



Memo

TO: Mayor and Board of Commissioners

FROM: Hazen Blodgett, Town Manager

DATE: May 29, 2012

SUBJECT: Budget Message and Manager's Budget for FY 2012-13

Attached is the proposed budget for the Town of Matthews Fiscal Year (FY) 2012-13. The economy at this point has been referred to as a "stop and go" economy. The proposed budget reflects our current economic state and the expectation that there will be moderate growth in our revenues. There are no property tax or fee increases in the proposed budget. The proposed tax rate remains at \$0.3025 per \$100 of property evaluation. This year's General Fund budget totals \$18,996,447 and represents a 1.9% increase over the FY 2011-12 budget. The budget includes a 3% salary increase based on performance for employees.

This budget is the result of a great deal of hard work from a number of people, particularly Assistant Manager Jamie Justice, Finance Director Christine Surratt, Assistant to the Manager Annette Privette-Keller and all the Town department heads. The revised budget format highlights a number of areas in each department budget. The Strategic Framework is the basis for building this year's budget.

Strategic Framework

Below is a recap of the statements upon which this year's budget is developed:

Town Vision: "To be the premier place for people of all ages to live, work, play, or grow a business through a responsive government with excellent employees."

Town Purpose: "To provide leadership and excellent government services that respond to the needs of our citizens."

Values: "Leadership, Integrity, Teamwork, Excellence."

Town Mission: "To provide enterprising leadership and services with integrity, teamwork, and excellence that makes Matthews the premier place to be."

Town Goals:

1. **Quality of Life:** "To maintain our small town identity by providing a vibrant downtown, pedestrian friendly community, extensive greenspace system, and recreational and cultural activities."
2. **Communications Goal:** "To create an informed citizenry by providing relevant information about the Town and enhancing two way communications using traditional techniques and new technologies."
3. **Transportation Goal:** "To identify, plan, design, fund, and build transportation

facilities that efficiently and effectively serve the community in a cost effective and environmentally sensitive manner.”

4. **Public Safety Goal:** “To provide the necessary trained personnel, equipment, and procedures to ensure the safety of Matthews’ citizens and enhance the Town’s reputation for safety.”
5. **Economic Development/Land Use Planning Goal:** “To enhance the quality of life of the citizens by aggressively pursuing a balanced tax base by targeting businesses that will contribute sustainable, environmentally sensitive development and by planning for orderly growth and development.”
6. **Operational Performance Goal:** “To plan, allocate resources, and operate all departments effectively and efficiently in order to meet the citizens’ needs for local government services.”
7. **Financial Performance Goal:** “To manage financial resources in a prudent and responsible manner through traditional and alternative sources of revenue, effective budgeting, and cost control with a focus on maintaining a healthy fund balance.”

Budget Highlights

- No tax or fee increases;
- One penny on the tax rate raises \$325,000;
- 3% average employee performance salary increase- the first since FY 2008-09;
- Several vacant positions remain unfunded;
- Increased medical insurance budget due to increase by carrier;
- Capital Improvements Plan (CIP) continues to be funded at \$300,000;
- Contingency line-item funded at \$30,000;
- Fund Balance appropriation \$226,480;
- \$5,000 for Levine Senior Center;
- Gas line-item increased by 27% or \$70,150;
- 7% increase on utilities (electricity, gas, water and sewer)
- 60% increase in radio fees- analogue to digital.

Departmental Highlights

General Administration (This includes the Governing Board, Manager, Human Resources, Finance, IT, and Safety/Risk Management).

- Out of Town Board planning conference budgeted at \$4,000;
- \$3,500 Biannual Citizens Survey;
- \$17,000 for lobbyist included for six months;
- Service Excellence Initiative- \$15,000;
- Workers Comp and Property/Liability Insurance increase \$22,409.

Police

- Current staffing levels maintained;
- Includes revenues and expenses to handle dispatch for Mint Hill Police Department- \$132,000.
- Replace seven police vehicles.

Fire and EMS

- Volunteer incentives remains that same as last year;
- Idlewild VFD contribution remains at \$190,000 (\$30,000 in a truck payment in CIP);
- Purchasing 10 sets of turnout gear;

Public Works

- Budgeting an additional \$15,000 for street lighting increases;
- \$310,000 for road paving- vehicle fees;
- Reorganizing/reclassifying staff \$6,900
- \$6,000 for replacement of street Christmas decorations.

Planning Department

- Code enforcement position remains at a 60% level;
- No money for Small Area Plans.

Economic Development

- Continues at \$50,000- facade grants is included.

Parks and Recreation

- Maintain current staffing levels;
- Replace theater equipment for \$20,000

Other

- Tourism Grants remain at \$70,000;
- \$5,000 for Levine Senior Center;
- Painting Depot and adding fire alarm \$5,700;
- Matthews Historical Museum Funding \$238,000;
- McDowell Arts Center startup furnishings/supplies \$40,500.

In conclusion, the completion of this budget was as a result of a great deal of hard work by staff. We look forward to the budget review process and remain at your service to provide any additional information that you may need.

Sincerely,



Hazen Blodgett,
Town Manager