



Town of Northlake

Fiscal Year 2020
Proposed Budget

VISION

Northlake honors its rural legacy while thriving as a multigenerational, family-oriented and highly engage community.

MISSION

Our mission is to create and sustain a high quality of life for Northlake citizens by respecting our heritage and partnering with the community to provide exceptional services, responsive governance, and thoughtfully managed growth.



STRATEGIC GOALS



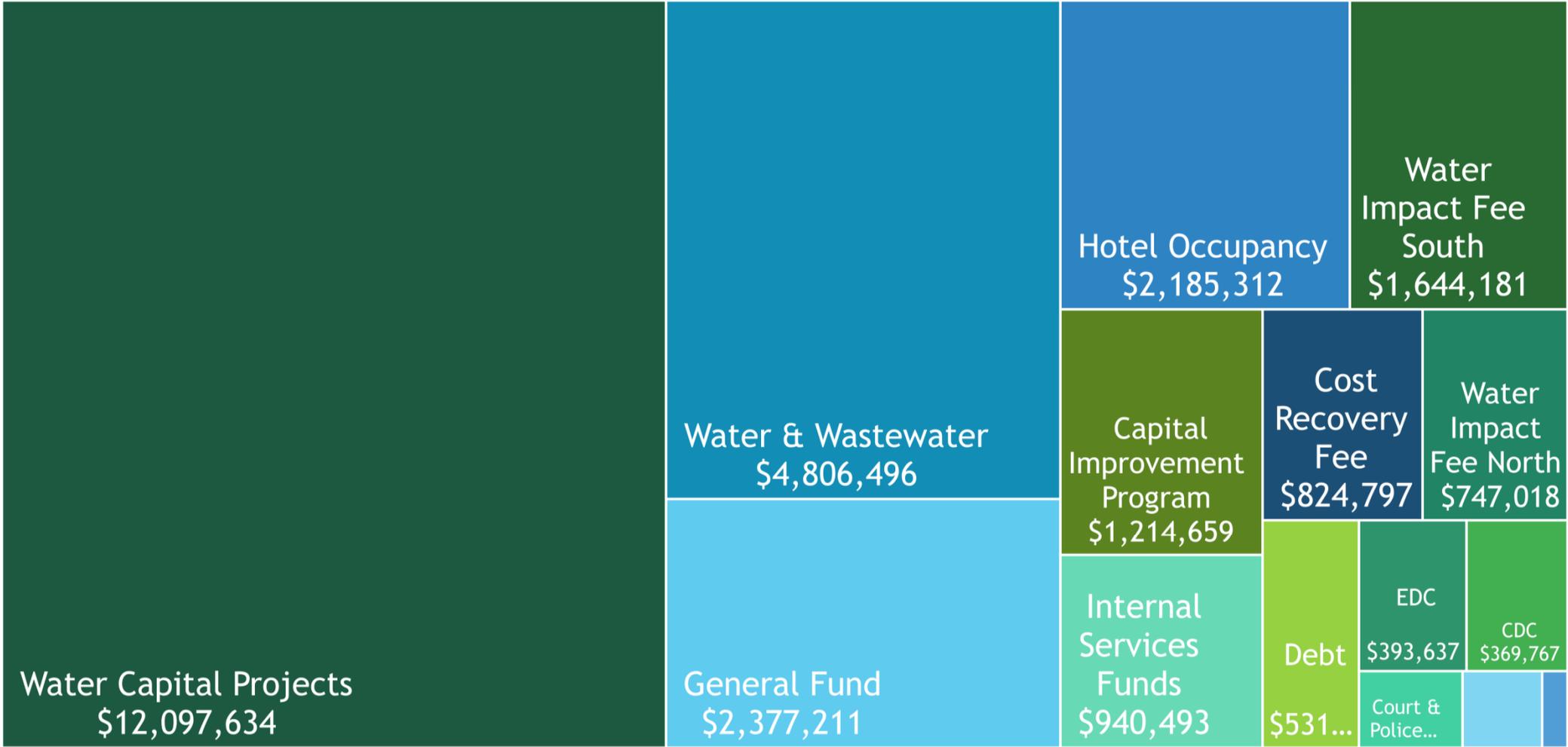
- ▶ Control our Own Destiny
- ▶ Diversify the Tax Base
- ▶ Define & Strengthen our Identity
- ▶ Operate Efficiently & Effectively
- ▶ Effectively Manage Public Resources
- ▶ Promote Public Involvement
- ▶ Systematically Invest in Infrastructure
- ▶ Responsibly Manage Growth

FY 2020 Budget - Mayor's Focal Points

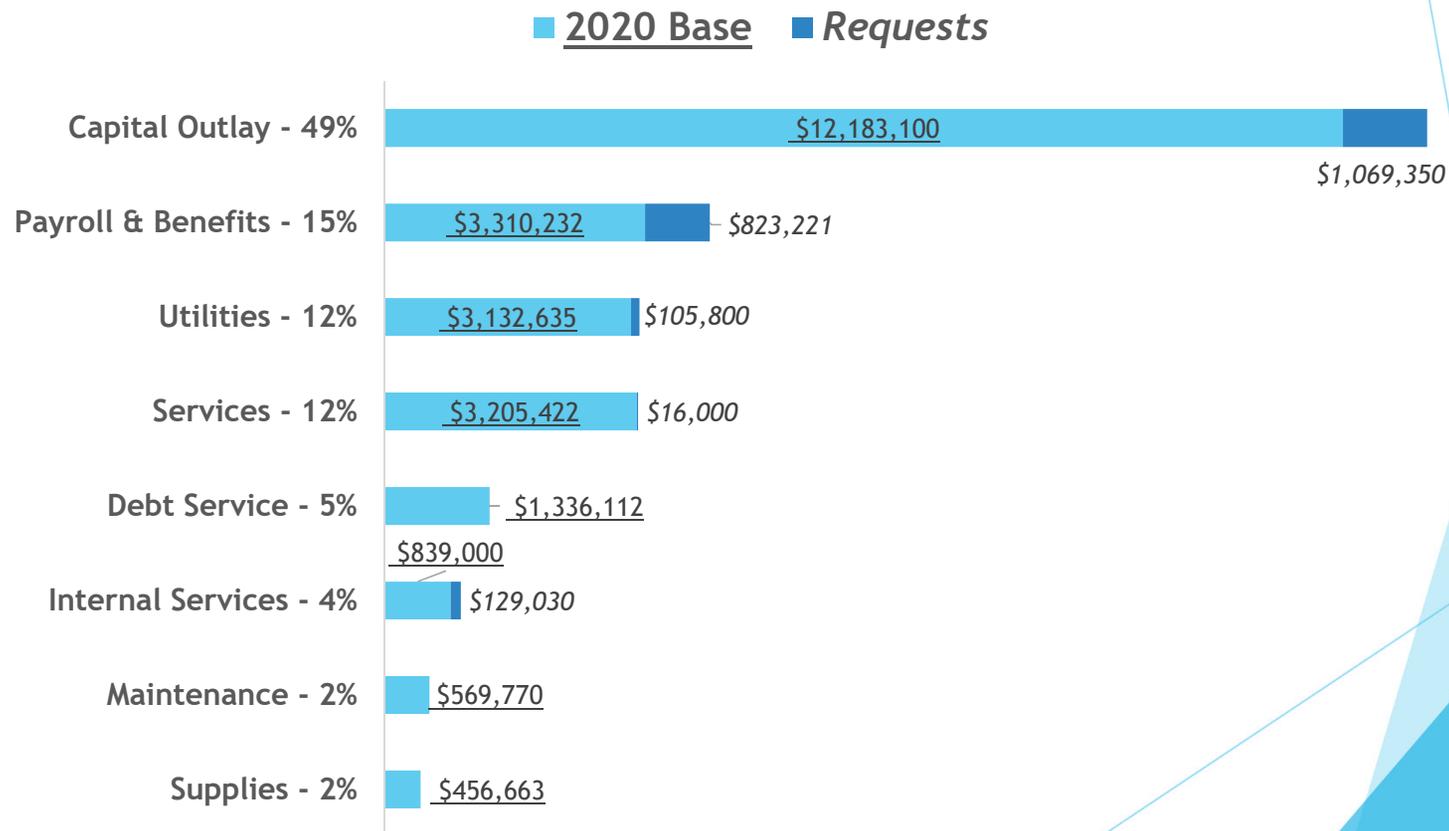
- ▶ Sustain a balanced budget and low municipal tax rate
- ▶ Invest in equipment and technology to increase productivity and efficiency
- ▶ Diversify the tax base through thoughtful management of commercial and industrial growth
- ▶ Leverage the proceeds of growth to improve and/or construct new utility and safety infrastructure
- ▶ Add supervisory staff to manage and train existing staff to deliver a higher caliber of service
- ▶ Maintain service through additional staff where appropriate
- ▶ Recruit highly qualified and motivated personnel by offering competitive wages and excellent benefits



Beginning Fund Balance \$28,517,706

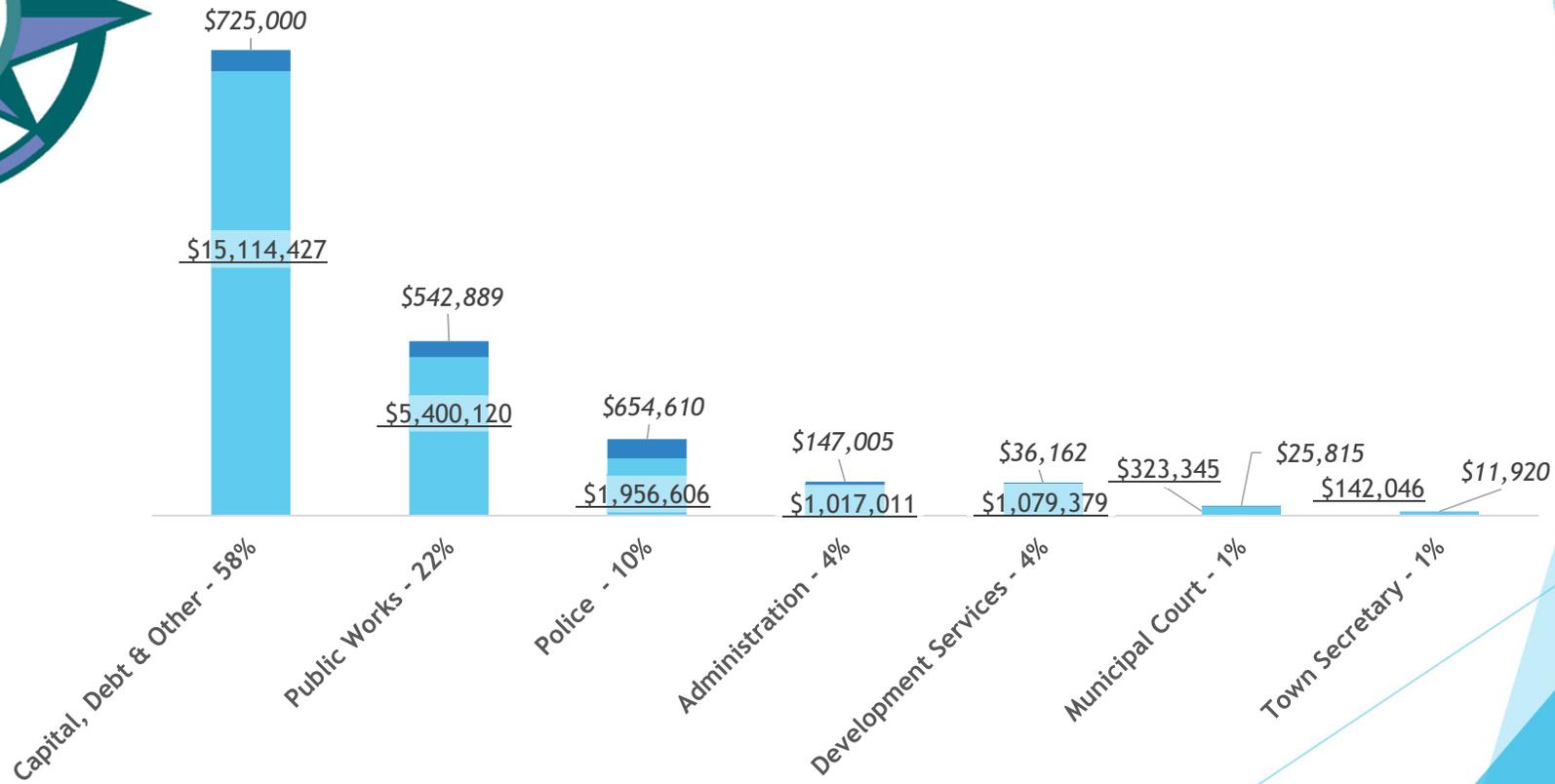


All Fund Expenditures by Category \$27,176,335

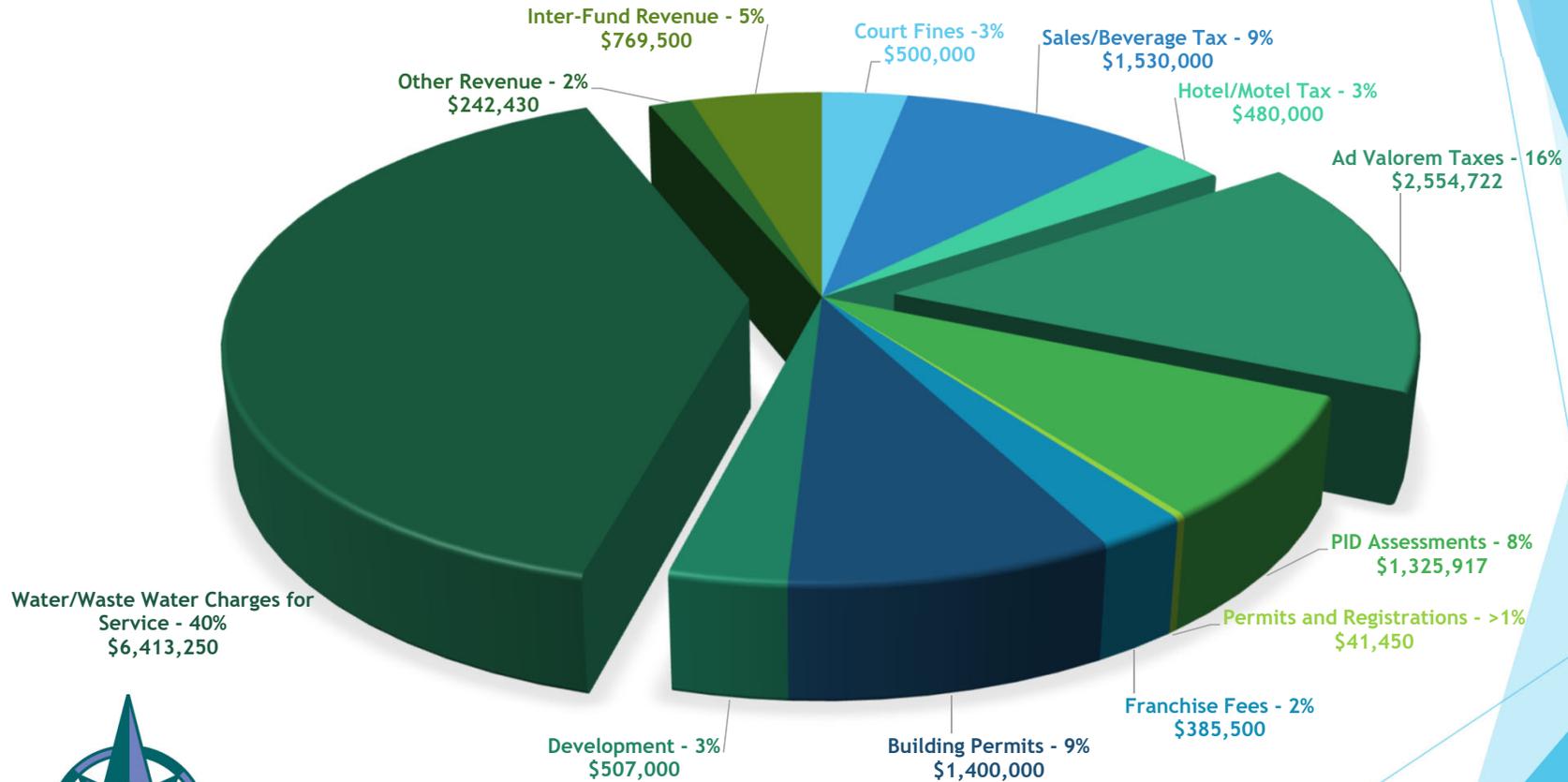


All Fund Expenditures by Department \$27,176,335

■ 2020 Base ■ *Requests*



All Fund Revenues - \$16,149,769





Capital Projects - Streets & Drainage

- ▶ **Cleveland-Gibbs South ROW Acquisition - \$300,000**
 - ▶ Right-of-way acquisition for road realignment
 - ▶ Drainage easement also needed
- ▶ **Strader and Holder Road Base Repair - \$250,000**
 - ▶ Town prep the road bed
 - ▶ County apply another chip seal
- ▶ **Old Justin Road (Faught to 1800' east) - \$276,000**
 - ▶ Full-depth reclamation contingency
 - ▶ Upgrade existing culverts
 - ▶ 6" asphalt overlay



Capital Projects - Water System

- ▶ Northern Plain Water Improvements - \$3,600,000
 - ▶ Elevated storage tank
 - ▶ Water distribution lines
- ▶ Southern Plain Water Improvements - \$7,500,000
 - ▶ Elevated storage tank
 - ▶ Ground storage tank, pumps and facility
 - ▶ Water distribution lines
 - ▶ Land Acquisition

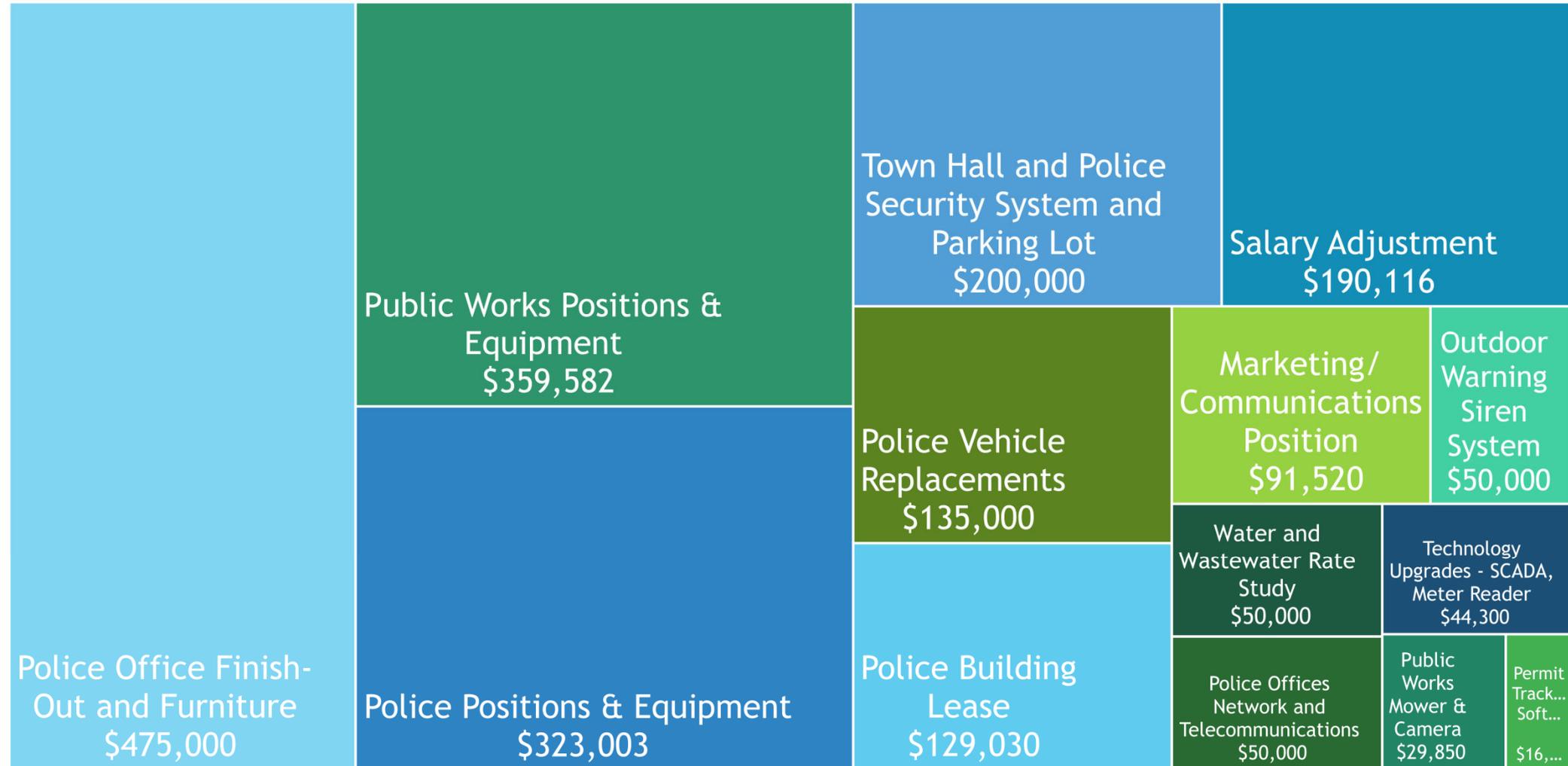
Budget Requests

Fiscal Year 2020





Total FY 2020 Budget Requests - \$2,143,401





Technology Improvements Requests

- ▶ SCADA & Meter Readers - \$44,300
 - ▶ Fully redundant virtual servers with worldwide accessibility
 - ▶ Allows for second meter read route
- ▶ Permit Tracking Software - \$38,000
 - ▶ Initial costs paid in FY 2019 for one-time set up (\$22,000), annual subscription costs to be paid in FY 2020 (\$16,000)
 - ▶ Cost avoidance - 2nd Permit Technician and office space
- ▶ Sewer Video Camera - \$11,500
 - ▶ Verifies whether problem is Town or builder
 - ▶ Cost-avoidance approximately \$24,000 annually (12*2*\$500)



Equipment Requests

- ▶ **Two Police Vehicle Replacements - \$135,000**
 - ▶ Vehicles have reached the end of the useful life cycle
 - ▶ Replacement costs includes new equipment for vehicles
 - ▶ Migrating to shared vehicle from assigned vehicle
- ▶ **Vehicles for New Positions - \$141,000**
 - ▶ Police Captain, Public Works Superintendent, Public Works Crew Cab
- ▶ **Public Works Track Mower - \$18,350**
 - ▶ Wider deck, faster speed, steeper incline, greater efficiency
- ▶ **Emergency Generator Automatic Transfer Switch - \$39,000**
 - ▶ Call out up to 2 hours, potential loss of system pressure
 - ▶ All other pump and lift stations with automatic switch



Professional Services Requests

- ▶ **Water & Wastewater Rate Study - \$50,000**
 - ▶ Rate study has not been conducted since 2012
 - ▶ Studies typically conducted every five years
 - ▶ This years reduced rainfall has taxed reserves
- ▶ **Outdoor Emergency Warning Siren System - \$50,000**
 - ▶ Study of projection areas, types of sirens, activation process
 - ▶ Potential of two sirens with 6,100 feet projection radius each



Facility Improvements Requests

- ▶ Police Building Finish-Out and Furniture - \$475,000
 - ▶ Existing furniture old, damaged and mismatched
 - ▶ Increased Building Transfer in FY 2019
- ▶ Town Hall & Police Parking Lot & Security System - \$200,000
 - ▶ Parking lot security fence with entry and exit gates
 - ▶ Protects police vehicles and officers' personal vehicles
 - ▶ Badged Entry into both buildings
- ▶ Police Building Lease - \$129,030
 - ▶ 10 months of rent, less modular building lease
- ▶ Police Offices Network & Telecommunications - \$50,000



Salary Adjustments Across All Funds

- ▶ Market adjustment - \$190,116
 - ▶ 5% increase for all positions
 - ▶ Adjustments to get all employees to 50% of projected market
- ▶ Range adjustment (costs included above)
 - ▶ Increases salary range for police officer, equipment operator, and maintenance worker
 - ▶ Helps with recruitment and retention of these positions



New Positions Requests - Marketing & Communications

- ▶ Marketing & Communications Coordinator - \$91,520
 - ▶ Split evenly between General, EDC, CDC & HOT funds
 - ▶ Assists EDC/CDC/HOT with marketing & promotions
 - ▶ Assists all departments with outgoing communications
 - ▶ Monitors social and print media
 - ▶ Leads branding effort and resident survey
 - ▶ Maintains Town website and resident communications



New Position Requests - Police

- ▶ Police Personnel & Equipment Costs - \$323,003
 - ▶ Public Safety Officer
 - ▶ Civilian position, Frees up licensed officers, existing vehicle
 - ▶ Supports investigations, evidence, property & vehicle maintenance
 - ▶ Police Officer
 - ▶ Uniformed position, Licensed peace officer, shared vehicle
 - ▶ Provides complete squad for three of four shifts
 - ▶ Police Captain
 - ▶ Uniformed position, Licensed peace officer with vehicle
 - ▶ Provides managerial oversight of field operations

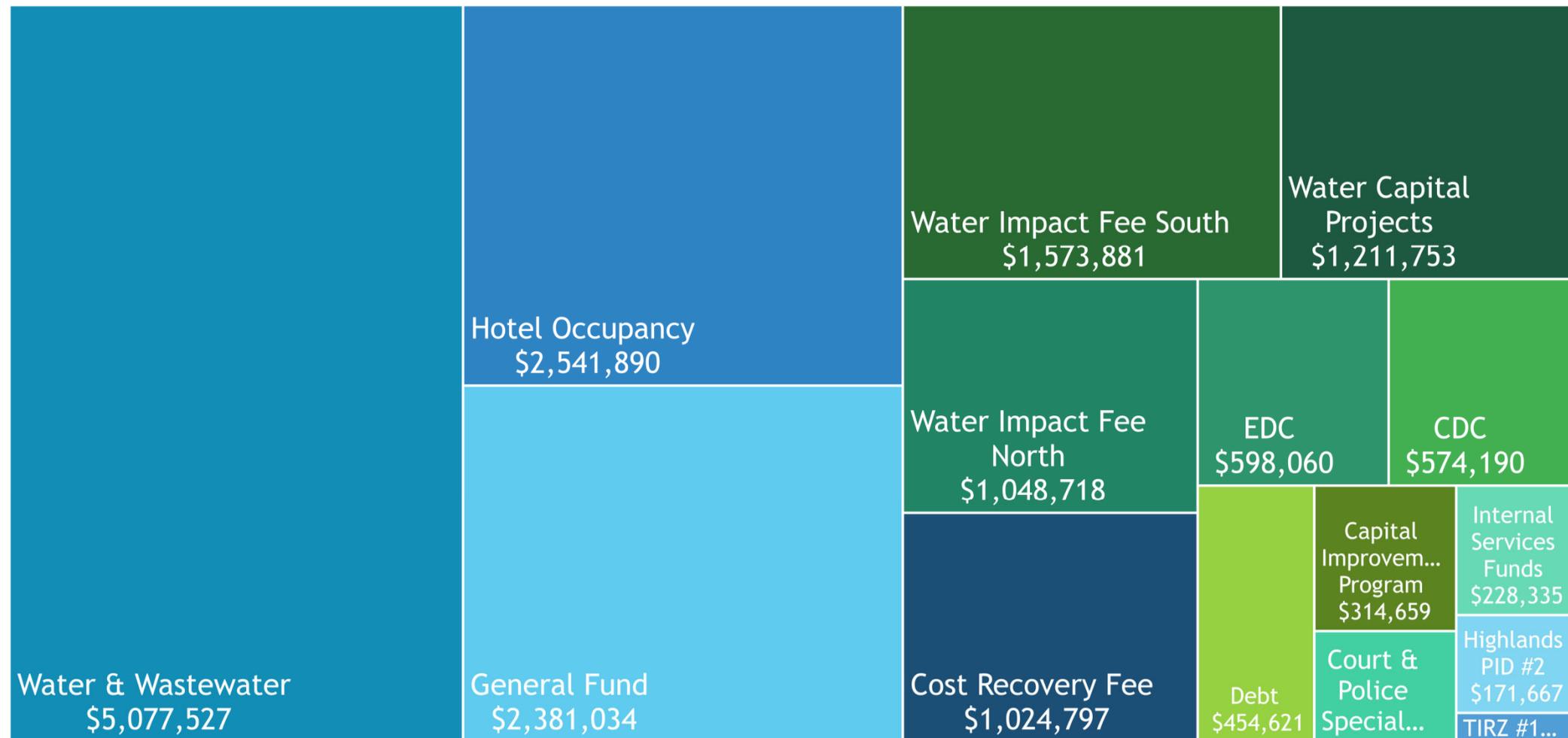


New Positions Requests - Public Works

- ▶ **Public Works Positions & Equipment Costs - \$359,582**
 - ▶ Superintendent
 - ▶ Provides managerial oversight of field operations
 - ▶ Public Works Crew
 - ▶ Crew Leader, Equipment Operator & Maintenance Worker
 - ▶ Equipment Services Increase
 - ▶ Pickup truck for superintendent
 - ▶ Crew cab for public works crew



Estimated Ending Fund Balance \$17,491,140



Supplemental Information

Fiscal Year 2020



Growth Indicators

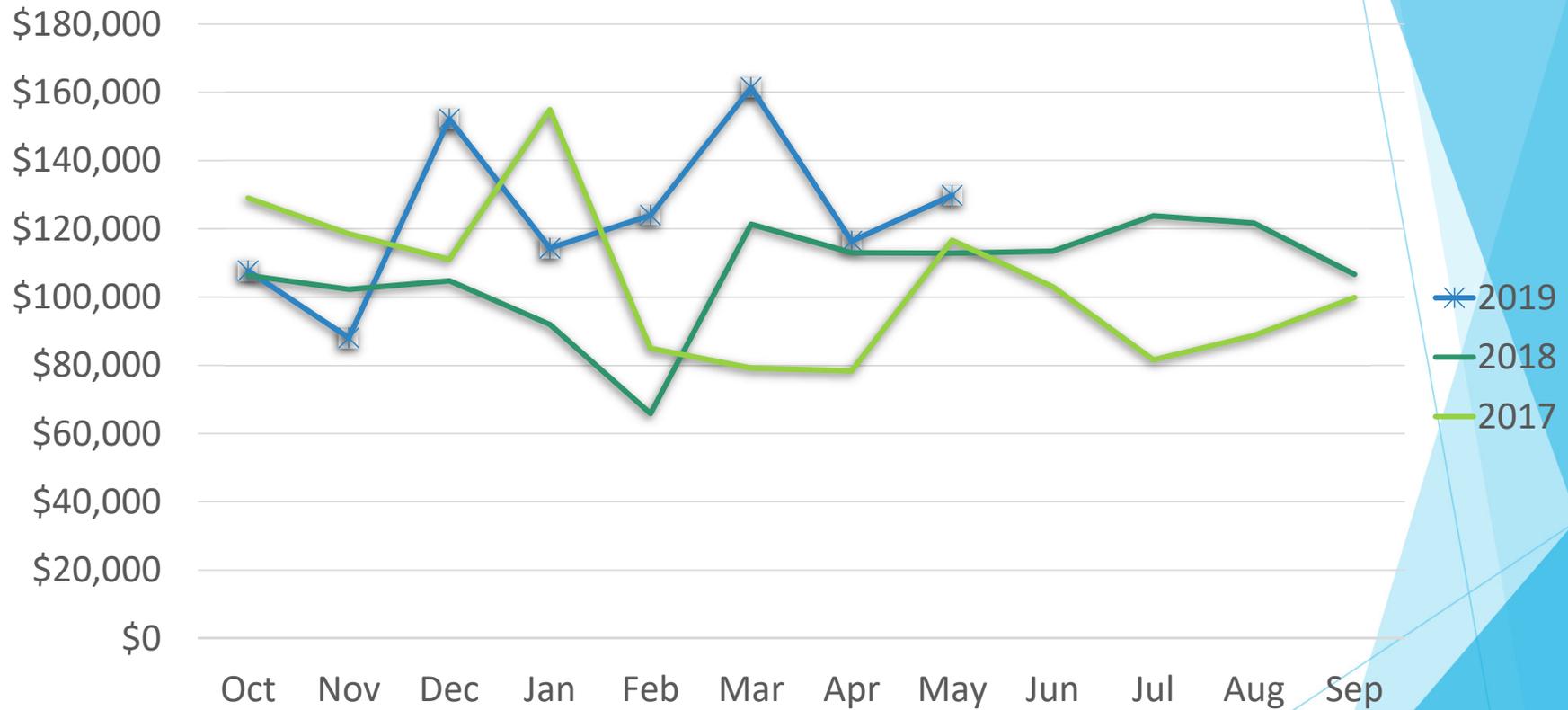
	2013	2014	2015	2016	2017	2018	2019*
Assessed Value	-1.8%	4.1%	15.7%	37.0%	30.9%	25.1%	35%
Population	2.4%	-0.5%	0.5%	23.1%	13.2%	14.0%	11%
Water Meters	14.5%	45.8%	82.4%	64.2%	49.2%	30.4%	30%
Police Calls for Service	5.1%	9.9%	33.0%	1.2%	16.7%	18.9%	8%
Personnel	2.6%	0.0%	15.3%	21.1%	12.2%	11.8%	10%

* YTD hires does not include new budgeted positions for next fiscal year

2019-2020 Effective, Rollback & Proposed Tax Rate

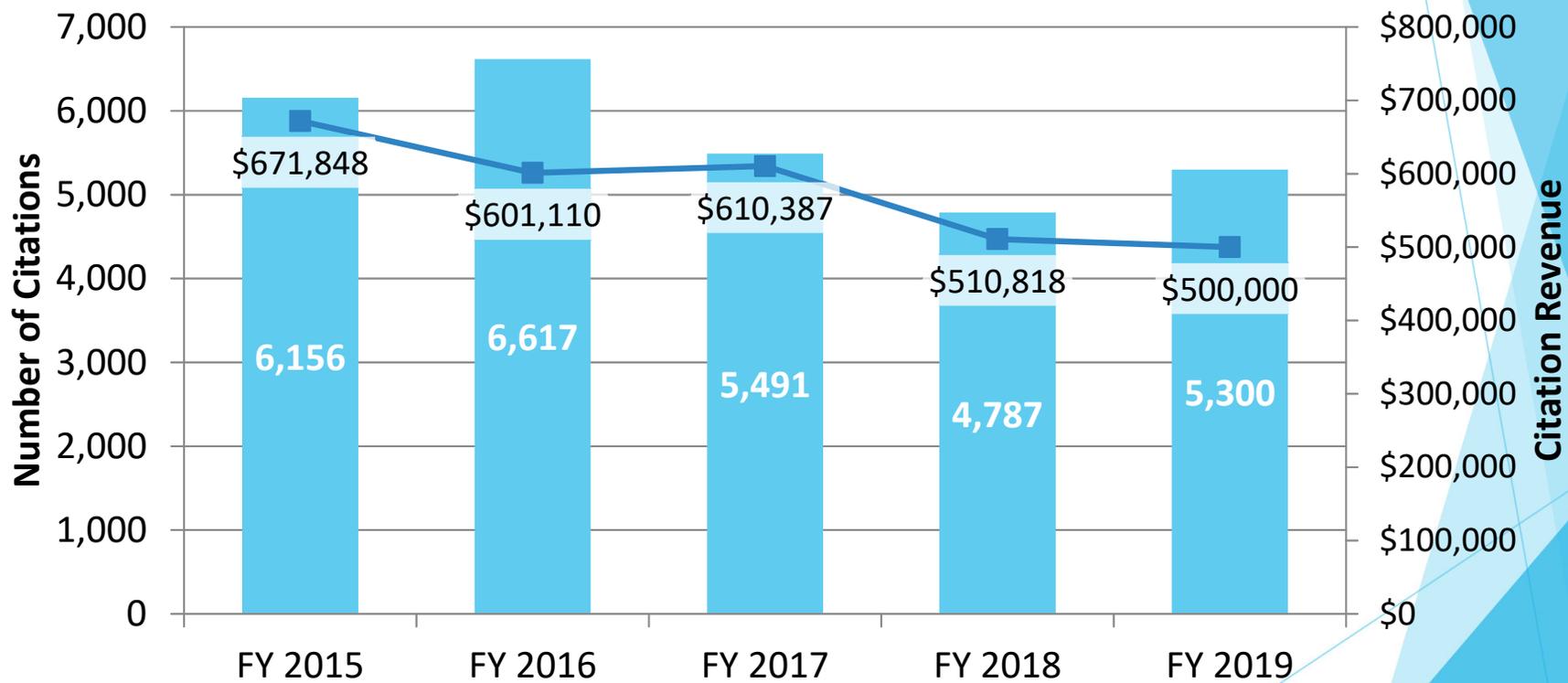
- 2018-2019 Adopted Tax Rate - 29.5¢
- 2019-2020 Effective Tax Rate - 27.1¢
 - Property tax rate necessary to produce the same amount of revenues as prior year
- 2019-2020 Rollback Rate - 30.4¢
 - Property tax rate when maintenance and operations portion is increased by 8%
 - Higher rate starts rollback procedures
- **2019-2020 Proposed Tax Rate - 29.5¢**

Monthly Sales Tax



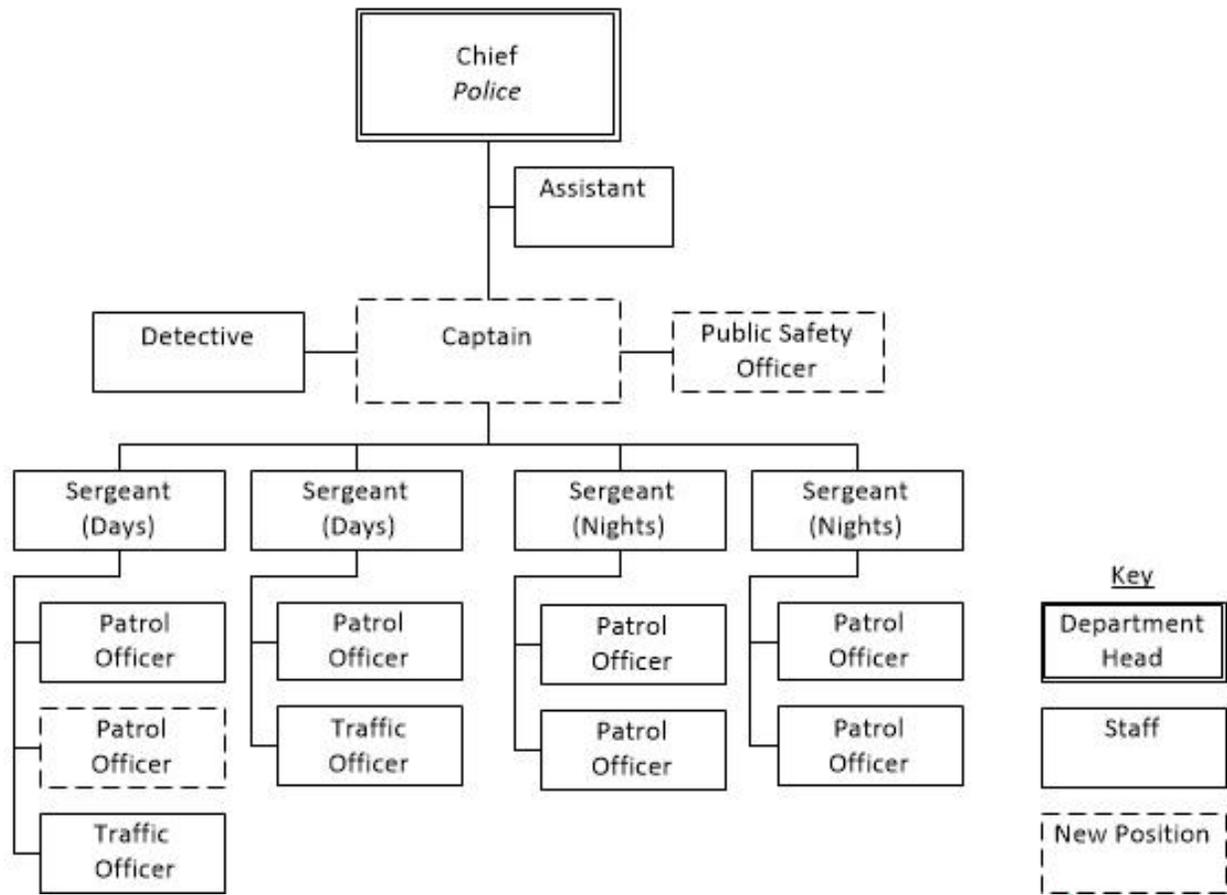
FY 2020 tracking \$195,000 or 20% over previous year

Number of Citations vs. Revenue

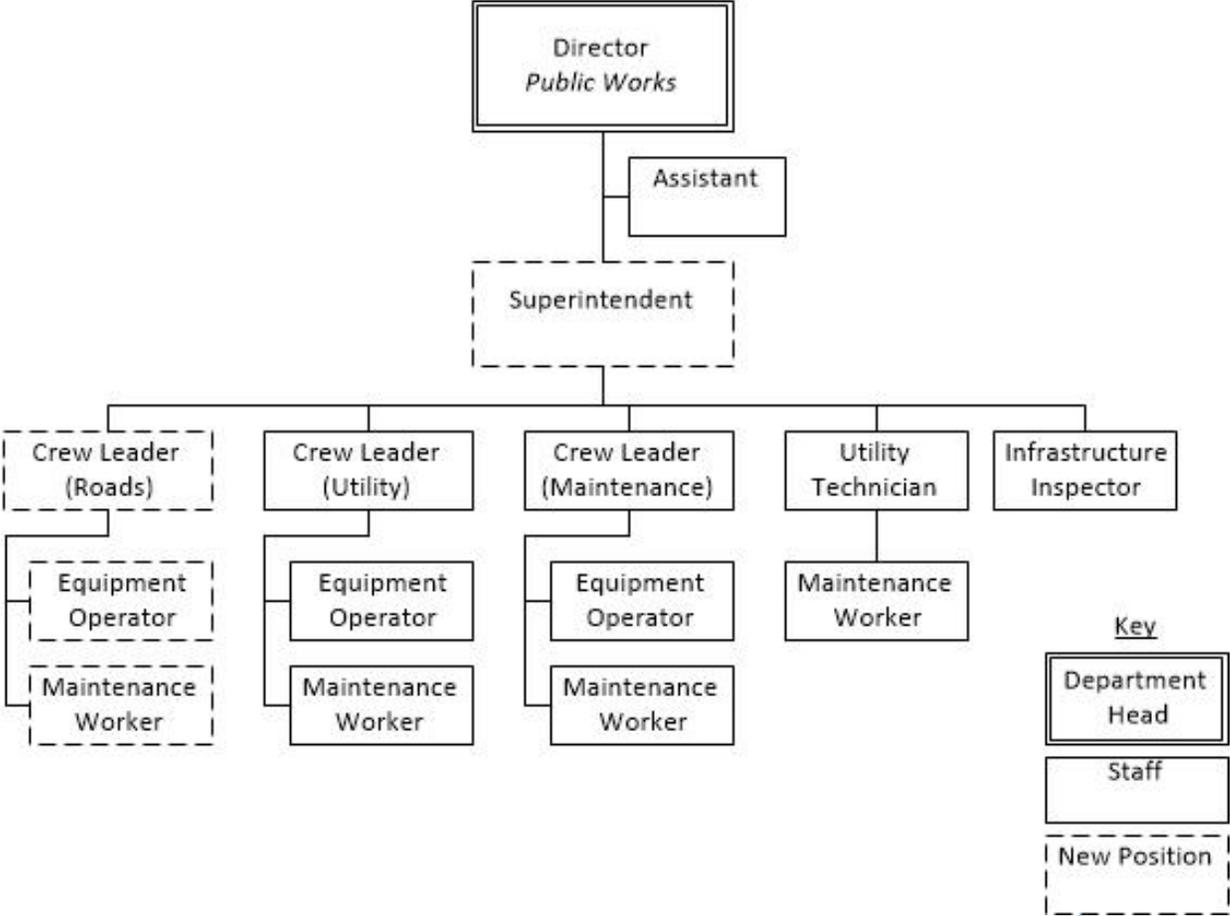


*Projected

TOWN OF NORTHLAKE
 Police Department
 Organizational Chart



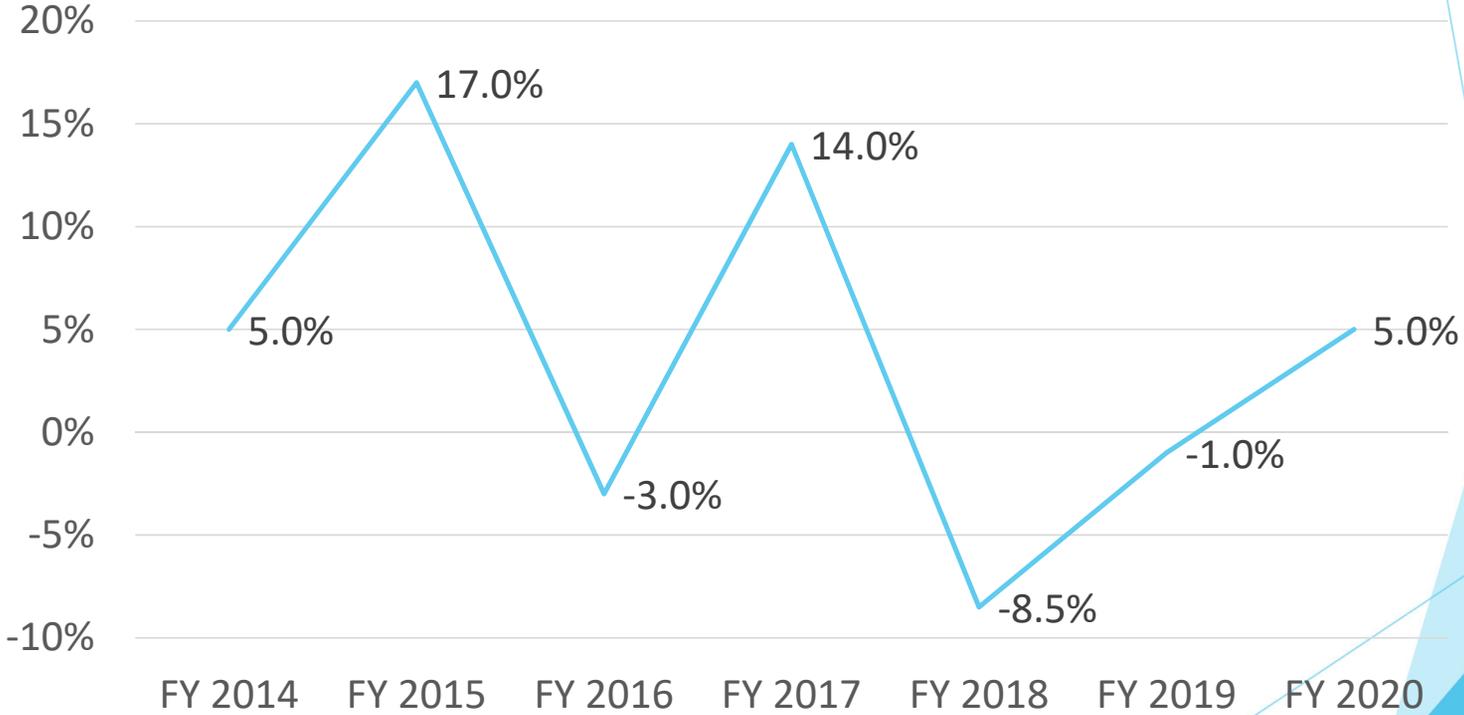
TOWN OF NORTHLAKE
Public Works
Organizational Chart



Health Benefits

- ▶ FY 2014 - 5% cost increase (changed provider)
- ▶ FY 2015 - 17% cost increase (offset with increased deductibles)
- ▶ FY 2016 - 3% cost decrease
- ▶ FY 2017 - 14% cost increase (offset with increased deductibles)
- ▶ FY 2018 - 8.5% cost decrease
- ▶ FY 2019 - 1% cost decrease
- ▶ FY 2020 - 5% cost increase (original projection 15%)
 - ▶ Adding prior service credit to TMRS, no monetary impact
 - ▶ Increasing HSA contribution from \$75 to \$100 per month

Healthcare Cost Changes



Fund Reserves - Standard Practice

Fund	Minimum Reserve	Actual Reserves	Available Balance
General	3 months	6.0 months	\$2.38 M
Utility	6 months	2.8 months	\$1.21 M
EDC/CDC	Not applicable	36.3 months	\$1.17 M
Internal Services	Not applicable	1.8 months	\$0.23 M

All Outstanding Debt

Series	Initial Amount	Remaining Principal	Interest Rate	Term	Early Payment	Funding Source
2018	\$11.4 M	\$11.0 M	3.45%	2038	2028	GF/UF
2016R	\$1.4 M	\$1.1 M	1.58%	2025	N/A	GF
2016	\$7.0 M	\$6.2 M	2.08%	2036	2026	GF
2014A	\$4.2 M	\$3.4 M	3.00%	2034	2024	PID
2014B	\$0.4 M	\$0.3	3.00%	2034	2024	UF
Total	\$24.4 M	\$22.7 M				

GF – General Fund, UF – Utility Fund, PID – Public Improvement District (Highlands)

EDC / CDC Incentives History

Incentive	FY 2016	FY 2017	FY 2018	FY 2019
Northport Infrastructure Participation	\$500,000			\$350,000
Farmer Brothers Jobs Grant		\$120,000	\$101,000	\$86,000
Sonic Pioneer Grant		\$62,500		
Rosa's Café Pioneer Grant		\$150,000		
Stream Construction Sales Tax Reimb.		\$134,900	\$209,008	
Wesco Aircraft Jobs Grant			\$80,000	
IHOP Pioneer Grant			\$150,000	
BurgerIM Pioneer Grant				\$25,000
Sam Lee Driveway Relocation				\$30,000
Dale Earnhardt Culvert Extension				\$300,000
Total	\$500,000	\$467,700	\$540,008	\$770,000

Water & Wastewater Fund Expenditures

Service Type	Cost
Payroll & Benefits	\$519,250
Supplies	\$61,082
Maintenance	\$138,810
Wholesale Water	\$2,000,000
Sewer Treatment	\$1,000,000
Utilities	\$63,220
Services	\$93,600
Internal Services	\$154,800
Capital Outlay	\$428,100
Transfers	\$300,881
Requests	\$314,526
Total	\$5,074,269

Public Works Track Mower

- ▶ Altoz TRX 766i Vanguard
- ▶ Cutting Width - 66”
- ▶ Max Speed - 10 mph
- ▶ Rear track width - 11”
- ▶ Weight - 1600 lbs.
- ▶ 37 HP Engine
- ▶ 993cc displacement



Police Building Project

Component	Cost	Landlord Allowance	Town Amount
Interior Finish-out	\$600,000	\$250,000	\$350,000
Security System	\$150,000		\$150,000
Architect	\$50,000		\$50,000
Telecom/LAN	\$50,000		\$50,000
Furniture	\$75,000		\$75,000
Secure Parking	\$50,000		\$50,000
Total	\$975,000	\$250,000	\$725,000

2019/2020 Budget Calendar

Thursday, May 23	Budget Principles/Goals
Thursday, June 20	Budget Outlook
Thursday, July 11	Preliminary Budget
Thursday, August 1	Proposed Budget & Tax Rate
Thursday, August 22	Tax Rate Hearing (1 st) Budget Hearing
Thursday, August 29	Tax Rate Hearing (2 nd)
Thursday, September 12	Adopt Budget & Tax Rate