

WATER RESOURCES FUND

Steve Shoaf, Director

MISSION: It is the mission of the Water Resources Department to manage and protect community resources and to provide the highest quality of water service to customers. The department will do this in the following ways: continuous improvement in products, systems, and processes to maximize customer satisfaction; continuous communication among and between staff, customers, and governing board; continuous involvement with the community and region; valuing honesty, hard work, creativity, faith in each other, perseverance, and respect for diversity.

DEPARTMENT SUMMARY

	2012-13	2013-14	2014-15	2015-16
	Actual	Actual	Budget	Proposed
Expenditures:				
Salaries & Wages	5,787,616	5,693,541	6,087,858	6,313,474
Fringe Benefits	2,430,963	2,308,513	2,837,398	2,878,632
Operating Costs	8,375,951	8,798,622	9,229,166	9,811,266
Debt Service	6,124,616	6,119,390	6,108,208	6,101,413
Capital Outlay	<u>8,198,423</u>	<u>17,763,921</u>	<u>10,393,728</u>	<u>12,321,420</u>
Total	30,917,569	40,683,987	34,656,358	37,426,205
FTE Positions	148.00	147.63	148.63	149.00
Revenues:				
Charges For Service	33,171,207	34,016,523	34,364,376	35,300,222
Investment Earnings	72,711	176,918	69,780	125,000
Miscellaneous	458,426	163,690	46,295	110,000
Intergovernmental	0	0	0	0
Other Financing Sources	<u>112,200</u>	<u>0</u>	<u>175,907</u>	<u>1,890,983</u>
Total	33,814,544	34,357,131	34,656,358	37,426,205

BUDGET HIGHLIGHTS

- In April, City Council approved minor rate adjustments for the 2015-16 fiscal year based on the Raftelis financial model. These rate adjustments are expected to generate approximately \$465,000 in additional revenue.
- The FY 2015-16 proposed budget includes \$11.98 million in pay-as-you-go funding for water capital improvement projects and \$335,000 to fund the routine replacement of vehicles and equipment. The capital funding is partially funded with a \$1.89 million appropriation from Water fund balance.
- Operating costs show an increase due to \$750,000 budgeted in Professional Services for on-call professional engineering contracts. On-call contracts will allow the department to expedite project design, bidding, and construction
- City staff is currently in the process of completing a refunding of Water debt that was issued in 2005 and 2007. This refunding will result in substantial debt service savings over the life of the repayment. Since the transaction has not closed yet (scheduled for June 11), staff has not adjusted the debt service budget for FY 2015-16.

WATER RESOURCES FUND

DIVISION SUMMARY	2012-13 Actual	2013-14 Actual	2014-15 Budget	2015-16 Proposed
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<u>Administration</u>	1,001,741	1,041,592	1,069,666	1,149,963
FTE Positions	8.00	7.00	8.00	9.00

The Administration Division provides planning and management services for the Water Resources Department.

<u>Meter Services</u>	1,166,432	1,270,215	1,817,143	1,906,926
FTE Positions	19.00	25.00	25.00	22.00

The Meter Services Division is responsible for timely and accurate meter reading services and maintenance and replacement of meters.

<u>Construction Crew</u>	300,718	0	0	0
FTE Positions	7.00	0.00	0.00	0.00

The Construction Crew Division is responsible for performing small water distribution system improvement projects. This division was merged with Water Maintenance in the FY 2013-14 budget.

<u>Water Maintenance</u>	3,437,600	3,408,004	3,760,188	3,923,369
FTE Positions	42.00	42.00	42.00	43.00

The Water Maintenance Division is responsible for maintaining and upgrading approximately 1,625 miles of distribution mains, service lines, valves, meters, fire hydrants, pumps, and storage reservoirs throughout the water system.

<u>Water Production</u>	4,537,995	4,906,982	5,327,177	5,705,795
FTE Positions	41.00	41.63	41.63	43.00

The Water Production and Quality Control Division is responsible for operating and maintaining the North Fork, Mills River, and Bee Tree Water Treatment Plants as well as protecting and managing a 22,000-acre watershed.

<u>Department-Wide Expenses</u>	17,855,959	27,972,198	20,359,724	22,124,885
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Costs of this activity are not allocable to individual divisions or activities. Examples include debt service, transfer to capital, insurance, and cost allocation (administrative costs to the City) expenses.

WATER RESOURCES FUND

DIVISION SUMMARY	2012-13 Actual	2013-14 Actual	2014-15 Budget	2015-16 Proposed
<u>Water Operating Equipment</u>	684,822	199,433	254,728	335,920

There is a five-year replacement plan in place to ensure that capital equipment is replaced in a timely and cost effective manner. This plan is based on a comprehensive evaluation of all capital equipment, including rolling stock.

<u>Customer Service</u>	1,337,657	1,270,150	1,385,022	1,418,471
FTE Positions	23.00	23.00	23.00	23.00

The Customer Service Division is responsible for processing utility bill payments, establishing new water and sewer service, and assisting customers with various water and other City related issues or concerns.

<u>Engineering Services</u>	594,645	615,413	682,710	860,876
FTE Positions	8.00	9.00	9.00	9.00

The Engineering Services Division is responsible for providing timely plan review and inspection services to the development community, external customers, and internal customers. This includes processing water availability requests, reviewing and approving water line extensions, and inspecting newly installed water lines.

MULTI-MODAL TRANSPORTATION & CAPTIAL PROJECTS

Cathy Ball, Director

DIVISION SUMMARY	2012-13 Actual	2013-14 Actual	2014-15 Budget	2015-16 Proposed
<u>Administration</u>				300,395
FTE Positions			2.00	2.00
<u>Capital Projects Mgmt.</u>			502,576	701,968
FTE Positions			14.50	14.00

The Capital Projects Management Division provides professional engineering, surveying and other technical services to all City departments. These services include the design and administration of capital improvement projects, all storm drainage design, street paving, right-of-way research, and flood plain management.

<u>Sustainability</u>	*	*	170,655	165,014
FTE Positions	*	*	2.00	2.00

The Sustainability Division coordinates the City's efforts to achieve the goal of reducing its carbon footprint by 4% each year for the next five years.

PUBLIC WORKS

Greg Shuler, Director

MISSION: The Public Works Department exists to provide safe and efficient movement of people and goods within the City and to maintain a safe, litter-free environment in the most economical and efficient manner possible. The Department functions to maintain and improve a variety of services and infrastructures.

DEPARTMENT SUMMARY

	2012-13	2013-14	2014-15	2015-16
	Actual	Actual	Budget	Proposed
Expenditures:				
Salaries & Wages	2,920,762	3,011,699	2,893,763	2,969,790
Fringe Benefits	1,761,860	1,338,725	1,551,291	1,444,052
Operating Costs	7,679,667	7,237,338	5,575,287	5,162,408
Capital Outlay	561,124	65,311	4,750	1,000
Cost Transfer	<u>-1,968,194</u>	<u>0</u>	<u>-66,117</u>	<u>0</u>
Total	10,955,219	11,653,073	9,958,974	9,577,250
FTE Positions	83.51	84.51	72.51	75.57

BUDGET HIGHLIGHTS

- The budget for the streetlighting program was moved from Public Works to the Transportation Department at the start of FY 2014-15. This change is reflected as a decrease in operating costs after FY 2013-14.
- The FY 2014-15 budget included \$300,000 in contracted services to fund the City's potential costs for an intensive 90 day graffiti removal initiative. Moving forward into FY 2015-16, staff has included \$90,000 in the budget to fund the ongoing graffiti removal program.
- The FY 2015-16 Public Works Department budget includes \$300,000 in contracted services funding to continue the sidewalk cleaning program in the central business district. Staff is evaluating service delivery for the sidewalk cleaning program and exploring ways to consolidate funding to enhance sidewalk repair.
- The proposed budget includes \$100,000 in funding for median maintenance and \$100,000 for the guardrail maintenance program.
- With the recent purchase of CNG sanitation trucks, the City has achieved significant savings in fuel and fleet maintenance, which allowed staff to reduce that budget by \$115,000. In addition, staff reduced the budget for storm control materials by \$30,000 since the inventory remains high following a mild winter in 2014-15.
- FTE in the Public Works Department show a slight increase due to the addition of a construction inspector after the adoption of the FY 2014-15 budget and the transfer of two FTE from other departments to staff the mowing program.

PUBLIC WORKS

DIVISION SUMMARY	2012-13 Actual	2013-14 Actual	2014-15 Budget	2015-16 Proposed
<u>Administration</u>	2,882,316	800,467	1,237,463	950,708
FTE Positions	6.50	6.50	4.50	6.00

The responsibilities of the Public Works Administration Division include overseeing, leading, and directing the Public Works divisions. This division develops operational procedures and policies; keeps abreast of new cost effective materials, equipment and training opportunities, and ensures that service levels remain constant or are improved without increasing costs. Public Works Administration also manages general street, sidewalk, bridge, drainage and signalization improvements.

<u>Street Lighting</u>	1,383,562	1,224,020	**	**
FTE Positions	0.00	0.00	0.00	0.00

The budget above represents the cost for street lighting in the City of Asheville. Annual savings in the street lighting budget from the installation of LED lights is used to help fund the City's green sustainability initiatives. Beginning in FY 2014-15, the Transportation Department will be responsible for overseeing the City's street lighting program.

<u>Streets & Sidewalks</u>	1,275,164	4,266,904	3,733,090	3,618,061
FTE Positions	33.01	34.01	36.01	37.57

The Street Maintenance Division's mission is to construct and maintain the City's streets, sidewalks, and storm drainage systems in an efficient, customer-oriented manner; and to provide responsive emergency services in all types of weather.

<u>Sanitation</u>	4,654,707	4,524,506	4,988,421	5,008,481
FTE Positions	32.00	32.00	32.00	32.00

The Sanitation Division's mission is to provide quality services to all customers through on-schedule collection of municipal solid waste, bulky items, yard waste, and brush debris; and to ensure efficiency in every task, special project, equipment operation, and customer request.

<u>Engineering Services</u>	442,813	837,176	**	**
FTE Positions	12.00	12.00	**	**

The Engineering Services Division provides professional engineering, surveying and other technical services to all City departments. These services include the design and administration of capital improvement projects, all storm drainage design, street paving, right-of-way research, and flood plain management. This division is now reported under the Multi-Modal Transportation and Capital Projects section of the Budget Document.

PUBLIC WORKS

DIVISION SUMMARY	2012-13 Actual	2013-14 Actual	2014-15 Budget	2015-16 Proposed
<u>Fleet Management</u>	316,657	*	*	*
FTE Positions	*	*	*	*

The Fleet Management Division is responsible for the maintenance and repair of more than 700 vehicles and equipment within the City's fleet. Fleet's highly trained and competent staff typically completes more than 8,000 work orders annually. The Fleet Management Division supplies fuel for City vehicles as well as for several other government and non-profit agencies including the Buncombe County School Board. The budget for Fleet Management represents the remaining net budget after allocating costs back to the departments.

*The Fleet Management division was moved to the General Services division during FY 2012-13.

STORMWATER FUND

MISSION: The Stormwater Fund is responsible for the timely installation, maintenance, repair and revitalization of the storm drainage, catch basins, pipes, etc. within the City's streets and rights-of-way.

FUND SUMMARY

	2012-13	2013-14	2014-15	2015-16
	Actual	Actual	Budget	Proposed
Expenditures:				
Salaries & Wages	1,083,070	1,082,291	1,314,940	1,652,666
Fringe Benefits	487,885	492,691	553,968	757,790
Operating Costs	597,842	971,739	2,660,264	2,604,747
Debt Service	87,673	95,473	91,200	110,742
Capital Outlay	<u>580,240</u>	<u>594,986</u>	<u>641,000</u>	<u>209,546</u>
Total	2,836,710	3,237,180	5,261,372	5,335,491
FTE Positions	28.99	28.99	30.99	40.93
Revenues:				
Charges For Service	2,585,060	2,889,985	4,832,372	4,921,491
Licenses & Permits	253,928	223,359	187,000	187,000
Other Financing Sources	0	218,593	206,000	205,000
Miscellaneous	3,944	22,049	25,000	11,000
Investment Earnings	<u>4,362</u>	<u>12,339</u>	<u>11,000</u>	<u>11,000</u>
		0		
Total	2,847,294	3,366,325	5,261,372	5,335,491

BUDGET HIGHLIGHTS

- Based on the financial model developed in the previous fiscal year, staff submitted and City Council approved in April a 5% increase in Stormwater fees for FY 2015-16. This rate adjustment is expected to generate approximately \$240,000 in additional revenue for the fund.
- The proposed budget includes funding for an additional crew of 6 FTE to enhance the stormwater maintenance program. The crew will be utilized to perform additional preventative maintenance services including performing ditching activities and replacing failed drainage systems.
- In addition to the crew noted above, there were several other position changes during FY 2014-15 including the addition of a utility locator, a project manager, and a customer service representative. Half of the salary of an engineering technician position formerly charged to the General Fund is now also being charged to Stormwater.

STREET CUT UTILITY FUND

MISSION: The Street Cut Utility Fund is responsible for the repair of all street cuts on city streets made by private contractors, utility companies such as gas, power, and cable, and the City's Water & Stormwater operations.

FUND SUMMARY

	2012-13	2013-14	2014-15	2015-16
	Actual	Actual	Budget	Proposed
Expenditures:				
Salaries & Wages	505,521	366,671	398,330	408,953
Fringe Benefits	236,590	150,374	188,029	199,534
Operating Costs	517,240	842,737	968,441	1,016,589
Debt Service	844	380	0	0
Capital Outlay	<u>79,098</u>	<u>0</u>	<u>100,000</u>	<u>240,000</u>
Total	1,339,293	1,360,162	1,650,800	1,865,076
FTE Positions	17.00	8.50	10.50	10.50
Revenues:				
Charges For Service	1,399,498	1,303,526	1,550,800	1,625,076
Other Financing Sources	0	0	100,000	240,000
Internal Charges	0	15,111	0	0
Miscellaneous	<u>78</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	1,399,576	1,318,637	1,650,800	1,865,076

BUDGET HIGHLIGHTS

- The FY 2015-16 proposed budget includes \$240,000 for equipment/vehicle replacement in the Street Cut Fund. Debt proceeds will fund these purchases.
- Otherwise, the FY 2015-16 proposed budget for the Street Cut Fund reflects a continuation of existing programs and services.

TRANSPORTATION

Ken Putnam, Director

MISSION: The City of Asheville's Transportation Department is dedicated to providing for the safety, health, mobility, and quality of life for Asheville citizens and guests through the administration of engineering, infrastructure and transportation related projects.

DEPARTMENT SUMMARY

	2012-13	2013-14	2014-15	2015-16
	Actual	Actual	Budget	Proposed
Expenditures:				
Salaries & Wages	564,597	583,114	587,826	654,478
Fringe Benefits	219,620	228,899	251,958	283,200
Operating Costs	194,453	235,954	1,747,143	1,802,249
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	978,670	1,047,967	2,586,927	2,739,927
FTE Positions	12.30	12.29	12.29	13.29

BUDGET HIGHLIGHTS

- The FY 2015-16 budget for the Transportation Department includes continued funding in the amount of \$100,000 for traffic calming projects and \$35,000 for traffic safety projects.
- The budget for the streetlighting program was moved from Public Works to the Transportation Department at the start of FY 2014-15. This change is reflected as an increase in operating costs after FY 2013-14
- The FY 2015-16 budget includes the addition of one FTE position to support greenway development activities.

TRANSPORTATION

DIVISION SUMMARY	2012-13 Actual	2013-14 Actual	2014-15 Budget	2015-16 Proposed
<u>Administration</u>	186,806	213,561	222,857	232,758
FTE Positions	2.67	2.67	2.67	2.67

The Transportation Department Administration Division provides administrative support to the Traffic Engineering Division, the Transportation Planning Division, Transit Services Division and the Parking Services Division including oversight of the operating and capital budget.

<u>Traffic Engineering</u>	206,931	212,824	203,817	204,790
FTE Positions	2.00	2.00	2.00	2.00

The Traffic Engineering Division is responsible for the planning, design, installation, operation, and maintenance of traffic control devices (signs, signals, street markings) throughout the City and on a contract basis with the North Carolina Department of Transportation for state routes within the City. The division also conducts traffic studies and surveys, and reviews major developments and curb cut requests. The division also works with citizens, other departments, and outside agencies on traffic-related issues.

<u>Traffic Signal Maintenance</u>	188,298	181,271	213,406	222,915
FTE Positions	2.00	2.00	2.00	2.00

The Traffic Signal Maintenance Division provides for the safe control and flow of all modes of transportation in the City through the development of standards, high quality customer service, quick response, and careful planning.

<u>Transportation Planning</u>	189,595	193,945	184,002	275,239
FTE Positions	1.63	1.63	1.63	2.63

The Transportation Planning Division provides citywide planning services, including the Metropolitan Planning Organization (MPO) and transit projects.

<u>Signs and Markings</u>	207,040	242,348	271,845	294,522
FTE Positions	4.00	4.00	4.00	4.00

The Signs and Markings Division installs and maintains regulatory, warning, and guide signs and pavement markings along city-maintained streets.

<u>Traffic Safety/Traffic Calming</u>	0	4,018	135,000	135,000
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<u>Streetlighting</u>	**	**	1,356,000	1,374,703
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TRANSIT SERVICES FUND

MISSION: It shall be the mission of the Transit Services division to provide public transportation, within the confines of available resources, in such a manner as to maximize service to all destinations necessary for the benefit and well-being of the citizens of this community. This includes access to health, employment, and recreation facilities, as well as to the goods and services necessary for everyday living.

FUND SUMMARY

	2012-13	2013-14	2014-15	2015-16
	Actual	Actual	Budget	Proposed
Expenditures:				
Salaries & Wages	157,781	160,546	192,383	198,719
Fringe Benefits	55,665	56,088	63,287	68,074
Operating Costs	5,356,548	5,351,583	5,558,981	5,819,699
Operating Pass Through	253,556	268,458	553,500	553,500
Capital Outlay	<u>75,982</u>	<u>14,923</u>	<u>0</u>	<u>0</u>
Total	5,899,532	5,851,598	6,368,151	6,639,992
FTE Positions	3.00	3.00	3.00	3.00
Revenues:				
Operating Revenue	802,845	855,511	925,000	810,000
Miscellaneous	1,462	54,828	0	0
Federal/State Grants	2,832,316	2,220,239	2,266,411	2,509,500
Operating Pass Through	223,676	268,458	553,500	553,500
General Fund Subsidy	985,295	1,157,502	1,700,546	1,790,117
Parking Fund Subsidy	616,875	616,875	616,875	616,875
Other	41,509	75,000	0	0
Motor Vehicle License Fee	<u>318,605</u>	<u>425,508</u>	<u>320,000</u>	<u>360,000</u>
Total	5,600,322	5,673,921	6,368,151	6,639,992

BUDGET HIGHLIGHTS

- The adopted FY 2014-15 budget included a half-year of funding to implement limited Sunday service and make other minor route changes on January 1, 2015. The FY 2015-16 proposed budget includes a full year of grant and City funding for these service enhancements.
- Overall operating costs for the transit system, including the item noted above, are up about \$260,000 in FY 2015-16.

PARKING SERVICES FUND

MISSION: The City of Asheville is dedicated to providing safe, reliable and efficient parking in downtown Asheville. The city's Parking Services Division provides for the orderly turnover of parking and the maximum utilization of parking spaces. Asheville provides on-street parking as well as four parking garages and several permit lots downtown.

FUND SUMMARY

	2012-13 Actual	2013-14 Actual	2014-15 Budget	2015-16 Proposed
Expenditures:				
Salaries & Wages	569,561	594,377	667,497	732,460
Fringe Benefits	268,613	253,238	351,618	391,218
Operating Costs	845,714	1,227,000	1,436,817	1,724,591
Debt Service	801,284	892,725	875,000	860,000
Transfer to Transit Fund	616,875	616,875	616,875	616,875
Transfer to General Fund	120,000	0	0	0
Capital Outlay	<u>1,000,852</u>	<u>113,202</u>	<u>80,000</u>	<u>300,000</u>
Total	4,222,899	3,697,417	4,027,807	4,625,144
FTE Positions	21.33	21.33	21.33	21.83
Revenues:				
Garage Revenues	1,927,120	2,529,223	2,073,000	2,275,000
Parking Meters	1,091,540	1,249,277	1,239,413	1,250,000
Parking Violations	632,471	274,095	448,250	524,100
Parking Lots & Peripheral	189,745	306,673	264,000	250,000
Other	<u>29,379</u>	<u>29,643</u>	<u>3,144</u>	<u>326,044</u>
Total	3,870,255	4,388,911	4,027,807	4,625,144

BUDGET HIGHLIGHTS

- Revenues in the current fiscal year are performing better than budget, and this trend is expected to continue next fiscal year. There are no rate changes included in the FY 2015-16 proposed budget.
- The proposed budget includes a \$300,000 appropriation from Parking fund balance for capital projects including: 1) elevator rehabilitation in the three older garages, and 2) structural maintenance in the Civic Center Garage.
- The proposed budget also includes funding to hire a consultant to prepare a comprehensive parking study from a "big picture" vantage point in order to develop the appropriate strategic framework and philosophy to help formulate policy decisions to ensure that resources are used efficiently during the next 10 to 15 years.
- A half-time account clerk position was added to the budget during FY 2014-15.

NONDEPARTMENTAL ENVIRONMENT & TRANSPORTATION

BUDGET SUMMARY

Expenditures:	2012-13 Actual	2013-14 Actual	2014-15 Budget	2015-16 Proposed
GF Transfer to Grant Fund	0	136,000	0	0
GF Transfer to Transit Fund	<u>985,295</u>	<u>1,157,502</u>	<u>1,700,546</u>	<u>1,790,117</u>
Total	985,295	1,293,502	1,700,546	1,790,117

BUDGET HIGHLIGHTS

- The FY 2015-16 budget includes a slight increase in the General Fund support to the Transit Fund to support the full year of Sunday service.