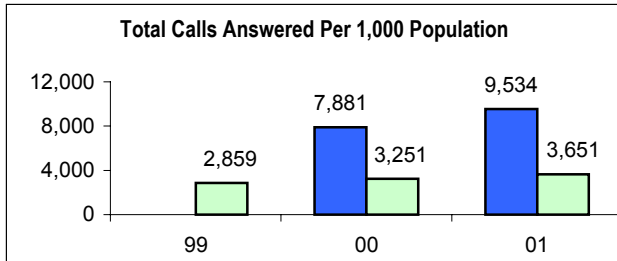
Salisbury

Emergency Communications

FISCAL YEARS 1999, 2000 & 2001

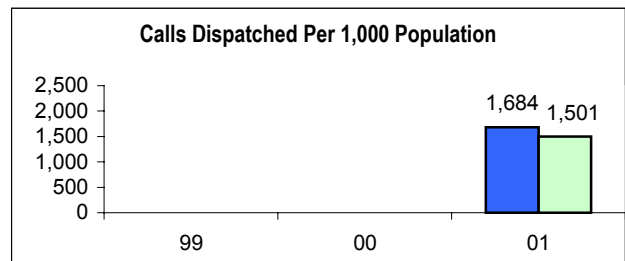
Chart Legend: ■ City ■ Average

Workload Measure



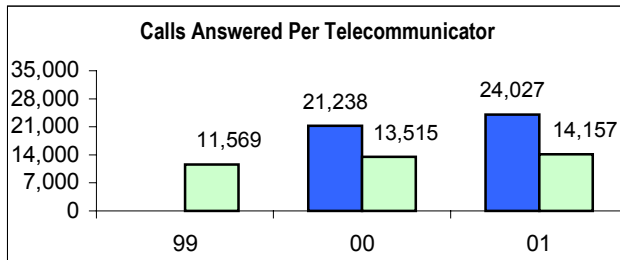
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Workload Measure



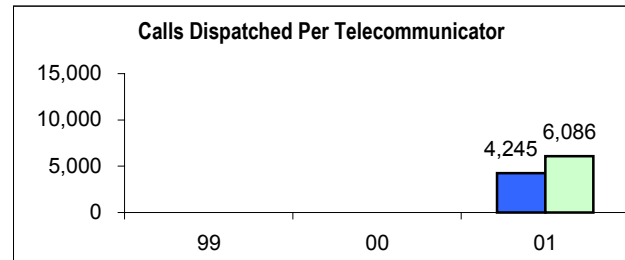
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Efficiency/Workload Measure



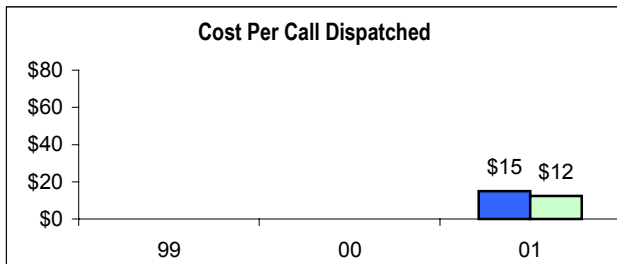
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Efficiency Measure



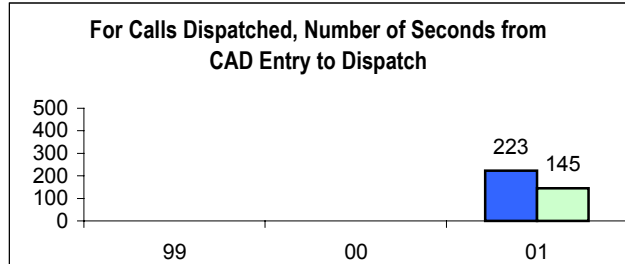
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Efficiency Measure



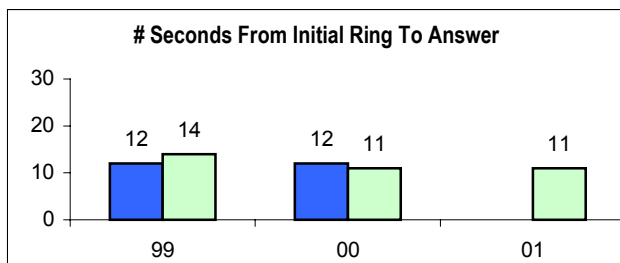
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Effectiveness Measure



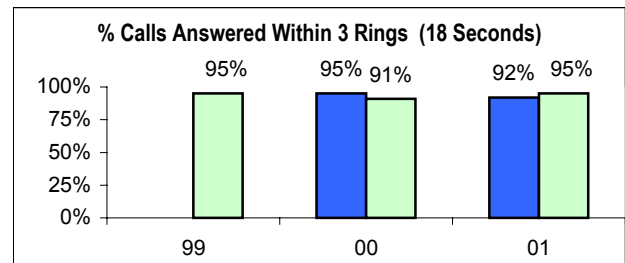
n = 10

Effectiveness Measure



n = 9

Effectiveness Measure



n = 9

Salisbury

Emergency Communications

Fiscal Year 2000-01

CITY PROFILE

Population (Census 2000)	26,462
Land Area (Square Miles)	17.8
Persons per Square Mile	1,488
County	Rowan
Median Family Income (NC Dept. of Commerce)	\$60,400
Unemployment Rate (ESC-00)	5.6%
Population Growth (Census 1990-2000)	14.6%

FULL COST PROFILE

Cost Breakdown By %	
Personal Services	53.3%
Operating Costs	44.8%
Capital Costs	1.9%
TOTAL	100.0%

Cost Breakdown By \$	
Personal Services	\$ 356,089
Operating Costs	\$ 299,605
Capital Costs	\$ 12,405
TOTAL	\$ 668,099

SERVICE PROFILE

FTE Positions	
Telecommunicators/Call-takers	10.5
Other	1.0
Total Incoming Calls	252,285
Total 911 Calls	18,518
Total Calls Dispatched	44,572
E-911 Fee	No
Revenue from Fee	NA

EXPLANATORY INFORMATION

Service Level and Delivery

The emergency communications center is located in the police department and processes 911 emergency and nonemergency calls. It dispatches police and other emergency response units as necessary. Many of the calls come directly to the center. Others from city residents go initially to the Rowan County communications center and are then immediately switched to the city's police communications center. The city's center operates twenty-four hours a day, seven days a week.

The city owns its communications equipment, including infrastructure. The system is a Motorola 800 MHz trunked Smartnet system with a single, twenty-channel analog site and two GHz microwave sites.

Salisbury's center reported total incoming calls of 252,285 for FY 2000-01, dispatching 44,572 of them. The city defines highest priority emergency calls as crimes in progress and calls involving injury or imminent injury to a person.

Conditions Affecting Service, Performance, and Costs

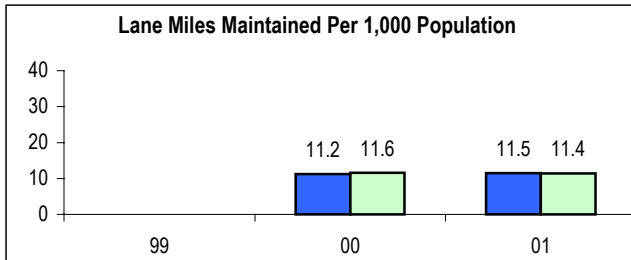
Salisbury

Asphalt Maintenance & Repair

FISCAL YEARS 1999, 2000 & 2001

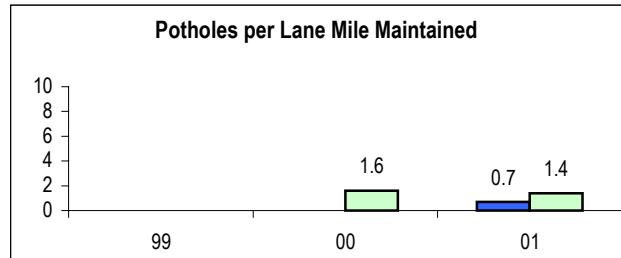
Chart Legend: ■ City ■ Average

Workload Measure



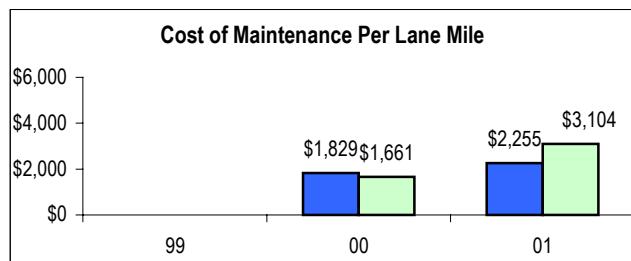
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Workload Measure



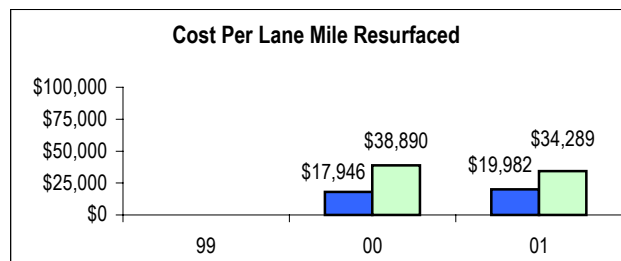
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Efficiency Measure



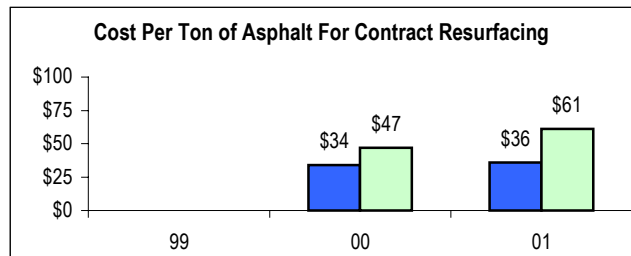
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Efficiency Measure



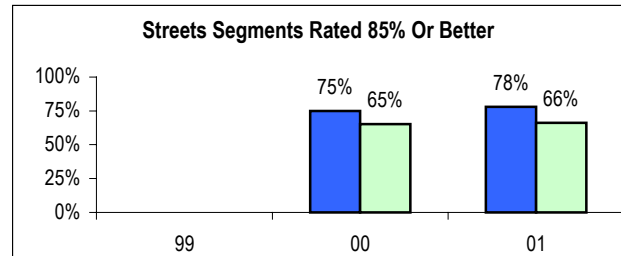
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Efficiency Measure



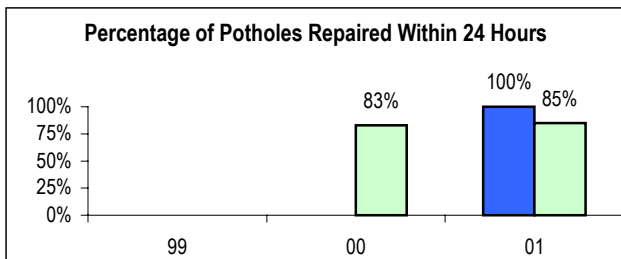
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Effectiveness Measure



n = 12

Effectiveness Measure



n = 11

Salisbury

Asphalt Maintenance & Repair

Fiscal Year 2000–01

CITY PROFILE

Population (Census 2000)	26,462
Land Area (Square Miles)	17.8
Persons per Square Mile	1,488
Topography	Gently Rolling
County	Rowan
Climate	Moderate; Some Snow & Ice
Median Family Income (NC Dept. of Commerce)	\$60,400

FULL COST PROFILE

Cost Breakdown By %	
Personal Services	24.1%
Operating Costs	63.4%
Capital Costs	12.5%
TOTAL	100.0%
Cost Breakdown By \$	
Personal Services	\$ 241,298
Operating Costs	\$ 636,126
Capital Costs	\$ 125,483
TOTAL	\$ 1,002,907

SERVICE PROFILE

FTE Positions–Crews	7.3 including other
FTE Positions–Other	NA
Lane Miles Maintained	303
Lane Miles Resurfaced–Contract	16.00
Lane Miles Resurfaced–City	0.00
Total	16.00
Tons of Asphalt Used–Resurfacing	
Contractor	8,760
City Crews	0
Cost of Repaving–Contract	\$319,712
Cost of Repaving–City Crews	\$0
Cost of Maintenance	\$683,195
Registered Vehicles	20,596
Registered Vehicles/Square Mile	1,158

EXPLANATORY INFORMATION

Service Level and Delivery

The city of Salisbury was responsible for maintaining 303 lane miles during FY 2000–01. The city resurfaced sixteen lane miles, equating to approximately 5.3 percent of total lane miles.

A total of 8,760 tons of asphalt was used during the fiscal year, representing the tons used for resurfacing projects. The average resurfacing depth used by the city was 1.5 inches.

The city reported that 78 percent of its street segments rated 85 percent or above on its most recent rating conducted in the year 2001. The city used ITRE as its rating system.

The number of potholes reported for FY 2000–01 was 225. The percentage of potholes repaired within twenty-four hours was 100 percent. The city reported a resurfacing cycle of ten years.

Conditions Affecting Service, Performance, and Costs

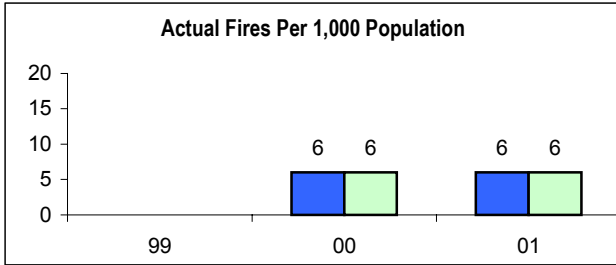
Salisbury

Fire Services

FISCAL YEARS 1999, 2000 & 2001

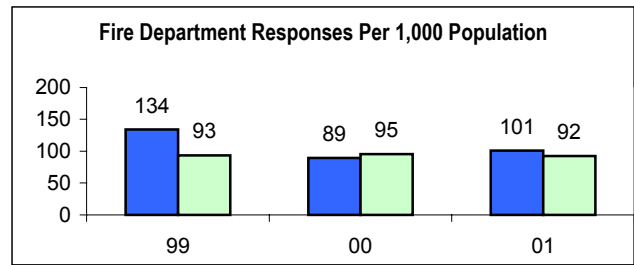
Chart Legend: ■ City ■ Average

Workload Measure



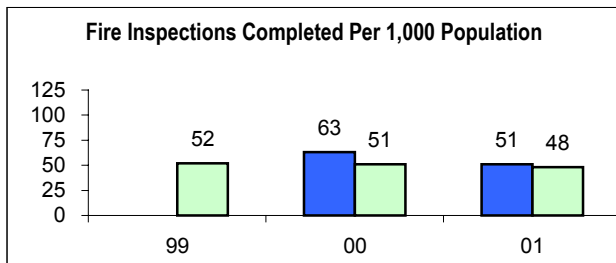
n = 14

Workload Measure



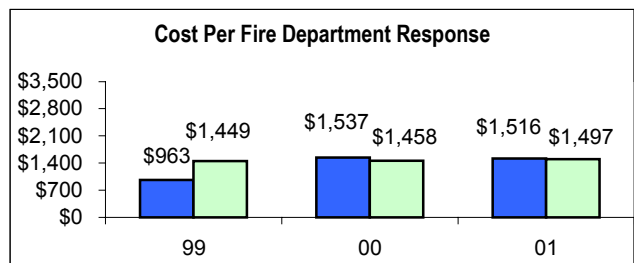
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Workload Measure



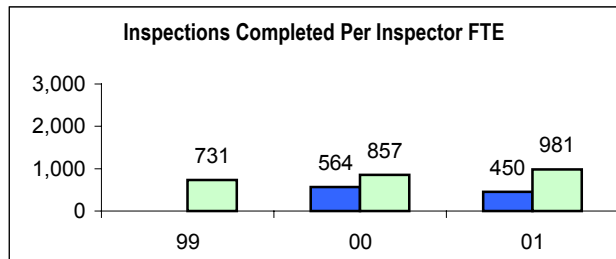
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Efficiency Measure



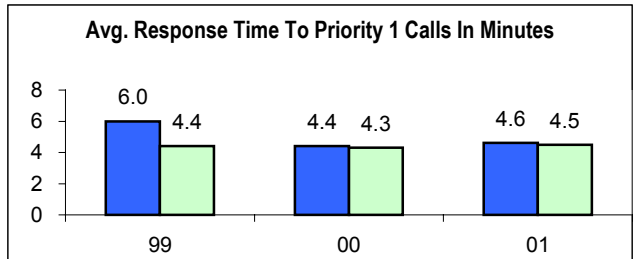
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Efficiency Measure



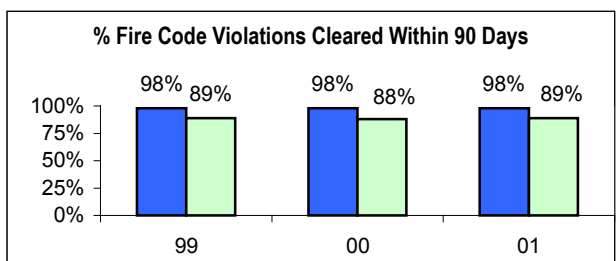
n = 14

Effectiveness Measure



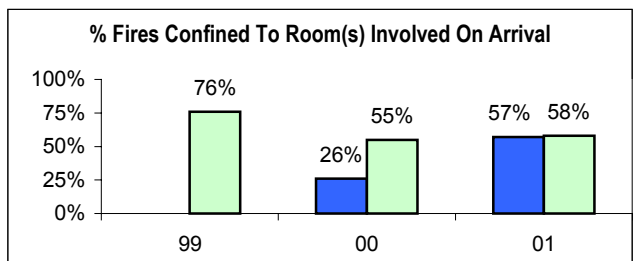
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Effectiveness Measure



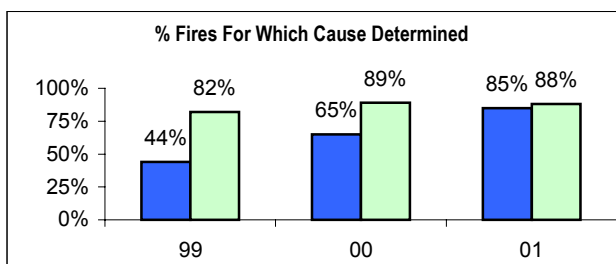
n = 13

Effectiveness Measure



n = 12

Effectiveness Measure



n = 14

Salisbury

CITY PROFILE

Population Served	26,462
Land Area Served (Square Miles)	17.8
Persons Served per Square Mile	1,488
Topography	Gently Rolling
County	Rowan
Climate	Moderate; Some Snow & Ice

FULL COST PROFILE

Cost Breakdown By %	
Personal Services	67.0%
Operating Costs	21.0%
Capital Costs	12.0%
TOTAL	100.0%
Cost Breakdown By \$	
Personal Services	\$ 2,707,390
Operating Costs	\$ 848,676
Capital Costs	\$ 486,898
TOTAL	\$ 4,042,964

SERVICE PROFILE

FTE Positions–Firefighters	54
FTE Positions–Other	11
Fire Stations	3
Amount of Property Protected	\$1,820,568,216
Fire Apparatus	
Pumpers	3
Aerial trucks	1
Reserve equipment–other	8
Total	12
Fire Department Responses	
Fires	170
Medical	1,595
False Alarms	357
Other	545
Total	2,667
Engine Companies	3
Actual Fires Reported	170
Structural Fires Reported	49

EXPLANATORY INFORMATION

Service Level and Delivery

The statement of purpose for the Salisbury fire department is to provide capable, well-trained personnel and necessary equipment to suppress fires and effectively manage hazardous chemical accidents that may occur in our community related to transportation or industry; to provide rescue services as needed and basic life support through an updated First Responder Program; and to work toward a more fire safe community through loss prevention activities, including inspections, code enforcement, minimum housing activities, and public education programs.

The fire department contained the following divisions in FY 2000–01: fire control, loss prevention, training, and logistics.

The shift schedule for the fire department is twenty-four hours on and forty-eight hours off.

The fire department reported a average response time of 4.61 minutes, including turnout and travel time.

The city had an ISO rating of 2 for FY 2000–01.

The fire department reported a total number of inspections of 1,349. The city follows or exceeds the state guidelines for frequency of inspections for all occupancies. Apartment buildings have one file number. Reinspections are performed on thirty-day intervals.

Conditions Affecting Service, Performance, and Costs

The measure of Actual Fires per 1,000 Population was introduced in the FY 1999–00 report. It was changed from Fires Reported per 1,000 Population in the FY 1998–99 report.



**"BUDGET ORDINANCE OF THE CITY OF SALISBURY FOR THE FISCAL YEAR
BEGINNING JULY 1, 2002, AND ENDING JUNE 30, 2003.**

Be it ordained by the City Council of the City of Salisbury, North Carolina, as follows:

Section 1. Appropriations

That for the expense of the City Government and its activities for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the amounts in the following subsections, or so much of each as may be necessary, are hereby appropriated:

(1) That for said fiscal year there is hereby appropriated out of the GENERAL FUND the following:

City Council	\$	97,815
Management and Administration		624,483
Human Resources		473,696
Information Technologies		1,078,607
Finance		996,933
Purchasing		151,535
Community Development		756,503
Development Services		364,816
Office Buildings		324,711
Plaza		211,440
Police Services		1,454,363
Police Administration		356,784
Police Operations		4,032,144
Fire Department		3,575,181
Telecommunications		562,882
Traffic Operations		442,214
Street Lighting		307,000
Transportation		160,282
Engineering		1,035,963
Public Services - Administration		173,166
Streets		1,870,263
Cemetery		221,661
Waste Management		1,301,765
Landscape Operations		607,449
Hurley Park		95,017
Parks and Recreation		1,750,472
Fleet Management		750,323
Education		42,342
Debt Service		<u>854,818</u>
 TOTAL GENERAL FUND	\$	<u><u>24,674,628</u></u>

- (2) That for said fiscal year there is hereby appropriated out of the WATER AND SEWER FUND the following:

Water and Sewer Debt Service	\$ 4,959,650
Utilities Mgt. and Administration	2,900,015
Water Resources	790,681
Water and Sewer Maint and Const	2,645,191
Technical Services	542,758
Wastewater Treatment	1,495,978
Meter Services	495,794
Facilities Maintenance	<u>1,313,338</u>
 TOTAL WATER AND SEWER FUND	 <u>\$ 15,143,405</u>

- (3) That for said fiscal year there is hereby appropriated out of the TRANSIT FUND for the purpose of operating Salisbury's Transit System, the sum of

\$ 624,742

- (4) That for said fiscal year there is hereby appropriated out of the GENERAL FUND CAPITAL RESERVE FUND for the purpose of purchasing equipment, the sum of

\$ 1,328,726

- (5) That for said fiscal year there is hereby appropriated out of the WATER AND SEWER CAPITAL RESERVE FUND for the purpose of purchasing equipment, the sum of

\$ 332,101

- (6) That for the 2002-03 Community Development Block Grant Entitlement there is hereby appropriated out of the SPECIAL REVENUE FUNDS for the purposes outlined within the grant, the sum of

\$ 525,000

- (7) That for the Rental Rehab Fund there is hereby appropriated out of the SPECIAL REVENUE FUNDS for the purposes of performing housing rehabilitation and downpayment assistance, the sum of

\$ 126,000

Section 2. Revenue Estimates

- (1) The City Council has and does estimate that the following revenues will be available during the fiscal year beginning July 1, 2002 and ending June 30, 2003

General Fund:	
Taxes	\$ 14,604,651
Licenses and permits	565,202
Intergovernmental	5,359,786
Charges for services	1,607,360
Miscellaneous	877,579
Administrative charges	<u>1,660,050</u>
Total revenues	<u>\$ 24,674,628</u>

Water and Sewer Fund:	
Charges for services	\$ 14,779,245
Nonoperating revenues	<u>364,160</u>
Total revenues and other financing sources	<u>\$ 15,143,405</u>

Transit Fund:	
Charges for services	\$ 89,500
Intergovernmental revenues	335,380
Miscellaneous	16,000
Other financing sources	<u>183,862</u>
Total revenues and other financing sources	<u>\$ 624,742</u>

General Fund Capital Reserve Fund:	
Transfer from General Fund	\$ 1,298,726
Miscellaneous	<u>30,000</u>
Total revenues	<u>\$ 1,328,726</u>

Water and Sewer Capital Reserve Fund:	
Transfer from Water and Sewer Fund	\$ 312,101
Miscellaneous	<u>20,000</u>
Total revenues	<u>\$ 332,101</u>

Special Revenue Funds:	
Entitlement Fund	
Intergovernmental revenue	\$ 375,000
Miscellaneous	<u>150,000</u>
Total revenue	<u>\$ 525,000</u>

Rental Rehab:	
Miscellaneous	\$ <u>126,000</u>
Total revenue	<u>\$ 126,000</u>

Section 3. Tax Levy

There is hereby levied the following rates of Ad Valorem Tax on each one hundred dollars (\$100.00) valuation of taxable property, as listed for taxes as of January 1, 2002 for the purpose of raising the revenue from current year's property tax, as set forth in the foregoing estimate of revenue, and in order to finance the foregoing appropriation, to wit:

General Fund:

(For the expense incident to the proper government of the City of Salisbury)

-- \$.60

Municipal Service District:

(To promote, encourage and assist in the revitalization and economic health and stability of the downtown area)

-- \$.16

The estimated Ad Valorem Tax income is based upon collection of the above Tax rates as applied to the valuation of \$1,920,203,614 for General Fund purposes.

Section 4. Appropriations hereinabove authorized and made shall have the amounts of the unearned portion of contracts at June 30, 2002 added to each appropriation as it applied in order to properly account for the payment against the fiscal year in which it is paid.

Section 5. The City Manager is hereby authorized to make any budget amendments as may be required within each fund as long as the total appropriation for each fund does not change and contingency funds are not utilized.

Section 6. The amount budgeted as Plaza Contingency Reserve for the Plaza if any shall be set aside in Fund Balance at year-end and added to the balance named as Designated for Plaza Capital Replacement.

Section 7. Copies of this ordinance shall be furnished to the City Finance Director, to be kept on file by him, for his direction in the disbursement of City funds.

Section 8. The following schedules and fees are hereby adopted and all references to these fees in the City Code of Ordinances are amended to reflect these new schedules and fees as appropriate:

	Fee
ADMINISTRATION	
Sale of Salisbury Code of Ordinances-hardback binder	\$60
Sale of Salisbury Code of Ordinances-softback binder	\$35
Sale of Salisbury City Council meeting recording	\$5/tape
 LAND MANAGEMENT & DEVELOPMENT	
<i>Development Services</i>	
Standards Manual (includes zoning and subdivisions)	\$20
Permit for demolition	\$20
Permit for moving	\$20
Group Developments:	
Residential involving four or more units	\$200 + \$6/unit
Nonresidential	\$500
Irrigation Connections:	
Three-fourths-inch water meter and tap and backflow prevention device	\$212.50
One-inch water meter and tap and backflow prevention device	\$287.50
Zoning Board of Adjustment:	
Administrative review	\$100
Appeals	\$100
Conditional uses (except \$10 for renewals of annual events)	\$150
Special exceptions	\$150
Variances	\$150

Zoning Fees:

Base fee of \$150 PLUS: (A) Level of change +\$30 - \$150

(B) Size of property +\$0 - \$100 (C) Number of lots +0 - \$100

(A) Level of change:

Level I: Residential - Single & Two-family

A-1 Agricultural (low density single family residential)

R-20 Single family residential

R-15 Single family residential

R-8 Single family residential

LR-6 Limited two family residential

R-6 Two family residential

SFC Single family conservation

Level II: Residential - Multi-family

R-6A Multi-family residential

RD-A Residential Development "A"

RD-B Residential Development "B"

Level III: Office Institutional & Related Classes

B-1 Office institutional

LOI Limited office institutional

PSP Public/semi-public

CU College & University

Level IV: Commercial - Low & Medium Intensity

B-2 Retail business ("old" shopping center district)

B-CS Convenience service business

B-5 Central business (downtown)

B-7 Limited business ("new" shopping center district)

Level V: Commercial - High Intensity

B-RT Retail trade

B-4 Highway business

B-6 General business

Level VI: Industrial

LLI Limited light industrial

LLI-2 Limited light industrial-2

M-1 Light industrial

M-2 Heavy industrial

Fee for change request within the same level

Add \$30

Change from Level I to Level II

Add \$30

Change from Level I to Level III

Add \$60

Change from Level I to Level IV

Add \$90

Change from Level I to Level V

Add \$120

Change from Level I to Level VI

Add \$150

Change from Level II to Level III

Add \$30

Change from Level II to Level IV

Add \$60

Change from Level II to Level V

Add \$90

Change from Level II to Level VI

Add \$120

Change from Level III to Level IV

Add \$30

Change from Level III to Level V

Add \$60

	Fee
Change from Level III to Level VI	Add \$90
Change from Level IV to Level V	Add \$30
Change from Level IV to Level VI	Add \$60
Change from Level V to Level VI	Add \$30
Fee for downzoning request is also based on the change in levels as above	
(B) Size of property (in number of acres):	
Under one acre	\$0
1 - 4 acres	\$20
4 - 10 acres	\$40
10 - 20 acres	\$60
20 - 50 acres	\$80
More than 50 acres	\$100
(C) Number of lots:	
One lot	\$0
2 - 3 lots	\$20
4 - 6 lots	\$40
7 - 10 lots	\$60
11 - 20 lots	\$80
More than 20 lots	\$100
Overlay Districts	
For requested overlay district, includes	\$30
HA -- Historic; GD-A - General Development;	
HD - Higher Density Residential; MH - Mobile Home	
<i>Engineering/GIS</i>	
Street & alley closings filing fee	\$500
Exception plat	\$20
Minor plat	\$30 per lot
Preliminary plat	\$200 + \$10/lot
Xerox/blue prints:	
On paper up to 4 ft in length (E size sheet)	\$5
On mylar up to 4 ft in length	\$20
On vellum up to 4 ft in length	\$10
Of the 1200 ft scale city map	\$2
Of the 600 ft scale city map	\$10
Of the zoning map	\$25
Of pages from the zoning atlas	\$5
To overlay originals	\$5
Printed Maps	
Up to 11"x17" (ledger size)	\$1
34"x44" (E size sheet)	\$5
City Street Map	\$5
Media Charges	
3.5" 2HD diskette (1.4 MB)	\$2
CD-ROM (650 MB)	\$5

Fee

POLICE

Copies (No fee to victims of crime or traffic accidents for first copy of a report, but charged for any additional copies)	\$0.10 per copy; minimum of \$1; \$1 extra for mailing
Fingerprinting	\$10
Picket Permits	\$25
Pool Hall Permits	\$100
Taxi permits - one time only	\$15
Parking ticket - illegal parking	\$5
Parking ticket - overtime parking (more than 2 hours)	\$5

FIRE

Reinspection (for violation correction)	\$30
Fireworks Stand-by	\$100
Firewatch Stand-by	\$100
Assembly Stand-by	\$25
Permits:	
Fireworks	\$130
Cutting and Welding (In non-approved areas)	\$25
Burning	\$35
HazMat Operations	\$100
HazMat Storage (as per Tier 11)	\$120
Tent Permits (Funeral Homes and tents less than 120 sq. ft. exempt)	\$40
Plans Review	\$25 + \$1 per 5,000 sq. ft.; \$30 max.
HazMat/Material Recovery	Actual Cost including equipment
Private Hydrant Testing/Maintenance	\$30 per unit
Tank Installation/Removal Inspection	\$50
Fire Flows	\$200
Copies of Reports (First report is free to victims)	\$0.10 per copy; minimum of \$1; \$1 extra for mailing

PUBLIC SERVICES

Traffic Operations Division

Repair of traffic control devices-materials	Actual cost + 10% for handling
Repair of traffic control devices-labor	Hourly rate + fringe benefits
Repair of traffic control devices-use of bucket truck or paint machine	\$50/hour
Repair of traffic control devices-use of service truck or small equipment	\$9/hour

Solid Waste

Collection in excess of 4 large pieces of furniture per week	\$10
Bagged trash exceeding 10 bags per week	\$5 per bag
Unbagged trash (non-yard waste)	\$5 per 40 gallon; by volume

Street Division

Cut & remove existing curb & other material	\$3 LF
Cut & remove existing sidewalk (up to 5 ft wide)	\$3 LF
6-inch x 18-inch concrete curb & gutter	\$6.50 LF
6-inch x 24-inch concrete curb & gutter	\$7 LF
6-inch x 30-inch concrete curb & gutter	\$8 LF
24-inch concrete valley gutter	\$6.50 LF
2 ft driveway lip only	\$8 LF
6-inch x 2 ft driveway lip with gutter	\$15 LF
6-inch x 5 ft driveway lip with gutter	\$20 LF
4-inch concrete sidewalk	\$16 SY
6-inch concrete driveway to include area behind driveway lip to back of sidewalk	\$17 SY
Miscellaneous concrete patch	\$75 CY
Miscellaneous asphalt patch	\$20 SY
Install storm drain on right-of-way (adjacent owner purchases pipe)	\$3 LF
Limbs and cuttings exceeding truck load of 1 1/2 tons by volume	\$75

Cemetery

Burial-adult	\$550
Burial-infant	\$350
Disinterment	\$550
Interments - two--one grave-adult	\$600
Interments - two--one grave-infant	\$450
Interment - Crematory remains	\$325
Interment - Mausoleum	\$300
Interment - non-City registrations	\$125
Funeral processions entering cemetery after 4:00 P.M. weekdays	\$100
Funeral processions entering cemetery on weekends and holidays	\$200
Monument installation permit	\$20
<i>Cemetery Lot Fee Schedule:</i>	
Chestnut Hill - adult, City resident	\$500
Chestnut Hill - adult, non-City resident	\$700
Chestnut Hill - infant, City resident	\$275
Chestnut Hill - infant, non-City resident	\$325
Memorial Park - adult, City resident	\$500
Memorial Park - adult, non-City resident	\$700
Memorial Park - infant, City resident	\$275
Memorial Park - infant, non-City resident	\$325
Oakwood - adult, City resident	\$500
Oakwood Park - adult, non-City resident	\$700
Oakwood Park - infant, City resident	\$275
Oakwood Park - infant, non-City resident	\$325

Fleet Management

Repair of Rowan Transit System Fleet and Trolley Fleet	Actual Cost
Repair of Hazardous Material Van - labor	\$30/hour
Repair of Hazardous Material Van - parts & sublet	Actual Cost
Repair of Hazardous Material Van - service call	\$25

Landscape

Nuisance abatement	Mobilization fee \$125 + \$50 for every hour or portion thereof
Cooperative tree planting on public right-of-way	Actual cost of tree
Temple Gazebo rental	\$100 security deposit; \$50 refundable
Hurley Park Gazebo rental	\$100 security deposit; \$50 refundable
Robertson Eastern Gateway	\$100 security deposit; \$50 refundable
Bell Tower	\$100 security deposit; \$50 refundable

Transit

Individual Fares:	
Regular	\$0.60
Reduced (Handicapped & Senior Citizens)	\$0.50
Regular Zone	\$0.60
Reduced Zone	\$0.50
Transfers	\$0.10
40 Ride pass:	
Regular	\$20
Reduced	\$16
ADA Paratransit System (all fares)	\$2

PARKS & RECREATION

Civic Center *

Multi-purpose room & kitchen - for first eight hours each day, after eight hours - \$75/hour:	
Non-profit organizations	\$350 + \$100 deposit/ \$250 if serving alcohol
Non-profit organizations fund-raiser	\$450 + \$100 deposit/ \$250 if serving alcohol
For profit organizations	\$700 + \$100 deposit/ \$250 if serving alcohol
Multi-purpose room, small room & kitchen - for first eight hours each day, after eight hours: \$75/hour:	
Non-profit organizations	\$385 + \$100 deposit/ \$250 if serving alcohol
Non-profit organizations fund-raiser	\$485 + \$100 deposit/ \$250 if serving alcohol
For profit organizations	\$750 + \$100 deposit/ \$250 if serving alcohol
Small meeting room only (per hour):	
Non-profit organizations	\$40 + \$25 deposit
Non-profit organizations fund-raiser	\$55 + \$25 deposit
For profit organizations	\$90 + \$25 deposit

	Fee
City Park *	
Arts & craft room:	
Non-profit function	\$30 per hour + \$50 deposit
For profit function	\$40 per hour + \$50 deposit
Multi-purpose room:	
Non-profit function	\$50 per hour + \$50 deposit
For profit function	\$75 per hour + \$50 deposit
Meeting room:	
Non-profit function	\$30 per hour + \$50 deposit
For profit function	\$40 per hour + \$50 deposit
Room A:	
Non-profit function	\$25 per hour + \$50 deposit
For profit function	\$35 per hour + \$50 deposit
Hall Gym & Lincoln Pool *	
Non-profit function	\$30 per hour + \$50 deposit
For profit function	\$60 per hour + \$50 deposit
Miller Center *	
Arts & craft room:	
Non-profit function	\$20 per hour + \$50 deposit
For profit function	\$30 per hour + \$50 deposit
Multi-purpose room:	
Non-profit function	\$40 per hour + \$50 deposit
For profit function	\$60 per hour + \$50 deposit
Meeting room:	
Non-profit function	\$20 per hour + \$50 deposit
For profit function	\$30 per hour + \$50 deposit
Note: *Two (2) hour minimum for rentals during non-operational hours	
Cannon Park Gazebo Rental (only available for groups 40 or less)	\$100 security deposit; \$50 refundable
Shelter Reservation Fee	\$10 (Non-refundable)
City Park 1 and 2, Kelsey Park, Town Creek Park, Salisbury Community Park	
Advertising Fee - Salisbury Community Park	\$600 initial fee \$300 annual renewal
Advertising Fee - Salisbury Greenway	\$1,000 - \$5,000

Athletic Fields

Flat rate rentals will generally apply; the Director has authority to negotiate rates for major (regional/national) co-sponsored events.

Youth & Adult Softball/Baseball

City resident	\$10/hr
Non-resident	\$15/hr
*Additional per hour charge for lights	\$25/hr
Tournament Fees (multiple teams/multiple games)	
1/2 day tournament (5 p.m. - 11 p.m.)	\$185
1 day (8 a.m. - 11 p.m.) includes 4 hours lighting	\$300
2 day	\$485
3 day	\$670
Non-refundable deposit of 50% of day rate or \$150	
Rate includes: 1 field/1 field prep (additional preps \$65 each)	

Soccer

City resident	\$20/hr
Non-resident	\$30/hr
Tournament Fees (prep \$45)	
1/2 day tournament/1 field (8 a.m. - 1 p.m.) 5 hrs.	\$125
1 day tournament/1 field	\$250
No lights	

Football

City resident	\$20/hr
Non-resident	\$30/hr
Tournament Fees (prep \$45)	
1/2 day (5 hrs.)	\$150
1 day (10 hrs.)	\$300

Tennis

City resident	\$5/hr
Non-resident	\$7.50/hr

Special Event Vending Permits

Flat Fee	\$50 + 15% of gross sales
----------	---------------------------

UTILITY ENGINEERING

Engineering, Consulting, and Technical Services

Project Manager - Professional Engineer	\$100/hr
Civil Engineer	\$75/hr
Engineering Technician	\$50/hr
Construction Inspector	\$50/hr
Survey Field Crew (2 person)	\$75/hr
Clerical	\$25/hr
Set of Bid Documents, each	\$50
Utility Location Maps	
Paper Document	\$15
Digital Format	
Diskette, each	\$5
CD Disk, each	\$10

Fee

Xerox/blue prints:	
On paper up to 4 ft in length	\$5
On mylar up to 4 ft in length	\$20
On vellum up to 4 ft in length	\$10

TELECOMMUNICATIONS

Dispatch service:	
Cost per unit	\$10
Surcharge per radio for companies with less than 25 radios	\$4
Secure Conversation	\$5
Interconnect Service - Telephone	\$24
Interconnect Service - Telephone/Hark Number	\$25
One-time hook-up (per radio)	\$25
Pager System Usage Fee:	
Numeric or Alphanumeric	\$15
One time hookup charge	\$10
Alphamate terminal	\$15
If agency uses on PC to page with	\$7

FINANCE:

Accounts Receivable (30 days past-due)	1.5% per month
Privilege License Gross Sales Schedule:	
Sales not exceeding \$10,000	\$25
More than \$10,000 and not more than \$20,000	\$30
More than \$20,000 and not more than \$30,000	\$45
More than \$30,000 and not more than \$40,000	\$60
More than \$40,000 and not more than \$50,000	\$75
More than \$50,000 and not more than \$60,000	\$90
More than \$60,000 and not more than \$70,000	\$105
More than \$70,000 and not more than \$80,000	\$120
More than \$80,000 and not more than \$90,000	\$135
More than \$90,000 and not more than \$100,000	\$150
More than \$100,000	\$150 plus, per \$1,000 or portion thereof in excess of \$100,000 @ \$0.225
Maximum gross receipts cap other than those with a specific limit	\$3,000

All privilege licenses other than gross sales are calculated at maximum State allowed rate.

OTHER FEES:

Copy machine fee	\$0.10 per copy; minimum of \$1
Copy of reports/files	\$1 extra for mailing Actual cost of supplies and mailing

**SCHEDULE A
CASH DEPOSITS**

Charges in Schedule A shall be as authorized by Chapter 25, Article II, Section 25-32, of the City Code.

- | | |
|--|-------|
| (a) Domestic consumer of water and/or dischargers of sewage
Residential owner-occupants including single family townhouses
and condominiums shall be exempted. | \$125 |
|--|-------|

- (b) Commercial, industrial, and institutional recipients \$175
Local, state, and federal governments or agencies thereof shall be exempted.
- (c) Consumers with more than one account at the same location shall be required to make only one deposit if the customer has a good pay history. Commercial or industrial customers who operate multiple businesses under one corporate management shall be required to pay a deposit for each business or industry.
- (d) Deposits shall be returned at termination of service less any unpaid rates and charges.

**SCHEDULE B
METER INSTALLATION AND SEWER CONNECTION CHARGES**

Charges in Schedule B shall be as authorized in Chapter 25, Article II, Section 25-33, of the City Code.

- (a) Three-fourths-inch water meter and tap and backflow prevention device \$425
- (b) One-inch water meter and tap and backflow prevention device \$575
- (c) Irrigation taps are one-half the cost of regular meter taps and not subject to any discounts.
- (d) Services larger than one inch, both inside and outside City shall be charged on the basis of labor, material, equipment and overhead costs at then prevailing or established rates. Master meter installations required for private water or sewer systems shall be charged on the basis of material costs at then prevailing or established rates (See Chapter 22, Article I, Section 22-2 City Code).
- (e) Four-inch sewer connections \$450
- (f) Sewer service larger than four-inch, both inside and outside City shall be charged on the basis of labor, materials, equipment and overhead costs at then prevailing or established rates (See Chapter 22, Article I, Section 22-2 City Code).
- (g) Reconnection fee for non-payment during business hours \$20
Reconnection fee for non-payment after business hours \$75
- (h) Turn on or off during business hours; shall be applied to utility bill if not prepaid \$30
Turn on or off after hours; shall be applied to utility bill if not prepaid \$75
- (i) Testing meter if delivered to city facilities (per test) \$7
- (j) Field testing of meters: First test is free and each additional test within twelve months \$25
- (k) Unauthorized use of fire protection system \$100
- (l) Fire protection system testing (per test) \$50
- (m) Meter reinstallation charge (per meter) \$25
- (u) Water or sewer connection inspection fee (per connection) \$20
- (o) Should a property owner replace an existing service line with a larger one, the charges scheduled above will apply in full.
- (p) Payment of lump sum charges or charges based on estimated costs, as above, is a prerequisite to issuance of a building permit pursuant to Section 7-65 of the City code. Overpayments made as a result of overestimating costs will be reimbursed, and underpayments will be invoiced to the developer by the City.
- (q) The City's charge for a returned check or debit, as authorized in Section 25-34, shall be twenty-five dollars (\$25). This amount shall be applied to current utility bill, along with amount of the unpaid check.
- (r) Lateral transfer fee \$450
- (s) Direct debit credit \$1/Month
- (t) Recycling fee \$1.44/Month
- (u) Rowan County landfill fee
 - (1) Residential (per unit) \$2.96/Month
 - (2) Commercial (per unit) \$5.53/Month
 - (3) Container (per cubic yard) \$5.05/Month
- (v) Waste collection fee
 - (1) Commercial (per unit) \$8/Month
 - (2) Container (per container) \$10/Month
- (w) Unauthorized reconnection fee (charge for disconnecting a meter that has been illegally reconnected after meter has been disconnected due to non-payment) \$50

**SCHEDULE C
WATER SERVICE CHARGES**

Charges in Schedule C shall be authorized by Chapter 25, Article II, Section 25-35, of the City Code, effective July 1, 2002.

Monthly Water Rates:

Minimum charge per meter size	3/4" =	\$3.56
	1" =	\$5.06
	1-1/2" =	\$7.56
	2" =	\$10.56
	3" =	\$20.06
	4" =	\$34.06
	6" =	\$65.06
	8" =	\$122.56
	10" =	\$168.27

Volume charge per 100 cubic feet:

Raw water	\$0.38
Finished, potable water	\$2.25

**SCHEDULE D
WATER SERVICE CHARGES FOR BULK RATE**

Charges in Schedule D shall be as authorized by Chapter 26, Article II, Section 26-23 of the City Code.

- (a) Nongovernmental customers may receive water in bulk lots at the central fire station. Such purchases, which shall be made at the business office, shall be conditioned upon an advance payment of one hundred dollars (\$100.00) per twenty-five thousand (25,000) gallon increment and shall be limited to a maximum of one-hundred thousand (100,000) gallons during any thirty (30) day period.
- (b) Subject to the provisions of Sections 26-7 and 26-8, nongovernmental customers may purchase water directly from fire hydrants or other water outlets. Meters, however, will be placed on hydrants to allow accurate measurement for billing purposes. Arrangements shall be made with the utilities and fire departments at least one week in advance to ensure availability and scheduling of equipment and manpower, all subject to applicable provisions of Schedules C and D, and an advance payment of one hundred dollars (\$100.00).

**SCHEDULE E
SEWER SERVICE CHARGES**

Charges in Schedule E shall be as authorized by Chapter 25, Article II, Section 25-37, of the City Code, effective July 1, 2002.

Monthly Sewer Rates:

(1) Minimum charge per meter size	3/4" =	\$3.89
	1" =	\$5.63
	1-1/2" =	\$8.53
	2" =	\$12.01
	3" =	\$23.03
	4" =	\$39.27
	6" =	\$75.23
	8" =	\$141.93
	10" =	\$196.38

Volume charge per 100 cubic feet	\$2.92
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**SCHEDULE F
SEWER SURCHARGE**

Surcharges shall be as authorized by Chapter 25, Article II, Section 25-38 of the City Code Sewer Surcharge Rates.

- (a) For Chemical Oxygen Demand (COD) in excess of six hundred (600.0) mg/l, the surcharge shall be at the rate of ninety-four dollars and twenty-four cents (\$94.24) per one thousand pounds.
- (b) For Total Suspended Solids (TSS) in excess of three hundred (300.0) mg/l, the surcharge shall be at the rate of one-hundred ninety-two dollars and twenty-four cents (\$192.24) per one thousand pounds.
- (c) For Total Kjeldahl Nitrogen (TKN) in excess of forty (40.0) mg/l, the surcharge shall be at the rate of fourteen hundred and one dollars and forty-nine cents (\$1,401.49) per one thousand pounds.
- (d) Contract haulers of wastewater discharging at City treatment facilities will be assessed a charge of twenty-eight dollars (\$28.00) per two-thousand gallon load discharged, as defined in Chapter 25, Article II, Section 25-38.

**SCHEDULE H
ACREAGE CHARGE**

Charges shall be as authorized in Chapter 25, Article II, and Section 25-40, of City Code.

- (a) Schedule H charges are repealed.

**SCHEDULE J
FRONTAGE CHARGES**

Charges in Schedule J shall be authorized by Chapter 25, Article V, Section 25-106 of the City Code.

- (a) The City shall collect eight dollars and fifty cents (\$8.50) per front foot for sewer connections and six dollars and fifty cents (\$6.50) per front foot for water connections.

Section 9. That this ordinance shall be effective upon its passage.”



GLOSSARY OF TERMS

ADA: The commonly used acronym for the Americans with Disabilities Act.

ACCRUAL ACCOUNTING: A basis of accounting in which revenues and expenses are recorded at the time they are earned or incurred, instead of when cash is actually received or disbursed. For example, in accrual accounting, revenue earned between June 1 and June 30, but for which payment was not received until July 12, is recorded as earned on June 30, rather than on July 12.

ADOPTED BUDGET: Term used to describe revenues and expenditures for the upcoming year beginning July 1 as adopted by the City Council.

APPROPRIATION (BUDGETING): An authorization granted by the City Council to make budgeted expenditures and to incur obligations for purposes specified in the budget ordinances.

ASSESSED VALUATION: A value established for real property for use as a basis for levying property taxes.

BALANCED BUDGET: Occurs when planned expenditures equal anticipated revenues. In North Carolina, it is a requirement that the budget submitted to the City Council be balanced.

BOND FUNDS: Resources derived from issuance of bonds for specific purposes and related Federal project grants used to finance capital expenditures.

BOND REFERENDUM: An election in which registered voters vote on whether the City will be allowed to issue debt in the form of interest-bearing bonds.

BROADBANDING COMPENSATION PROGRAM: A classification and pay system that allows similar jobs to be grouped into bands with wide pay ranges. The program creates more organizational flexibility, fosters a flatter organization, and encourages skill development.

BUDGET: A comprehensive financial plan of operation for a specified period of time that matches all planned revenues and expenditures with various municipal services.

BUDGET CALENDAR: The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

BUDGET DOCUMENT (PROGRAM AND FINANCIAL PLAN): The official written statement prepared by the City staff reflecting the decisions made by the City Council in their deliberations.

BUDGET MESSAGE: A general discussion of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget changes from previous fiscal years, City Council goals, and the views and recommendations of the City Manager.

BUDGET ORDINANCE: The schedule of revenues and expenditures for the upcoming fiscal year by fund which is adopted by the City Council each year.

CAPITAL EQUIPMENT: Vehicles, equipment, software, and furniture purchased by the City which individually amount to a value in excess of \$5,000 and an expected life of more than one year.

CAPITAL IMPROVEMENTS: Major construction, repair of or addition to buildings, parks, streets, bridges and other City facilities. Capital Improvements projects cost \$10,000 or more and have a useful life of more than three years.

CAPITAL IMPROVEMENTS BUDGET: The schedule of project expenditures for the acquisition and construction of capital assets for the current fiscal year.

CAPITAL IMPROVEMENTS PROGRAM (CIP): The annually updated plan or schedule of project expenditures for public facilities and infrastructure (buildings, roads, etc.), with estimated project costs, sources of funding, and timing of work over a five year period.

CAPITAL OUTLAY: A classification consisting of Capital Equipment and Capital Improvement.

CAPITAL RESERVE FUND: A special fund (also known as Equipment Replacement Fund) used as a clearing house for monies being transferred from General Fund and Water and Sewer Fund operations. Amounts based on the type, estimated life, and replacement costs of each piece of equipment are transferred from every department/division. From this fund, the City purchases equipment based on a replacement schedule and recommendations from Fleet Management, Information Technologies and Purchasing Divisions.

COST CENTER: The smallest unit of activity or area of responsibility for which costs are accumulated.

DEBT SERVICE: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

DEPARTMENT: A major administrative division of the City that indicates overall management responsibility for an operation or a group of related operations within a functional area. A department usually has more than one program and may have more than one fund.

ENCUMBRANCE ACCOUNTING: The system under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

ENTERPRISE FUND: A grouping of activities whose expenditures are wholly or partially offset by revenues collected from consumers in the form of fees or charges.

FIXED ASSETS: Assets of a long-term character which are intended to be held or used, such as land, buildings, machinery, furniture, and other equipment.

FISCAL YEAR: The time period beginning on July 1 of a calendar year and ending on June 30 of the following calendar year. Budgeting is carried out on a fiscal year schedule.

FUNCTION: A group of related programs crossing organization (departmental) boundaries and aimed at accomplishing a broad goal or major service.

FUND BALANCE: Amounts shown as fund balance represent monies which remain unspent after all budgeted expenditures have been made. North Carolina statutes dictate that a portion of fund balance is not available for appropriation in the following fiscal year.

FUND: A fund is a fiscal and accounting entity with a self-balancing set of accounts.

GAAP: Acronym for Generally Accepted Accounting Principles which are the conventions, rules, and procedures necessary to describe accepted practice at a particular time.

GENERAL FUND: The general operating fund of the city used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION (G.O.) BONDS: Debt issued by the City, repayment of which is backed by full taxing power.

GEOGRAPHIC INFORMATION SYSTEM (GIS): A project which will link the City to a city-wide database, including hardware, software, and added personnel. This system is to be utilized as a planning tool by City departments.

GFOA: Acronym for Government Finance Officers Association.

GOAL: A statement of broad direction, purpose or intent based on the needs of the community.

INVESTMENT REVENUE: Revenue earned on investments with a third party. The City uses a pooled cash system. We pool cash from all funds and invest it in total. The interest earned is then allocated back to the individual funds by the average cash balance in that fund.

INTERFUND TRANSFERS: Amounts transferred from one fund to another.

IRT: Acronym for Involvement and Response Team. A system for empowering all employees into functional decision-making teams for operational improvements.

ISO: Acronym for Insurance Services Office. An agency which rates fire protection and suppression abilities/capabilities of fire departments.

LEASE PURCHASE: Method of financing used for the acquisition or improvements. Title to the property transfers to the City at the expiration of the lease terms.

MODIFIED ACCRUAL: The basis of accounting for the City. Under this system, expenditures are recognized when encumbered, and revenues are recognized when they are collected.

NCDOT: Acronym for North Carolina Department of Transportation.

OBJECTIVE: A statement of specific direction, purpose or intent to be accomplished by staff within a program.

OPERATING BUDGET: The City's financial plan which outlines proposed expenditures for the coming fiscal year and estimates the revenues which will be used to finance them.

OPERATING FUNDS: Resources derived from recurring revenue sources used to finance ongoing operating expenditures and pay-as-you-go capital projects.

PERFORMANCE MEASURES: Descriptions of a program's effectiveness or efficiency.

POWELL BILL FUND: Funding from state-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

PRODUCTIVITY: A measure of the increase of service output of City programs compared to the per unit of resource input invested.

PROGRAM: An organized set of related work activities, which are directed toward accomplishing a common goal. Each City department is usually responsible for a number of related service programs.

PROPERTY TAX RATE: The rate at which real and personal property in the City is taxed in order to produce revenues sufficient to conduct necessary governmental activities.

PROPERTY TAXES (AD VALOREM TAXES): Taxes paid by those owning property in the City. These taxes are based on assessed value.

RESERVE: A portion of fund balance earmarked to indicate 1) that it is not available for expenditure, or 2) is legally segregated for a specific future use.

RESOURCES: Assets that can be used to fund expenditures. These can be such things as Property Taxes, Charges for Service, Beginning Fund Balance or Working Capital.

RETAINED EARNINGS: Amounts representing monies which remain unspent after payment of all expenses.

REVENUE: Income received from various sources used to finance government services; for example, sales tax revenue.

REVENUE BONDS: Bonds payable from a specific source of revenue and which do not pledge the full faith and credit of the issuer.

SERVICE LEVEL: Measurement of services provided by the City to the public.

WWTP: Acronym for Wastewater Treatment Plant.

