



City of  
**Washington**  
NORTH CAROLINA  
Council Agenda  
MAY 21, 2018  
5:30 PM

Opening of Meeting

Pledge of Allegiance

Invocation

Roll Call

Approval of minutes - none

Approval/Amendments to Agenda

I. Consent Agenda: None

II. Comments from the Public:

III. Public Hearing 6:00PM– Zoning: None

IV. Public Hearing 6:00PM - Other: None

V. Scheduled Public Appearances: None

VI. Correspondence and Special Reports: None

VII. Reports from Boards, Commissions and Committees: None

VIII. Appointments: None

IX. Old Business:

A. Adopt – Budget Ordinance for Fiscal Year 2019, Set Ad Valorem Tax Rate, and User Fee Schedule (**page 2**)

X. New Business: None

XI. Any other items from City Manager:

XII. Any other business from the Mayor or other Members of Council:

XIII. Closed Session: None

XIV. Adjourn – Until Monday, June 11, 2018 at 5:30 pm, in the Council Chambers



## REQUEST FOR CITY COUNCIL ACTION

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**To:** Mayor Hodges & Members of the City Council  
**From:** Matt Rauschenbach, C.F.O./Administrative Services Director  
**Date:** May 21, 2018  
**Subject:** Adopt Budget Ordinance for Fiscal Year 2019, Set Ad Valorem Tax Rate and User Fee Schedule  
**Applicant Presentation:** N/A  
**Staff Presentation:** Matt Rauschenbach

### RECOMMENDATION:

I move that City Council adopt the Budget Ordinance for Fiscal Year 2019, set the 2018 Ad valorem Tax rate at \$0.53 per \$100.00 value with \$.01941 designated for the Public Safety Capital Reserve and \$.02 towards the Police Station Capital Project Fund, and set the user fee schedule included in the appendix of the budget.

### BACKGROUND AND FINDINGS:

Attached is the Budget Ordinance for Fiscal Year 2019, totaling \$78,771,644. This ordinance appropriates the following amounts in the funds listed for operational expenses during the fiscal year:

General Fund	\$16,568,990
Water Fund	3,403,643
Sewer Fund	3,541,158
Storm Water Management Fund	900,756
Electric Fund	34,855,236
Airport Fund	661,434
Solid Waste Fund	1,514,526
Cemetery Fund	298,836
Library Trust Fund	700
Cemetery Trust Fund	3,300
Public Safety Capital Reserve Fund	166,970
Economic Development Capital Reserve Fund	431,580
Water Capital Reserve Fund	1,400
Sewer Capital Reserve Fund	275
Facade Fund	20,000
Downtown Revitalization Grant	94,340
Downtown Development	98,665
Hotel Project- New Age Properties	206,400
Havens Garden Pier Grant	98,000
RZEDB- Storm Water Project	5,013,012
iDX Impressions Expansion Grant	512,500
CDBG Program Income Fund	5,957

Police Station Capital Project Fund	1,568,997
Financial Software Capital Project Fund	400,000
Airport Runway Design	182,305
Way Finding Capital Project Fund	160,000
Airport Rehabilitation Grant	460,121
Springs Road Water System Improvements	240,000
CWSF Loan	2,000,000
EDA Water Projects	1,428,262
EDA Sewer Projects	1,423,894
Streetscape Project Fund	400,000
Wastewater Asset Inventory Grant	157,500
Downtown Revitalization Grant #2018	50,000
Library Expansion Project	1,000
Castle Island CDBG Grant	500,000
Storm Water Project Fund	250,000
Corporate Hangar Design Grant	67,809
Electric Project Fund	445,491
Workers Compensation Fund	118,000
Vehicle Replacement Fund	518,587
Facility Maintenance Fund	<u>2,000</u>
Grand Total	\$78,771,644

**PREVIOUS LEGISLATIVE ACTION**

Budget workshop discussions

**FISCAL IMPACT**

Currently Budgeted (Account \_\_\_\_\_)  Requires additional appropriation  
 No Fiscal Impact

**SUPPORTING DOCUMENTS**

Annual budget  
Budget Ordinance

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City Manager Review: BB Concur \_\_\_\_\_ Recommend Denial \_\_\_\_\_ No Recommendation  
5/16 Date

CITY OF WASHINGTON, NORTH CAROLINA  
BUDGET ORDINANCE FOR FISCAL YEAR 2019

BE IT ORDAINED by the City Council of the City of Washington, North Carolina, as follows:

**Section 1.** The following amounts are hereby appropriated for the operation of the City of Washington government and its activities for the fiscal year beginning July 1, 2018, and ending June 30, 2019, according to the following schedules:

Schedule A. General Fund

General Government

City Council	62,694
Mayor	14,291
City Manager	356,887
TDA Director	123,376
Human Resources	367,356
Finance	565,602
Purchasing	161,695
Information Systems	361,099
Billing	177,787
Customer Services	676,629
Planning/Zoning	376,095
Code Enforcement	280,381
Legal	142,000
Economic Development	431,580
Miscellaneous	1,200,579
Debt Service	170,586
Contingency	0

Public Safety

Police	3,531,618
E-911 Communication	337,199
Fire	994,735
Emergency Medical Services	1,970,555

Public Works

Administration	101,119
Municipal Building	215,561
Equipment Services	116,235
Street Maintenance	608,146
Powell Bill	322,453
Street Lighting	0
Storm Water Improvements	319,373

Cultural and Leisure

Brown Library	488,714
Recreation Administration	128,404
Recreation Events & Facilities	216,245
Senior Programs	200,636
Waterfront Docks	96,583
Civic Center	102,772
Aquatic Center	337,133
Building & Grounds	940,906
Outside Agencies	<u>71,966</u>
Total General Fund Appropriations	\$16,568,990

Schedule B. Water Fund

Debt Services	0
Miscellaneous	1,031,081
Administration	122,754
Water Meter Services	231,846
Water Treatment	1,474,705
Water Distribution Maintenance	276,742
Water Distribution Construction	266,515
Contingency	<u>0</u>
Total Water Fund Appropriations	3,403,643

Schedule C. Sewer Fund

Debt Service	250,653
Miscellaneous	921,591
Administration	117,393
Wastewater Collection Maintenance	438,800
Wastewater Collection Construction	226,700
Wastewater Treatment	1,172,789
Wastewater Stations	413,232
Contingency	<u>0</u>
Total Sewer Fund Appropriations	3,541,158

Schedule D. Storm Water Management Fund

Debt Service	451,750
Operations	443,906
Nutrient Control	5,100
Contingency	<u>0</u>
Total Storm Water Management Fund Appropriations	900,756

Schedule E. Electric Fund

Debt Service	0
Miscellaneous	4,105,817
Administration	478,900
Utility Communications	295,922
Electric Meter Services	649,819
Purchase Power	22,286,689
Substation Maintenance	2,388,743
Load Management	536,442
Power Line Maintenance	2,069,989
Power Line Construction	1,992,915
Contingency	<u>50,000</u>
Total Electric Fund Appropriations	34,855,236

Schedule F. Airport Fund

Operational Expenses	661,434
Contingency	<u>0</u>
Total Airport Fund Appropriations	661,434

Schedule G. Solid Waste Fund

Debt Service	0
Solid Waste Operations	1,514,526
Contingency	<u>0</u>
Total Solid Waste Fund Appropriations	1,514,526

Schedule H. Cemetery Fund

Debt Service	0
Operational Expenses	298,836
Contingency	<u>0</u>
Total Cemetery Fund Appropriations	298,836

Schedule I. Library Trust Fund

Administration Charges to General Fund for Library Operations	<u>700</u>
Total Library Trust Fund Appropriations	700

Schedule J. Cemetery Trust Fund

Administration Charges to Cemetery Fund for Operations	<u>3,300</u>
Total Cemetery Trust Fund Appropriations	3,300

Schedule K. Public Safety Capital Reserve Fund

Transfer to General Fund	<u>166,970</u>
Total Public Safety Capital Reserve Fund Appropriations	166,970

Schedule L. Economic Development/Capital Reserve Fund

Transfer to General Fund	431,580
Contingency	<u>0</u>
Total Economic Development/Capital Reserve Fund Appropriations	431,580

Schedule M. Water Capital Reserve Fund

Reserved For Future Capital Projects	<u>1,400</u>
Total Water Capital Reserve Fund Appropriations	1,400

Schedule N. Sewer Capital Reserve Fund

Reserved for Future Capital Projects	<u>275</u>
Total Sewer Capital Reserve Fund Appropriations	275

Schedule O. Downtown Revitalization Grant

Downtown Revitalization Grant	<u>94,340</u>
Total Downtown Revitalization Grant	94,340

Schedule P. Hotel Project- New Age Properties

Hotel Project- New Age Properties	<u>206,400</u>
Total Hotel Project- New Age Properties	206,400

Schedule Q. Streetscape Project Fund

Transfer from General Fund	<u>400,000</u>
Total Streetscape Project Fund	400,000

Schedule R. Havens Garden Pier Grant

Havens Garden Pier Grant	<u>98,000</u>
Total Havens Garden Pier Grant	98,000

Schedule S. Program Income Fund

Program Income Fund	<u>5,957</u>
Total Program Income Fund	5,957

Schedule T. Downtown Development

Downtown Development	<u>98,665</u>
Total Downtown Development	98,665

Schedule U. RZEDB- Storm Water Project

RZEDB- Storm Water Project	<u>5,013,012</u>
Total RZEDB- Storm Water Project	5,013,012

Schedule V. IDX Impressions Expansion

IDX Impressions Expansion	<u>512,500</u>
Total IDX Impressions Expansion Project	512,500

Schedule W. Wastewater Asset Inventory Grant

Wastewater Asset Inventory Grant	<u>157,500</u>
Total Wastewater Asset Inventory Grant	157,500



Schedule X. Downtown Revitalization Grant #2018

Downtown Revitalization Grant #2018	<u>50,000</u>
Total Downtown Revitalization Grant #2018	50,000

Schedule Y. Police Station CPF

Police Station CPF	<u>1,568,997</u>
Total Police Station CPF	1,568,997

Schedule Z. Financial Software CPF

Financial Software CPF	<u>400,000</u>
Total Financial Software CPF	400,000

Schedule A1. Airport Runway Design

Airport Runway Design	<u>182,305</u>
Total Airport Runway Design	182,305

Schedule B1. Facade Grant

Facade Grant	<u>20,000</u>
Total Facade Grant	20,000

Schedule C1. Wayfinding Project

Wayfinding Project	<u>160,000</u>
Total Wayfinding Project	160,000

Schedule D1. Library Expansion Project

Library Expansion Project	<u>1,000</u>
Total Library Expansion Project	1,000

Schedule E1. Castle Island CDBG Grant

Castle Island CDBG Grant	<u>500,000</u>
Total Castle Island CDBG Grant	500,000

Schedule F1. Airport Rehabilitation Grant

Airport Rehabilitation Grant	<u>460,121</u>
Total Airport Rehabilitation Grant	460,121

Schedule G1. Spring Road Water System Improvements

Spring Road Water System Improvements	<u>240,000</u>
Total Spring Road Water System Improvements	240,000

Schedule H1. CWSF Loan

CWSF Loan	<u>2,000,000</u>
Total CWSF Loan	2,000,000

Schedule I1. Stormwater Project Fund

Stormwater Project Fund	<u>250,000</u>
Total Stormwater Project Fund	250,000

Schedule J1. EDA Water Projects

EDA Water Projects	<u>1,428,262</u>
Total EDA Water Projects	1,428,262

Schedule K1. EDA Sewer Projects

EDA Sewer Projects	<u>1,423,894</u>
Total EDA Sewer Projects	1,423,894

Schedule L1. Corporate Hanger Design Grant

Corporate Hanger Design Grant	<u>67,809</u>
Total Corporate Hanger Design Grant	67,809

Schedule M1. Electric Project Fund

Electric Project Fund	<u>445,491</u>
Total Electric Project Fund	445,491

Schedule N1. Internal Service Fund

Worker's Compensation Claim Payments	<u>118,000</u>
Total Internal Service Fund Appropriations	118,000

Schedule O1. Vehicle Replacement Fund

Vehicle Replacement Fund	<u>518,587</u>
Total Vehicle Replacement Fund	518,587

Schedule P1. Facility Maintenance Fund

Facility Maintenance Fund	<u>2,000</u>
Total Facility Maintenance Fund	2,000

Total Appropriations for all Funds \$78,771,644

Section 2. It is estimated that the following revenue will be available during the year beginning July 1, 2018, and ending June 30, 2019 to meet the foregoing appropriations

Schedule A. General Fund

Ad Valorem Taxes 4,445,599

Other Taxes & Licenses	2,824,364
Unrestricted Intergovernmental Revenue	2,026,941
Restricted Intergovernmental Revenue	435,699
Permits & Fees	74,520
Sales and Services	918,732
Investment Earnings	40,000
Miscellaneous	55,713
Transfers From	1,873,735
Administrative Charges	2,793,603
Long Term Debt Issued	0
Fund Balance Appropriated	<u>1,080,084</u>
Total General Fund Revenues	16,568,990

#### Schedule B. Water Fund

Water Charges	90,300
Sales and Services	3,091,000
Interest Earnings	15,000
Miscellaneous	1,000
Installment Note Proceeds	0
Rents	37,400
Transfer from Water Capital Reserve	0
Fund Balance Appropriated	<u>168,943</u>
Total Water Fund Revenues	3,403,643

#### Schedule C. Sewer Fund

Wastewater Charges	36,100
Sales and Services	3,305,000
Interest Earnings	15,000
Assessments	3,108
Loan Proceeds	0
Fund Balance Appropriated	<u>181,950</u>
Total Sewer Fund Revenues	3,541,158

#### Schedule D. Storm Water Management Fund

Interest Earnings	2,000
Storm Water Charges	845,000
Interest Rebates (RZEDB)	48,287
Other Fees	5,469

Fund Balance Appropriated	<u>0</u>
Total Storm Water Management Fund Revenues	900,756

Schedule E. Electric Fund

Electric Charges	33,958,447
Sales and Services	495,300
Interest Earnings	75,000
Miscellaneous	78,000
Installment Note Proceeds	0
Administration Charges From Other Funds:	
Water	185,754
Sewer	<u>62,735</u>
Total Electric Fund Revenues	34,855,236

Schedule F. Airport Fund

Rentals	76,565
Sales & Services	190,000
Miscellaneous	100
Grants	150,000
Transfer from General Fund:	
General Fund	244,769
	<u>0</u>
Fund Balance Appropriated	
Total Airport Fund Revenues	661,434

Schedule G. Solid Waste Fund

Interest Earnings	3,000
Solid Waste Tax	6,000
Fees	1,311,681
Fund Balance Appropriated	<u>193,845</u>
Total Solid Waste Fund Revenues	1,514,526

Schedule H. Cemetery Fund

Interest Earnings	100
Sales & Services	178,723
Transfer from G/F	0
Adm. Charges from Cemetery Trust	3,300
Transfer from Electric Fund	116,713
Fund Balance Appropriated	<u>0</u>
Total Cemetery Fund Revenues	298,836

Schedule I. Library Trust Fund

Interest Earnings	<u>700</u>
Total Library Trust Fund Revenues	700

Schedule J. Cemetery Trust Fund

Interest Earnings	<u>3,300</u>
Total Cemetery Trust Fund Revenues	3,300

Schedule K. Public Safety Capital Reserve Fund

Transfer From General Fund	166,970
Fund Balance Appropriated	<u>0</u>
Total Public Safety Capital Reserve Fund Revenues	166,970

Schedule L. Economic Development /Capital Reserve Fund

Payments From Other Funds	<u>431,580</u>
Total Economic Development/Capital Reserve Fund Revenues	431,580

Schedule M. Water Capital Reserve Fund

Impact Fees	0
Interest Earnings	1,400
Fund Balance Appropriated	<u>0</u>
Total Water Capital Reserve Fund Revenues	1,400

Schedule N. Sewer Capital Reserve Fund

Impact Fees	
Interest Earnings	275
Fund Balance Appropriated	<u>0</u>
Total Sewer Capital Reserve Fund Revenues	275

Schedule O. Downtown Revitalization Grant

Downtown Revitalization Grant	<u>94,340</u>
Total Downtown Revitalization Grant	94,340

Schedule P. Hotel Project- New Age Properties

Hotel Project- New Age Properties	<u>206,400</u>
Total Hotel Project- New Age Properties	206,400

Schedule Q. Streetscape Project

Transfer from General Fund	<u>400,000</u>
Total Streetscape Project	400,000

Schedule R. Havens Garden Pier Grant

Havens Garden Pier Grant	<u>98,000</u>
Total Havens Garden Pier Grant	98,000

Schedule S. Program Income Fund

Program Income Fund	<u>5,957</u>
Total Program Income Fund	5,957

Schedule T. Downtown Development

Downtown Development	<u>98,665</u>
Total Downtown Development	98,665

Schedule U. RZEDB- Storm Water Project

RZEDB- Storm Water Project	<u>5,013,012</u>
Total RZEDB- Storm Water Project	5,013,012

Schedule V. IDX Impressions Expansion

IDX Impressions Expansion	<u>512,500</u>
Total IDX Impressions Expansion Project	512,500

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Wastewater Asset Inventory Grant	<u>157,500</u>
Total Wastewater Asset Inventory Grant	157,500

Schedule X. Downtown Revitalization Grant #2018

Downtown Revitalization Grant #2018	<u>50,000</u>
Total Downtown Revitalization Grant #2018	50,000

Schedule Y. Police Station CPF

Police Station CPF	<u>1,568,997</u>
Total Police Station CPF	1,568,997

Schedule Z. Financial Software CPF

Financial Software CPF	<u>400,000</u>
Total Financial Software CPF	400,000

Schedule A1. Airport Runway Design

Airport Runway Design	<u>182,305</u>
Total Airport Runway Design	182,305

Schedule B1. Facade Grant

Facade Grant	<u>20,000</u>
Total Facade Grant	20,000



Schedule C1. Wayfinding Project

Wayfinding Project	<u>160,000</u>
Total Wayfinding Project	160,000

Schedule D1. Library Expansion Project

Transfer from General Fund	<u>1,000</u>
Total Library Expansion Project	1,000

Schedule E1. Castle Island CDBG Grant

Castle Island CDBG Grant	<u>500,000</u>
Total Castle Island CDBG Grant	500,000

Schedule F1. Airport Rehabilitation Grant

Airport Rehabilitation Grant	<u>460,121</u>
Total Airport Rehabilitation Grant	460,121

Schedule G1. Spring Road Water System Improvements

Spring Road Water System Improvements	<u>240,000</u>
Total Spring Road Water System Improvements	240,000

Schedule H1. CWSF Loan

CWSF Loan	<u>2,000,000</u>
Total CWSF Loan	2,000,000

Schedule I1. Stormwater Project Fund

Transfer from Stormwater Fund	<u>250,000</u>
Total Stormwater Project Fund	250,000

Schedule J1. EDA Water Projects

EDA Water Projects	<u>1,428,262</u>
Total EDA Water Projects	1,428,262

Schedule K1. EDA Sewer Projects

EDA Sewer Projects	<u>1,423,894</u>
Total EDA Sewer Projects	1,423,894

Schedule L1. Corporate Hanger Design Grant

Corporate Hanger Design Grant Fund	<u>67,809</u>
Total Corporate Hanger Design Grant Fund	67,809

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Total Electric Project Fund	445,491

Schedule N1. Internal Service Fund

Worker's Compensation Fund	<u>118,000</u>
Total Internal Service Fund	118,000

Schedule O1. Vehicle Replacement Fund

Vehicle Replacement Fund	<u>518,587</u>
Total Vehicle Replacement Fund	518,587

Schedule P1. Facility Maintenance Fund

Facility Maintenance Fund	<u>2,000</u>
Total Facility Maintenance Fund	2,000

Total Estimated Revenues for all Funds \$78,771,644

**Section 3.** There is hereby levied the following rate of tax on each one hundred dollars (\$100.00) valuation of estimated taxable property listed for taxes as of January 1, 2018, for the purpose of raising the revenues from property taxes, as set forth in the foregoing estimates, and in order to finance the foregoing appropriations:

General Fund  
Total Rate per \$100 of  
Valuation of Taxable Property            .53

Such rate of tax is based on an estimated total assessed valuation of property tax for the purpose of taxation of \$860,417,909 with an estimated rate of collections of ninety-five percent (95.45%). A general reappraisal of real property was undertaken in 2018 resulting in a revenue neutral tax rate of \$.5291. The rate adopted is \$.53.

**Section 4.** Some estimates of revenue other than the property tax exceed the amount actually realized in cash from each source in the preceding fiscal year, but the facts warrant the expectations that in each case the estimated amount will actually be realized in cash during the budget year.

**Section 5.** Appropriations are authorized by department totals. The Finance Officer is authorized to reallocate departmental appropriations among various line item objects of expenditures and revenues as necessary during the budget year. The City Manager is authorized to reallocate appropriations among the various departmental totals of expenditures within the General Fund, Water Fund, Sewer Fund, Electric Fund, Storm Water Management Fund, Airport Fund, Solid Waste Fund, and Cemetery Fund as allowed by North Carolina General Statute 159-15. Any such transfers between departments shall be reported to the City Council at its next regular meeting following the transfer and shall be entered into the official minutes of the City of Washington.

**Section 6.** Copies of this ordinance shall be filed with the Finance Director of the City of Washington, to be kept on file by him for his direction in the disbursement of City funds.

**Section 7.** All ordinances or parts of ordinances in conflict herewith are hereby repealed.

**Section 8.** This ordinance shall become effective July 1, 2018.

Adopted this the 21st day of May, 2018.

ATTEST:

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CITY CLERK

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MAYOR