

# FY 2020-2021 BUDGET SUMMARY

## REVENUES

- ❖ The tax rate is recommended to remain at \$0.57 per \$100 of assessed property valuation. Total tax base is projected to be \$3.164 billion. The Town is projected to collect \$18,081,762 in property taxes for FY20-21. This is an increase of approximately 4.2% over what was approved for FY19-20. Property taxes account for 53.8% of the total revenue for the Town.
- ❖ Total projected revenues for FY20-21 are projected to be \$33,579,431.
- ❖ Sales and Use Tax revenue is projected to be \$5,564,695 for FY20-21. This is a 5% decrease over what was approved for FY19-20 and an 11% decrease over what would have been projected for FY20-21 had the COVID19 pandemic not occurred.
- ❖ There is an appropriation of \$489,000 recommended from the Unassigned General Fund for FY20-21.
- ❖ Building Inspections revenue is projected to be \$395,000. This is an 11% decrease from what was approved in FY19-20 and an approximately 20% decrease from what we expect to collect.
- ❖ Occupancy Tax revenues for FY20-21 are projected to be \$120,366, down from \$140,000 in FY19-20.
- ❖ Parks and Recreation revenues for FY20-21 are projected to be \$240,000, down from \$289,000 in FY19-20.

## EXPENSES

- ❖ The Town is comprised of ten (10) departments providing services to the citizens.
- ❖ Overall expenses for FY20-21 are projected to be \$33,579,431. This represents a decrease of \$1,457,876, or 4.2%, from the approved FY19-20 budget.
- ❖ The three largest departments remain Police (27.4%), Public Services (22.8%), and Fire/Rescue (22.2%). These three together account for 72.4% of the Town's expenses.
- ❖ Salaries and Wages comprise 50.1% of the total budget for FY20-21.

- ❖ There are no Merit increases or Cost of Living Increases (COLA) being recommended for FY20-21.
- ❖ There is no increase to the 401K recommended for FY20-21.
- ❖ It is recommended to freeze 5 positions for FY20-21
  - Two Police Officer positions
  - One Construction Mechanic in the Street Division
  - One Technician in Information Systems
  - One Technician in Central Maintenance
- ❖ There is one new position being recommended for FY20-21
  - Inclusive Programming Coordinator for Parks and Recreation (will move from PT to FT).
- ❖ It is recommended to make the minimum starting pay \$14/hour. This will be an impact of less than \$1,000 to the budget.
- ❖ A change in service is being recommended for commercial solid waste collection. It is being recommended to begin phasing this service out starting in FY20-21 and continuing for the next two to three years.
- ❖ The committed Operations and Maintenance expenses are projected to be \$6,301,885 for FY20-21, which is lower than the \$6,774,782 approved in FY19-20.
- ❖ The uncommitted Operations and Maintenance expenses are projected to be \$1,461,222 for FY20-21, which is slightly higher than the \$1,401,940 approved in FY19-20.
- ❖ Capital Equipment Purchases and Capital Infrastructure Projects being recommended for FY20-21 total \$518,715. All of these are being financed and the payments for these total \$244,077 for FY20-21. This is 0.7% of the recommended budget.
- ❖ The following capital equipment is being recommended for FY20-21.
  - School Resource Officer Vehicle- Police Department
  - Video Camera System- Police Department
  - Eighteen (18) computer replacements for Special Operations Division- Police Department
  - Thirty-five computer (35) replacements for Town employees- Information Systems
  - Fourteen (14) SCBA air bottles- Fire/Rescue Department
  - Turnout Gear- Fire/Rescue Department

- ❖ The following Capital Infrastructure Projects are being recommended for FY20-21
  - Roofs for the Morris House and the Bellamy House- General Services
  - Dam repair at New Kernersville Lake- Parks and Recreation
  
- ❖ The following is the recommended funding for non-profits from the General Fund:
  - Chamber of Commerce- \$31,250
  - Community Appearance Commission- \$5,500
  - Kernersville Museum- \$25,000
  - Kernersville Little Theatre- \$6,000
  - Kernersville Cares for Kids- \$6,500
  - Housing Grant Match- \$2,000
  - Shepherd's Center- \$20,000
  - Sister City Association- \$2,100
  - Senior Services- \$15,000
  - Piedmont Authority for Regional Transportation (PART)- \$15,000
  - Next Step Ministries-\$10,000
  
- ❖ The following is the recommended funding for non-profits from the Occupancy Tax Funds:
  - Chamber of Commerce- \$24,500
  - Korner's Folly- \$40,000
  - PJC Botanical Gardens- \$25,000
  - Kernersville Little League- \$3,000
  - Parks and Recreation- \$68,000
  
- ❖ Sixty Percent (60%) of Town departments will have a recommended decrease in expenditures for FY20-21 from what was approved in FY19-20.

## General Fund Revenues

### Revenues Detailed

2020-21 Annual Budget

Classification	Actual FY 18-19	Approved FY 19-20	Revised FY 19-20	Estimated FY 19-20	Dept'l Request FY 20-21	Manager Recom. FY 20-21	Board Approved FY 20-21
<b>Property Taxes</b>							
Ad Valorem Taxes - Current Year	\$15,824,574	\$15,775,353	\$15,775,353	\$15,900,000	\$16,477,670	\$16,477,670	
Ad Valorem Taxes - Prior Years	2,111	75,000	75,000	78,500	83,750	83,750	
NC Vehicle Tax & Tags - Current Year	1,436,271	1,496,547	1,496,547	1,500,000	1,520,342	1,520,342	
<b>Subtotal Property Taxes</b>	<b>17,262,956</b>	<b>17,346,900</b>	<b>17,346,900</b>	<b>17,478,500</b>	<b>18,081,762</b>	<b>18,081,762</b>	<b>0</b>
<b>Other Taxes &amp; Licenses</b>							
Local Vehicle Fee - Current Year	3,665	4,000	4,000	4,000	4,000	4,000	
Local Vehicle Fee - Prior Years	160	200	200	300	300	300	
Local Vehicle Tax - Prior Years	107,272	105,500	105,500	105,500	105,500	105,500	
Cable/Video Programming Revenues	16,798	14,500	14,500	14,500	14,500	14,500	
<b>Subtotal Other Taxes &amp; Licenses Fees</b>	<b>127,895</b>	<b>124,200</b>	<b>124,200</b>	<b>124,300</b>	<b>124,300</b>	<b>124,300</b>	<b>0</b>
<b>Unrestricted Intergovernmental Revenues</b>							
Alcoholic Beverage Tax - County	549,819	480,000	480,000	480,000	500,000	500,000	
Alcoholic Beverage Tax - State	108,729	116,394	116,394	116,394	200,000	200,000	
Rental Vehicle Fees	71,906	74,500	74,500	74,500	74,500	74,500	
Sales and Use Tax - Quarterly	5,640,887	5,861,336	5,861,336	5,611,172	5,620,399	5,564,695	
Telecommunication Sales Tax	161,920	171,910	171,910	162,907	172,000	172,000	
Utility Franchise Tax	1,613,113	1,658,098	1,658,098	1,596,853	1,595,000	1,595,000	
Video Programming Sales Tax	229,750	238,987	238,987	237,387	237,000	237,000	
Solid Waste Disposal Tax	18,696	16,927	16,927	16,927	25,000	25,000	
<b>Subtotal Unrestricted Intergovernmental</b>	<b>8,394,821</b>	<b>8,618,152</b>	<b>8,618,152</b>	<b>8,296,140</b>	<b>8,423,899</b>	<b>8,368,195</b>	<b>0</b>
<b>Restricted Intergovernmental Revenues</b>							
Loan for Installment Purchases	2,849,150	1,827,344	1,827,944	1,827,944	470,000	518,715	
Federal Emergency MGMT Assistance	0	0	0	7,100	0	0	
Federal Bullet Proof Vest Partnership	9,285	12,750	12,750	390	4,485	4,485	
Governors Highway Safety Program (GHSP)	0	0	0	0	0	0	
GHSP - Forsyth County DWI Task Force	17,311	14,225	14,225	14,225	12,000	12,000	
Governors' Crime Commission - Body Worn Cameras	42,164	0	0	0	0	0	
Governors' Crime Commission - Rifle Replacement	0	0	0	0	0	0	
GHSP - DWI Grant	37,773	21,714	21,714	21,714	12,000	12,000	
Organized Crime Drug Enforcement Task Force	4,177	1,500	1,500	1,500	1,500	1,500	
FBI Joint Terror Task Force	9,573	5,000	5,000	5,400	5,000	5,000	
Powell Bill	649,335	649,500	649,500	661,480	662,500	662,500	
NC Department of Pollution Grant	0	25,000	25,000	25,000	0	0	
Due from NCDOT - Senior Shuttle	28,270	25,689	25,689	25,689	25,689	25,689	
Due from Metro Planning Organization	0	0	0	0	28,566	28,566	
Due from MPO - 2017 Transportation & Traffic Study	80,000	0	0	0	0	0	
Due from CCUC - Project Reimbursement	0	0	0	0	0	0	
Due from CCUC - Triad Bus. Park - Current Year	137,080	137,080	137,080	137,080	137,080	137,080	
Due from CCUC - Triad Bus. Park - Prior Years	0	0	0	0	0	0	
Due from CCUC - NPP - Water/Sewer	0	0	110,325	110,325	110,325	110,325	
Due from CCUC - Sanitary Sewer Study	111,735	175,000	175,000	175,000	175,000	175,000	
Due from CCUC - Brookford Sewer Project	0	963,700	963,700	0	0	79,350	
Due from CCUC - Old Greensboro Rd - Sewer	0	100,000	100,000	0	0	0	
Due from CCUC - Old Greensboro Rd - Water	0	0	0	0	0	0	
Due from CCUC - General Fund Expenses	0	0	0	0	0	0	
<b>Subtotal Restricted Intergovernmental</b>	<b>3,975,852</b>	<b>3,958,502</b>	<b>4,069,427</b>	<b>3,012,847</b>	<b>1,644,145</b>	<b>1,772,210</b>	<b>0</b>
<b>Penalty &amp; Interest Revenues</b>							
Interest on Escrow	24,317	15,000	15,000	15,000	10,000	10,000	
Interest on Investments	237,332	140,000	140,000	149,500	140,000	140,000	
Interest/Penalties Property Taxes	74,386	28,500	28,500	28,500	28,500	28,500	
Interest on Powell Bill Funds	5,638	5,000	5,000	5,000	5,000	5,000	
<b>Subtotal Penalty &amp; Interest Revenues</b>	<b>341,674</b>	<b>188,500</b>	<b>188,500</b>	<b>198,000</b>	<b>183,500</b>	<b>183,500</b>	<b>0</b>

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## General Fund Revenues

### Revenues Detailed

2020-21 Annual Budget

Classification	Actual FY 18-19	Approved FY 19-20	Revised FY 19-20	Estimated FY 19-20	Dept'l Request FY 20-21	Manager Recom. FY 20-21	Board Approved FY 20-21
<b>Other General Revenues</b>							
Miscellaneous Revenues	\$237,687	\$69,000	\$69,000	\$69,000	\$50,000	\$50,000	
Miscellaneous Reclass	0	0	0	0	0	0	
Sale of Fixed Assets	8,231	15,000	614,027	643,300	50,000	50,000	
Sale of Non-Capital Items	5,000	0	0	0	0	0	
Sale of Unclaimed Property	0	500	500	500	100	100	
<b>Subtotal Other General Revenues</b>	<b>250,919</b>	<b>84,500</b>	<b>683,527</b>	<b>712,800</b>	<b>100,100</b>	<b>100,100</b>	<b>0</b>
<b>Functionally Related Revenues</b>							
Blood Test Fee - Police Department	4,117	100	100	4,200	100	100	
Miscellaneous - Police Department	4,316	2,000	2,000	2,000	2,000	2,000	
Miscellaneous - Solid Waste Division	88,872	136,900	136,900	136,900	58,820	58,820	
Parking Fines	101	500	500	500	500	500	
Fire Code	0	0	0	0	0	0	
Zoning Fines	12,466	9,000	9,000	13,900	0	0	
Building Inspections	621,062	443,131	443,131	500,000	450,000	395,000	
Commercial Industrial Collection	789,311	753,500	753,500	753,500	717,000	717,000	
Commercial Industrial Late Fee	6,794	3,600	3,600	4,300	3,600	3,600	
Court Facility Fees	15,284	5,000	5,000	5,000	5,000	5,000	
Court Officer Fees	7,768	4,000	4,000	7,000	4,000	4,000	
Special Occupancy Permit - Precious Metals	180	266	266	266	0	0	
Driveway Permits	7,850	10,260	10,260	10,260	10,260	10,260	
Environmental Compliance Fees	0	5,000	5,000	5,000	0	0	
Fire Department Revenue/Inspection Fees	69,791	18,500	18,500	53,600	18,500	18,500	
Homeowner Recovery Fee	352	228	228	228	228	228	
Off-Duty Police Officer Fee	102,620	84,000	205,500	205,500	118,000	118,000	
Peddler License	750	0	0	250	500	500	
Range Use Fees - Police Department	600	2,000	2,000	2,000	600	600	
Fire Department Training Center Fee	250	0	0	0	0	0	
Recreation Revenues	286,714	289,000	289,000	195,000	289,000	240,000	
Recycling Fees - Current Year	351,171	353,600	353,600	356,000	356,200	356,200	
Recycling Fees - Prior Years	1,290	1,250	1,250	1,600	1,250	1,250	
Rent on Dumpsters	94,483	89,500	89,500	89,500	99,500	99,500	
Rent on Recycling Dumpsters	9,550	9,740	9,740	9,740	10,080	10,080	
Rent on Town Property	204,753	192,529	192,529	192,529	231,528	231,528	
Rent on Library - Forsyth County	46,706	0	0	0	0	0	
Rent on Communication Towers	279,799	250,989	250,989	250,989	251,000	251,000	
Road Development Fees - Caleb's Creek	49,926	78,444	78,444	78,444	70,862	70,862	
Recreational Land Fees - Caleb's Creek	19,648	32,206	32,206	32,206	28,345	28,345	
PM Development - Recreation Fee	4,500	61,000	61,000	61,000	10,000	10,000	
Street Lighting Reimbursements	3,425	5,364	5,364	5,364	5,364	5,364	
Street Signs	0	0	0	0	0	0	
Subdivision Fees	21,619	10,000	10,000	12,000	15,000	15,000	
External Plan Reviews	0	0	0	0	0	0	
Annual Yard Waste Cart Fee	330	0	0	0	0	0	
Annual Solid Waste Container Fee	4,980	0	0	5,300	0	0	
Utility Access Fees - Caleb's Creek	99,852	154,126	154,126	154,126	141,725	141,725	
Utility Cut Permits	0	1,500	1,500	1,500	1,500	1,500	
Watershed Fees	14,735	8,000	8,000	8,000	8,000	8,000	
Yard Waste Container Sales	9,370	10,800	10,800	10,800	10,500	10,500	
Extra Solid Waste Containers Sales	0	0	0	0	0	0	
Zoning Fees	70,925	45,000	45,000	37,600	30,000	30,000	
<b>Subtotal Functionally Related Revenues</b>	<b>3,306,259</b>	<b>3,071,033</b>	<b>3,192,533</b>	<b>3,206,102</b>	<b>2,948,962</b>	<b>2,844,962</b>	<b>0</b>
<b>Operating Grants and Contributions</b>							
Medical Loss Ratio Rebate	5,958	0	0	0	0	0	
Contribution - Recreation Programs	322	0	0	0	0	0	
Contribution - Community Appearance	0	0	0	0	0	0	
Contribution - Community Appearance - Downtown	0	0	0	0	0	0	
Contribution - Community Appearance - Pope Park	0	0	0	0	0	0	

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## General Fund Revenues

### Revenues Detailed

2020-21 Annual Budget

Classification	Actual FY 18-19	Approved FY 19-20	Revised FY 19-20	Estimated FY 19-20	Dept'l Request FY 20-21	Manager Recom. FY 20-21	Board Approved FY 20-21
<b>Operating Grants and Contributions (Continued)</b>							
Contribution - Fire Department	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Community Development Grants	0	0	0	0	0	0	0
Due from Developers - Cedar Knolls Drive	0	0	0	0	0	0	0
Due from Developers - Durham Street	0	0	0	0	0	0	0
Contracted Fire Services	10,000	9,500	9,500	10,500	10,500	10,500	10,500
Due from Duke Energy Corporation	10,110	0	0	0	0	0	0
Due from National Pipe & Plastic	0	0	47,955	47,955	47,955	47,955	47,955
Due from NCLA - School Resource Officer	49,557	103,920	103,920	103,920	103,920	103,920	103,920
Due from Forsyth Co - School Resource Officer	535,295	579,922	579,922	579,922	588,152	588,152	588,152
Due from CCUC - General Fund Projects	0	0	0	0	0	0	0
Due from CCUC - Revolving Loan	467,760	458,080	458,080	458,080	448,400	448,400	448,400
Due from NCDOC - Downtown Revitalization	0	0	0	0	0	0	0
Due from NCDOC - NPP Road	0	0	321,900	321,900	321,900	321,900	321,900
Due from NCDOC - NPP Water/Sewer	0	0	9,075	9,075	9,075	9,075	9,075
Due from NCDOC - Downtown Development	75,000	0	0	0	0	0	0
Due from NC Dept of Agriculture	41,917	0	0	0	0	0	0
<b>Subtotal Operating Grants &amp; Contributions</b>	<b>1,195,919</b>	<b>1,151,422</b>	<b>1,530,352</b>	<b>1,531,352</b>	<b>1,529,902</b>	<b>1,529,902</b>	<b>0</b>
<b>Interfund Transfers</b>							
Transfer from Capital Reserve - Interest on Investments	40,328	10,000	10,000	10,000	10,000	10,000	10,000
Transfer from Capital Reserve	0	0	0	0	0	0	0
Transfer from Capital Reserve - Cedar Knolls Project	123,509	0	0	0	0	0	0
Transfer from Capital Reserve - Caleb's Creek	50,000	0	0	0	0	0	0
Transfer from Capital Reserve - Group Insurance Exp	0	0	0	0	0	0	0
Transfer from Capital Reserve - Transportation	0	0	141,648	141,648	0	0	0
Transfer from Capital Reserve - Old Winston Rd Project	800,608	0	171,902	171,902	0	0	0
Transfer from Law Enforcement Forfeiture - Federal	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Transfer from Contributions Fund	0	0	2,500	2,500	2,500	2,500	2,500
Transfer from Occupancy Tax Fund - Kernersville Museum	0	0	0	0	0	0	0
Transfer from Occupancy Tax Fund - Recreation	48,500	98,000	98,000	98,000	98,000	68,000	68,000
Transfer from LE Forfeiture - State/Local GHSP MATCH	0	0	0	0	0	0	0
Transfer from Capital Project Ordinance - Equity	11,230	0	0	0	0	0	0
Transfer from Stormwater Fund	0	0	0	0	0	0	0
Transfer from Kerner Mill Greenway CPO - Project Labor	0	0	0	0	0	0	0
Transfer from Public Services Facility CPO	0	0	0	0	0	0	0
Transfer from Fire Dept. Facility CPO	0	0	10,000	10,000	0	0	0
<b>Subtotal Interfund Transfers</b>	<b>1,079,175</b>	<b>113,000</b>	<b>439,050</b>	<b>439,050</b>	<b>115,500</b>	<b>85,500</b>	<b>0</b>
<b>Fund Balances Appropriated</b>							
Fund Balance Appropriated		385,994	3,136,523	3,857,780	561,348	489,000	
<b>* Fund Balance Unassigned</b>	<b>10,990,040</b>	<b>10,604,046</b>	<b>7,853,517</b>	<b>7,132,260</b>	<b>6,570,912</b>	<b>6,643,260</b>	
* Not Included In Totals							
<b>Totals</b>	<b>35,935,468</b>	<b>35,042,203</b>	<b>39,329,164</b>	<b>38,856,871</b>	<b>33,713,418</b>	<b>33,579,431</b>	<b>0</b>

## General Fund Expenditures

### 2020-21 Annual Budget By Department

Classification	Actual FY 18-19	Approved FY 19-20	Revised FY 19-20	Estimated FY 19-20	Dept'al Request FY 20-21	Manager Recom. FY 20-21	Board Approved FY 20-21
Governing Body	\$1,253,668	\$953,160	\$996,098	\$986,441	\$982,206	\$883,606	\$0
Administration Department	362,012	381,317	381,317	379,817	390,203	390,203	0
Community Development - Permit/Enforcement Division	536,404	511,734	511,734	507,294	588,980	550,201	0
Finance Department	965,720	969,820	984,570	975,570	1,000,747	1,000,747	0
Information Systems Department	560,541	744,565	749,165	737,765	752,938	713,666	0
Community Development - Planning Division	376,448	500,477	500,477	495,878	445,431	445,297	0
Human Resources Department	485,514	490,857	490,857	485,857	485,171	485,171	0
Police Department	8,541,537	9,300,405	9,508,260	9,445,996	9,404,066	9,209,924	0
Fire Department	6,227,113	8,029,290	8,252,334	8,051,749	7,649,631	7,461,726	0
Community Development - Engineering Division	309,353	1,478,118	3,568,446	3,566,065	925,337	999,687	0
Public Services - Street Division	3,191,115	2,131,149	2,539,313	2,484,313	2,059,222	1,989,707	0
Public Services - Solid Waste Division	2,315,323	2,193,169	2,193,169	2,185,502	2,291,796	2,229,171	0
Parks & Recreation Department	2,299,714	2,443,960	3,360,966	3,317,966	2,716,762	2,529,131	0
Public Services - Library	58,911	0	0	0	0	0	0
Public Services - General Services Division	1,206,985	1,277,794	1,315,794	1,299,994	1,743,415	1,399,441	0
Special Appropriations	2,084,317	1,598,671	1,788,947	1,788,947	1,231,110	1,231,110	0
Public Services - Administration Division	449,351	469,901	469,901	462,901	483,118	484,218	0
Public Services - Central Maintenance Division	1,557,344	1,567,816	1,717,816	1,684,816	1,676,651	1,576,425	0
<b>Totals</b>	<b>32,781,369</b>	<b>35,042,203</b>	<b>39,329,164</b>	<b>38,856,871</b>	<b>34,826,784</b>	<b>33,579,431</b>	<b>0</b>