

BUDGET BASICS

Fiscal Year 2015-2016

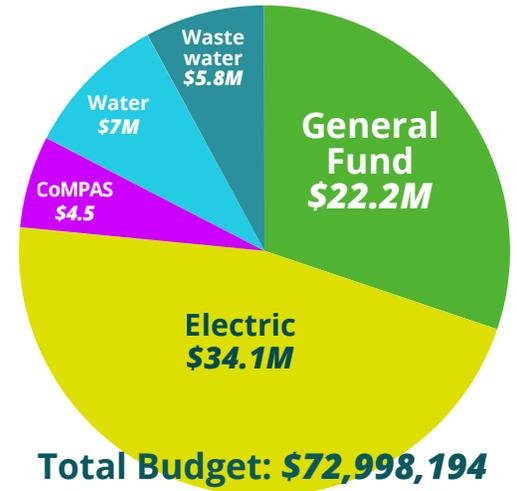


City of Morganton Public Information Office • August 2015 • pubinfo@ci.morganton.nc.us

The budget is the City of Morganton's annual operating plan. The budget includes every dollar the city expects to receive and how the city plans to spend those dollars during the fiscal year. The fiscal year runs from July 1, 2015, to June 30, 2016.

The City of Morganton budget for Fiscal Year 2015-2016 is **\$72,998,194**; this includes seven funds: the General Fund, Electric Fund, Water Fund, Wastewater Fund, CoMPAS CATV Fund, Intergovernmental Service Fund (IGS), and Cemetery Trust Fund. (The Cemetery Trust Fund is only \$64,000 and doesn't show up on the pie chart. The IGS Fund represents costs already accounted for within the General and Enterprise Funds and also isn't show on the chart.)

Morganton's total budget is much larger than many cities our size because Morganton is a municipal power and cable provider. The Electric and CoMPAS funds account for more than half of the city's total budget, and more than \$28 million of the Electric Fund budget is just the purchase of wholesale power for city electric customers. Numbers in this presentation have been rounded. Visit www.morgantonnc.gov/opengov to view the budget details.



General Fund: \$22.2 Million

Detailed budget info at www.morgantonnc.gov/opengov

When most people talk about city government, they are talking about the services provided from the General Fund.

The General Fund includes Public Safety, Public Works, Parks and Recreation, CoMMA, Main Street, the Morganton Community House, and general city services such as the City Manager's Office, Finance, Human Resources, Development and Design, planning, zoning, and building inspections.

General Fund revenues are raised via local property taxes, sales taxes, financing, service fees, and various state revenues.

General Fund Revenues



Ad Valorem Tax Rates

The City of Morganton property tax rate is \$0.53 per \$100 in valuation. If your property was valued at \$100,000, your city tax bill would be \$530.

	City Tax	Downtown Tax
Morganton..(Pop. 16,807)....	\$0.53	\$0.14
Lenoir(Pop. 18,042)....	\$0.58	\$0.25
Shelby(Pop. 20,325)....	\$0.435	\$0.22
Hickory(Pop. 40,361)....	\$0.5665	n/a



1 cent on the city tax rate generates about \$158,000 for the General Fund

General Fund Expenditures

The General Fund includes **\$797,819** to help fund the Burke County ECC, BDI, the Burke County Library, the Burke County Narcotics Task Force, and the local airport.

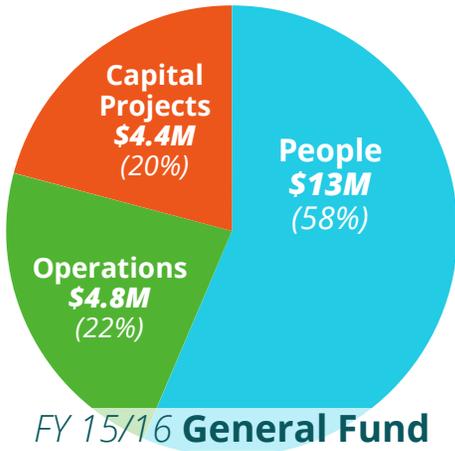
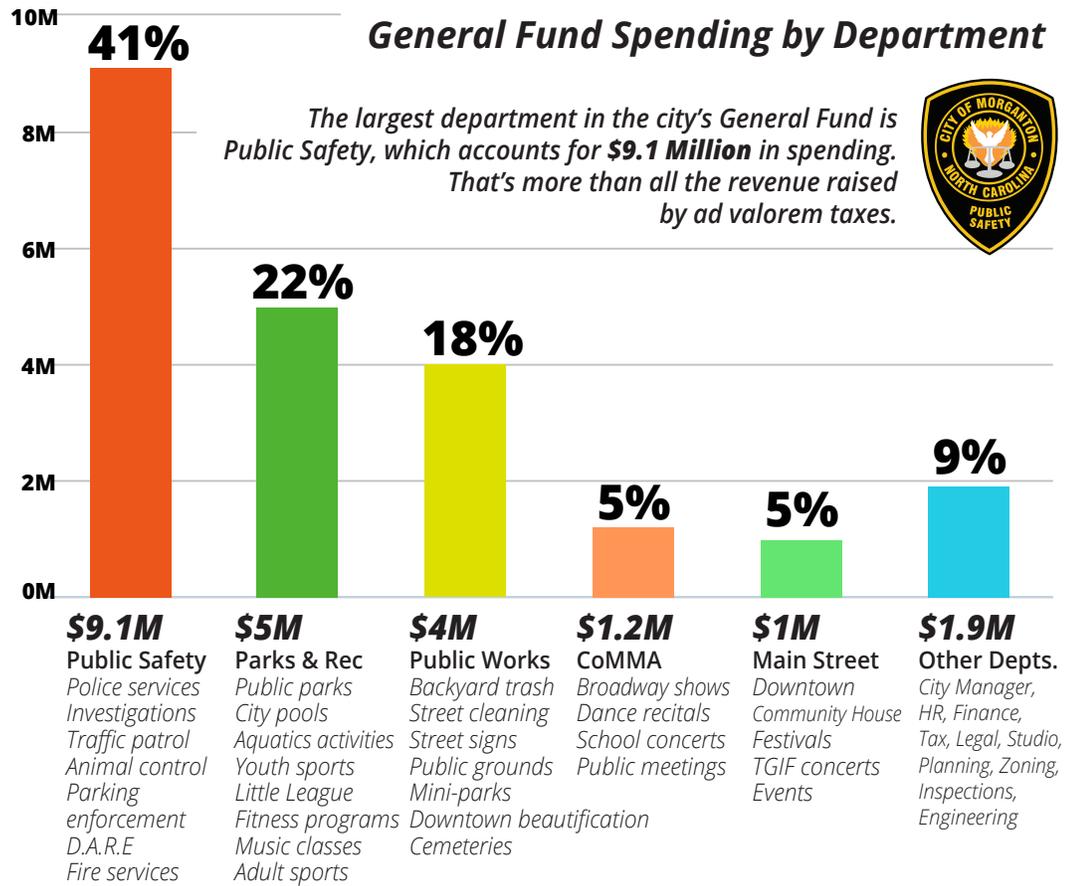
Like most cities, the majority of General Fund revenue, more than half, is spent on employees.

The largest department in the General Fund is Public Safety, which provides police and fire services.

The second largest department is Parks and Recreation, which provides all the city parks and recreation programs.

Public Works, which handles all city streets and sidewalks, backyard trash collection, public grounds, and the city cemeteries, is third.

Public Safety, Parks and Recreation, and Public Works account for about **\$17.8 Million** in spending, or almost 80% of the General Fund budget.



Employees: The most valuable resource

The largest expense in the General Fund is salaries and benefits for city workers. The city spends about **\$13 Million** on salaries, longevity bonuses, health insurance, and retirement benefits for employees. Public Safety has the largest full-time workforce, followed by Public Works. Although Parks and Recreation has a smaller number of full-time employees, the department hires the most part-time and seasonal workers.

The city has **319.5** allocated full-time positions.

The FY 2015-2016 budget contains a **1.5%** cost of living increase for employees and a **1%** merit fund.

= about 4 employees



These employment numbers are based on allocations for Fiscal Year 2015-2016 and the average number of part-time workers per pay period for last year. Total employment can vary each month.

Capital Projects \$4.4 Million

- street resurfacing
- greenway resurfacing
- parking lot paving
- building improvements, parking lot additions, and additional hard surface tennis courts at the Mountain View Recreation Center
- way finding phase 4
- Public Safety patrol cars
- Public Works vehicles

The capital improvement plan includes more than **\$1 Million** in grant funding and donations which reflects the City staff's diligence and success in securing other funding to benefit the City of Morganton and its residents.

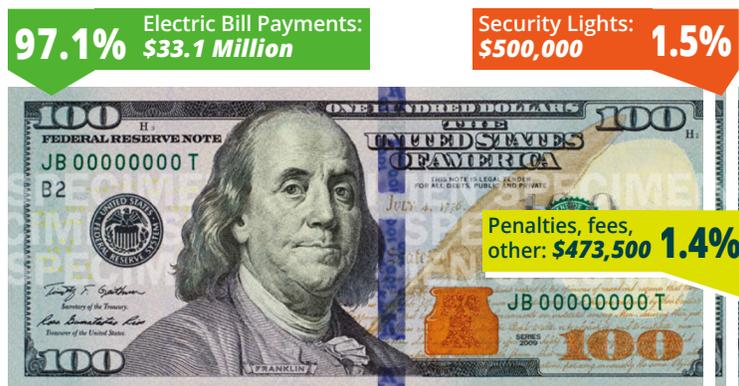
Electric Fund: \$34.1 Million

The City of Morganton is a municipal power provider. That means the city government owns the local electric utility, which is managed by the Electric Services Department. In April 2015, Electric Services received its fourth consecutive Reliable Public Power Provider Award from the American Public Power Association. So where does the city get its electricity? The city is a member of North Carolina Municipal Power Agency Number 1 (NCMPA1), which consists of 19 cities and towns. NCMPA1 owns a portion of the Catawba Nuclear Station, operated by Duke Energy, and NCMPA1 sells electricity to its members. The Electric Services Department provides electricity to an average of **8,200 homes and businesses**.



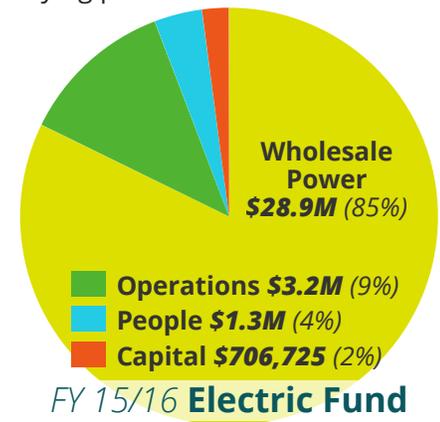
Electric Fund Revenues

Most Electric Fund revenue comes from electric bills. The average home in Morganton uses about 813 kWh of electricity and the average residential electric bill is **\$123.86**.



Electric Fund Expenditures

The majority of Electric Fund dollars are spent buying wholesale power from NCMPA1. The city expects to spend more than **\$28 Million** buying power!



Capital Projects \$706,725

The Electric Services Department maintains about **220 miles** of overhead lines, **6,000 poles**, **3,000 streetlights**, and **4 traffic signals**.

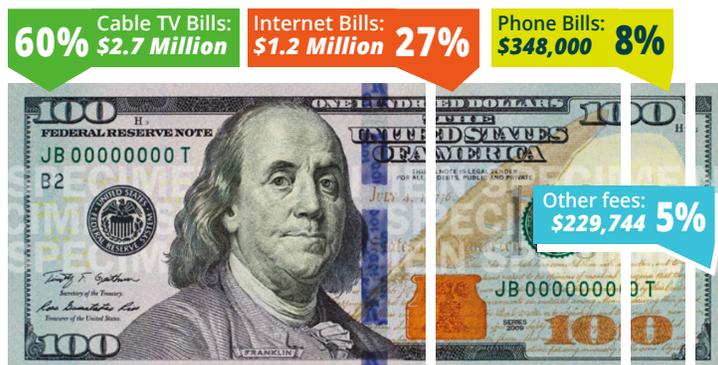
- two new trucks
- mobile wire wheel trailer
- replace the remote terminal at Delivery 4 substation
- upgrade Delivery 3 breakers
- upgrade Delivery 5 regulators
- upgrade industrial customer stations
- system improvements
- electric pole inspections

CoMPAS CATV Fund: \$4.5 Million

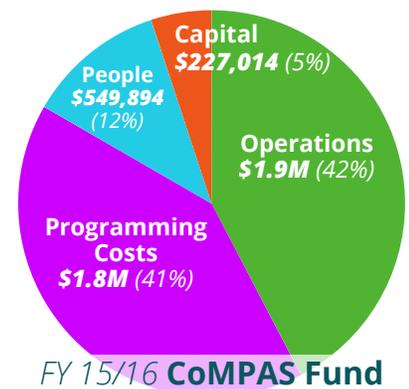
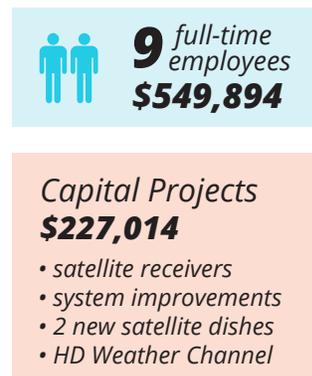


CoMPAS, the City of Morganton Public Antenna System, offers cable television, Internet, and VOIP home phone service to more than **6,000 homes and businesses** in and around Morganton. Visit www.compascable.net, or call 438-5353.

CoMPAS CATV Fund Revenues



CoMPAS CATV Fund Expenditures



Water Fund: \$7 Million

City of Morganton water rates are some of the lowest in the state.

The city water plant draws water from the Catawba River and produces an average of **8.8 MILLION gallons** of potable water per day. The Distribution Division maintains more than **320 MILES** of water lines. The city provides water to about **10,000 homes and businesses**.

Water Fund Revenues

The majority of Water revenues come from the water bills customers pay each month. The average home in Morganton uses about 5,000 gallons of water per month, and the average water bill is **\$14.40**.

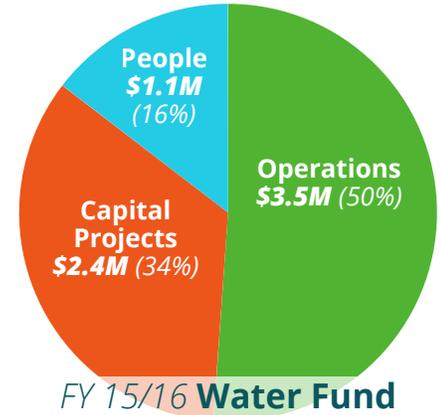
75% Water Bill Payments, Debt Recovery Charge: **\$5.2 Million** **Financing: \$1.3 Million 18%** **2%** Other



Water Fund Expenditures

More than half of the Water Fund expenditures are spent on operations which includes **\$520,000** for utilities, mostly power, and **\$250,000** for treatment chemicals.

20 full-time employees
\$1.1 Million



Capital Projects \$2.4 Million

- line replacements/extensions
- pump/motor maintenance
- new truck
- replace finished water pump

- Glen Alpine pump station upgrade
- water tank maintenance
- pump station maintenance
- update chemical feed system
- replace clearwell #1 and #2
- hydraulic study for Bost Road and Lost Corners

Wastewater Fund: \$5.8M

Maintaining infrastructure is crucial to providing high-quality utility services.

The city wastewater plant treats about **4.7 MILLION gallons** of sewer a day. Treated sewer is released back into the Catawba River. The Collections Division maintains more than **200 MILES** of sewer lines. The city provides sewer to about **6,600 homes and businesses**.

Wastewater Fund Revenues

The majority of Wastewater revenues come from the sewer bills customers pay each month. The average home in Morganton uses about 5,000 gallons of water per month, and the average sewer bill is **\$28.38**.

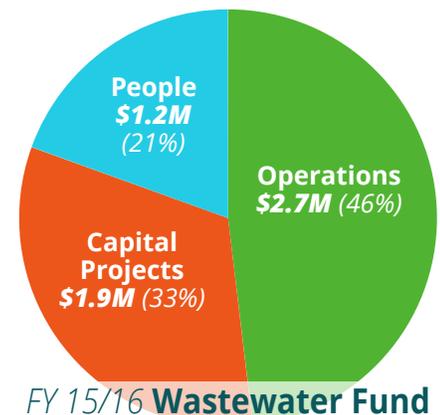
86% Sewer Bill Payments & Debt Recovery Charge: **\$5 Million** **Financing: \$650,000 11%**



Wastewater Fund Expenditures

Almost half of the Wastewater Fund expenditures are spent on operations which includes **\$585,000** for utilities, mostly power, and **\$400,000** for treatment chemicals.

21 full-time employees
\$1.2 Million



Capital Projects \$1.9 Million

- line replacements
- line extensions

- sewer line rehab program
- manhole rehab program
- primary clarifier replacement
- treatment conversion project
- biosolids investigation and mitigation