

THE FOLLOWING INFORMATION IS INTENDED TO SUPPLEMENT THE RECOMMENDED BUDGET DOCUMENT. PLEASE REFER TO THE EXPLANATION OF ADJUSTMENTS BELOW FOR INCORPORATION INTO THE RECOMMENDED BUDGET.

TOWN OF GARNER

Memorandum

To: Garner Town Council
From: Town of Garner Budget Team
Subject: Adjustments to Recommended FY 2016-17 Operating Budget
Date: June 1, 2016

FY2016-17 RECOMMENDED BUDGET ADJUSTMENTS

On May 6, 2016 the Town Council was provided the recommended FY 2016-17 operating budget, which totaled \$30,189,490. Since the initial presentation, the Town Council has conducted several meetings to discuss the budget:

- May 17, 2016 (Which included a basic presentation and public hearing)
- May 18, 2016 (Day-long work session and in-depth discussion of the budget)
- May 31, 2016 (additional Council discussion on the budget)

As a result of these meetings, the budget team has adjusted the recommended budget.

Highlights of the changes include:

- A 1.5 cent Property Tax Increase to fund the Fire and Police positions;
- The addition of six months of funding for nine Garner Volunteer Fire-Rescue, Inc. (GVFR) Firefighters;
- The addition of six months of funding for two Garner Police Officers;
- The addition of funding for Town Lobbying Services;
- The addition of funding for the City of Raleigh's Utility Bill Assistance Program;
- The removal of funding for the Town's Capital City Club Membership.

The net result of these changes brings the total recommended budget to \$30,709,289. The summary of all of these changes are detailed on the following informational pages.

The first informational page is the Summary of Adjustments. This sheet explains the changes in revenues and expenditures that have occurred from the originally recommended budget to what we now refer to as the adjusted recommend budget. In order to accommodate the expenditure adjustments detailed in the blue section of the summary page (which total \$519,799), two revenue adjustments are now recommended (located in the green section of the summary page). The first revenue adjustment is a 1.5 cent property tax increase that will generate \$479,462 in order to fund the nine GVFR Firefighter and two Garner Police Officer positions mentioned above. The second revenue adjustment is to use unassigned fund balance to cover the remaining \$40,337 of expenditure adjustments.

The next four informational pages following the Summary of Adjustments detail the calculations used to project the expenditures required to fund nine GVFR Firefighters and two Garner Police Officers for 6 months (January 2017 - June 2017 of the 2016-17 fiscal year). The projected 12 month costs for funding the nine GVFR Firefighters and two Garner Police Officers in the 2017-18 fiscal year are also provided.

The final informational page is the Public Safety Property Tax Balance Sheet. This sheet details the amount of revenue that the 1.5 cent property tax increase for Public Safety will generate (as mentioned earlier, that amount is \$479,462). This sheet also details how much the public safety expansions will cost in the FY 2016-17 budget (\$400,831). While the proposed property tax increase will exceed the costs associated with the public safety expansions in the FY 2016-17 budget (by \$78,631), these public safety expansions are being recommended for only the final six months of the 2016-17 fiscal year. In the FY 2017-18 budget, the nine GVFR Firefighters and two Garner Police Officers will require 12 months of funding. The budget team has projected that the FY 2017-18 full 12 month cost of funding for these positions will be \$587,885. Because of this, the additional \$78,631 of revenue that the 1.5 cent public safety property tax increase will generate is recommended to be transferred to the Town's Public Safety Committed Reserve Fund in order to help cover the increased costs of these positions in the future.

A public hearing will be held on Monday, June 6, 2016 at 7:00 pm for public comment on the budget and also allow for additional discussion by Council. The recommended budget has been made available for public review in the following locations: on the Town's website (www.garnernc.gov), in the Town Clerk's office, and the Southeastern Regional Library.

Please let us know if you have any questions, comments, or additional concerns prior to the meeting on June 6.

Sincerely,

Michael Gammon
Budget and Special Projects Manager
Town of Garner
919-773-4417
mgammon@garnernc.gov

**FY 2016-17 Recommended Budget
Summary of Adjustments**

Revenues

Recommended Revenue Budget Total (as of May 18, 2016)		\$30,189,490
Revenue Adjustments:		
1.5 cent Property Tax Increase (Revenue Generated)	\$479,462	
Use of Unassigned Fund Balance	\$40,337	
	Total	\$519,799
Adjusted Recommended Revenue Budget Total (As of June 6, 2016)		\$30,709,289

Expenditures

Recommended Expenditure Budget Total (as of May 18, 2016)		\$30,189,490
Expenditure Adjustments:		
9 Garner Firefighter Positions (6 Months)	\$227,533	
2 Garner Police Positions (6 Months)	\$173,298	
<i>Transfer to Public Safety Reserve</i>	<i>\$78,631</i>	
	<i>Subtotal</i>	<i>\$479,462</i>
Town Lobbying Services	\$28,000	
Utility Bill Assistance Program	\$14,173	
Capital City Club Membership Removed from Budget	(\$1,836)	
	<i>Subtotal</i>	<i>\$40,337</i>
	Total	\$519,799
Adjusted Recommended Expenditure Budget Total (As of June 6, 2016)		\$30,709,289

**FY 2016-17 Recommended Budget
Fire Personnel Costs**

Position Title	Annual Salary	Overtime Cost	Annual Salary (w/ Overtime)	FICA	Retirement	401(k)	State Fireman's Pension	Life Insurance	Health Insurance	Dental	Unemploy Insurance	Workers ' Comp	Total Cost/Employee
FF-1	\$32,673		\$32,673	\$2,499	\$2,369	\$1,634	\$120	\$232	\$4,063	\$405	\$217	\$750	\$44,963
FF-1	32,673		32,673	2,499	2,369	1,634	120	232	4,063	405	217	750	44,963
FF-1	32,673		32,673	2,499	2,369	1,634	120	232	4,063	405	217	750	44,963
FF-1	32,673		32,673	2,499	2,369	1,634	120	232	4,063	405	217	750	44,963
FF-1	32,673		32,673	2,499	2,369	1,634	120	232	4,063	405	217	750	44,963
FF-1	32,673		32,673	2,499	2,369	1,634	120	232	4,063	405	217	750	44,963
FF-1	32,673		32,673	2,499	2,369	1,634	120	232	4,063	405	217	750	44,963
FF-1	32,673		32,673	2,499	2,369	1,634	120	232	4,063	405	217	750	44,963
Totals	\$294,057	-	\$294,057	\$22,495	\$21,319	\$14,703	\$1,080	\$2,091	\$36,571	\$3,646	\$1,953	\$6,750	\$404,666

6-month Cost:	\$202,333
Turnout Gear	\$19,800
Uniforms:	\$3,600
Bedding/Misc	\$1,800
FY 2016-17 Total:	\$227,533

**FY 2017-18 Budget
Projected Fire Personnel Costs**

Position Title	Annual Salary	Overtime Cost	Annual Salary (w/ Overtime)	FICA	Retirement	401(k)	State Fireman's Pension	Life Insurance	Health Insurance	Dental	Unemploy Insurance	Workers ' Comp	Total Cost/Employee
Firefighter	36,692		36,692	2,807	2,752	1,835	120	232	4,185	405	217	750	49,995
Firefighter	36,692		36,692	2,807	2,752	1,835	120	232	4,185	405	217	750	49,995
Firefighter	36,692		36,692	2,807	2,752	1,835	120	232	4,185	405	217	750	49,995
Firefighter	36,692		36,692	2,807	2,752	1,835	120	232	4,185	405	217	750	49,995
Firefighter	36,692		36,692	2,807	2,752	1,835	120	232	4,185	405	217	750	49,995
Firefighter	36,692		36,692	2,807	2,752	1,835	120	232	4,185	405	217	750	49,995
Firefighter	36,692		36,692	2,807	2,752	1,835	120	232	4,185	405	217	750	49,995
Firefighter	36,692		36,692	2,807	2,752	1,835	120	232	4,185	405	217	750	49,995
Firefighter	36,692		36,692	2,807	2,752	1,835	120	232	4,185	405	217	750	49,995
Totals	\$330,228	-	\$330,228	\$25,262	\$24,767	\$16,511	\$1,080	\$2,091	\$37,668	\$3,646	\$1,953	\$6,750	\$449,958

*.25% Rate Increase

*3% Rate Increase

12-month Cost: \$449,958
 3% Merit: \$11,904
FY 2017-18 Total: \$461,862

**FY 2016-17 Recommended Budget
Police Personnel Costs**

Position Title	Annual Salary	FICA	Retirement	401(k)	Disability Insurance	Life Insurance	Health Insurance	Dental	Total Cost/Employee
Police Officer I	40,872	3,127	3,270	2,044	126	74	8,171	316	57,998
Police Officer I	40,872	3,127	3,270	2,044	126	74	8,171	316	57,998
Totals	\$81,744	\$6,253	\$6,540	\$4,087	\$252	\$147	\$16,341	\$632	\$115,997

6-month Cost:	\$57,998
Vehicle:	\$88,000
Radio:	\$8,000
Uniforms:	\$5,000
Technology:	\$6,000
Handgun:	\$1,600
Psych:	\$1,800
Rifle:	\$2,400
Fuel:	\$2,500

FY 2016-17 Total: \$173,298

**FY 2017-18 Budget
Projected Police Personnel Costs**

Position Title	Annual Salary	FICA	Retirement	401(k)	Disability Insurance	Life Insurance	Health Insurance	Dental	Total Cost/Employee
Police Officer I	42,417	3,245	3,499	2,121	126	76	8,661	316	60,461
Police Officer I	42,417	3,245	3,499	2,121	126	76	8,661	316	60,461
Totals	\$84,834	\$6,490	\$6,999	\$4,242	\$252	\$153	\$17,322	\$632	\$120,923
	*Includes Merit		*.25% Rate Increase			*6% Rate Increase			

12-month Cost: \$120,923
Fuel: \$5,100
FY 2016-17 Total: \$126,023

**FY 2016-17 Recommended Budget
Public Safety Property Tax Balance Sheet**

FY 2016-17 Public Safety Property Tax Expansion

Amount each cent of the property tax will yield:		\$319,641
	X 1.5 Cents	
Total		\$479,462

FY 2016-17 Public Safety Expansion Costs

9 Garner Firefighters (6 Months)		\$227,533
2 Garner Police Officers (6 Months)		\$173,298
Total		\$400,831

FY 2016-17 Amount to Transfer to Public Safety Committed Reserve

(Revenue Generated - Cost)	\$78,631*
----------------------------	------------------

*Matches the Transfer Amount in the Expenditure Adjustments
section on the Summary of Adjustments.