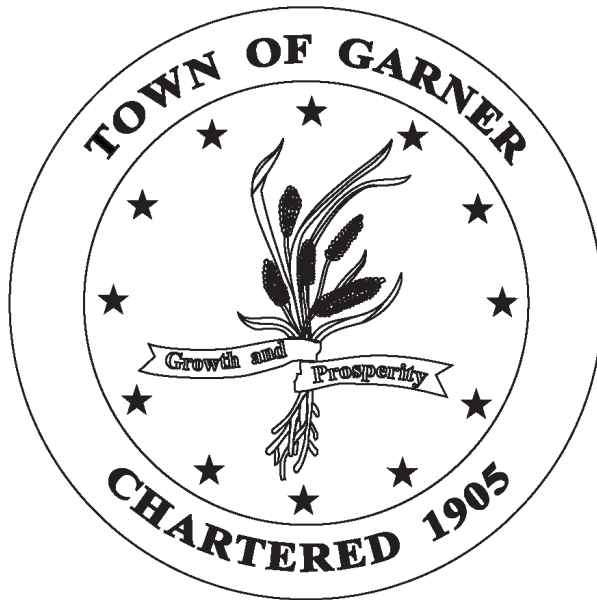


# TOWN OF GARNER



## Town Council Meeting

January 28, 2020  
7:00 p.m.

Garner Town Hall  
900 7th Avenue  
Garner, NC 27529

**Town of Garner  
Work Session Agenda  
January 28, 2020**

*Dinner will be served for town officials in the Conference Room at 5:15 p.m.*

The Council will meet in a Work Session at 6:00 p.m. in the Council Chambers located at 900 7<sup>th</sup> Avenue.

A. CALL MEETING TO ORDER/ROLL CALL

B. ADOPTION OF AGENDA

C. PRESENTATIONS

D. DISCUSSION/REPORTS

1. Health and Benefits Renewal Kick Off with IBA ..... Page 3  
Presenter: BD Sechler, Human Resources Director & John Gasiorowski and Paul Sydor, Independent Benefit Advisors

Update of the benefits renewal process and timeline. Council will review in March and consider approving in April with implementation July 1.

2. Report from Marcus Kinrade Regarding Revaluation ..... Page 11  
Presenter: Mike Franks, Budget & Special Projects Manager and Marcus Kinrade, Wake County Revenue Director

Marcus Kinrade will provide an overview of the revaluation process and its impact on the Town of Garner.

3. Garner Local Transit Study Update ..... Page 38  
Presenter: Gaby Lontos-Lawlor, Senior Planner – Transportation and Mary Kate Morookian, Kimley-Horn & Associates

Consultants from Kimley-Horn & Associates will provide a status update, an overview of initial findings from the study, and discuss next steps.

4. Cancer Risk in the Fire Service ..... Page 39  
Presenter: Matt Poole, Fire Chief

Recent studies have drawn attention to the increased risk of cancer that firefighters face due to exposure to smoke and hazardous chemicals. Chief Poole will discuss the findings of these studies and their implications for Garner Fire-Rescue.

- 5. FY 2021 Budget Process Overview ..... Page 53  
Presenter: Mike Franks, Budget & Special Projects Manager

Staff will provide an overview of the FY 2021 budget process.

- E. MANAGER REPORTS
- F. COUNCIL REPORTS
- G. ADJOURNMENT

Town of Garner  
Town Council Meeting  
Agenda Form

Meeting Date: January 28, 2020		
Subject: Benefits Renewal Update		
Location on Agenda: Discussion		
Department: Human Resources		
Contact: BD Sechler		
Presenter: BD Sechler & John Gasiorowski and Paul Sydor, Independent Benefit Advisors		
Brief Summary: BD, John and Paul will provide Council with an update of the benefits renewal process and timeline. Council will review in detail in March, approve in April with implementation July 1.		
Recommended Motion and/or Requested Action:		
Detailed Notes:		
Funding Source:		
Cost:	One Time: <input type="radio"/>	Annual: <input type="radio"/> No Cost: <input checked="" type="radio"/>
Manager's Comments and Recommendations:		
Attachments Yes: <input checked="" type="radio"/> No: <input type="radio"/>		
Agenda Form Reviewed by:	Initials:	Comments:
Department Head:	BDS	
Finance Director:		
Town Attorney:		
Town Manager:	RD	
Town Clerk:		



# **2020/2021 Benefits Renewal Update Town Council Work-Session**

**January 28, 2020**

# Managing Health Care Costs

- Continue vendor relationship with Aetna
- Continued use of reward mechanism for 100% Town contribution to monthly staff premiums for 20/21
  - Continued use of health assessment questionnaire
  - Introduction of general health screening for 20/21
- Continued use of dual option with high and low plan deductibles



# Health Care Cost Trends 2015 - Present

Month	Insurer	Months Totalled	Employees Totalled	Premium	Total Claims	PEPM Claims	Loss Ratio
Jul2015-Jun2016	BCBSNC	12	2,258	\$1,534,329	\$2,119,773	\$938.78	138.2%
Jul2016-Jun2017	Aetna	12	2,258	\$2,080,701	\$2,420,651	\$1,072.03	116.3%
Jul2017-Jun2018	Aetna	12	2,288	\$2,381,921	\$1,957,636	\$855.61	82.2%
Jul2018-Jun2019	Aetna	12	2,318	\$2,678,885	\$1,625,567	\$701.28	60.7%
July 2019			193	\$154,751	\$96,354	\$499.24	62.3%
August 2019			198	\$212,503	\$125,103	\$631.83	58.9%
September 2019			197	\$213,315	\$171,383	\$869.96	80.3%
Jul2019-Sep2019	Aetna	3	588	\$689,229	\$422,100	\$717.86	61.2%



# Other Benefits

- **Dental Administration. Delta. 3-year rate guarantee through June 30, 2022.**
  - While the administration fee is not increasing, we are seeing substantial utilization and loss ratios over 100%.
  - A rate increase might be required effective July 1, 2020 to cover expected claims cost, however it is too early to tell for sure. The Town has a self-funded dental plan, so the rate increase is at the discretion of the Town, as opposed to the insurance company.
- **FSA Administration. Infinisource. 3-year rate guarantee through June 30, 2022.**
- **COBRA Administration. Infinisource. 3-year rate guarantee through September 30, 2022.**

# Other Benefits (cont.)

- Life, AD&D, & STD. Reliance Standard. 2-year rate guarantee through June 30, 2021.
- Medicare Part D Drug Coverage. AARP/United Healthcare.
  - Effective January 1, 2020, the Town changed insurers from BCBSNC to AARP/United Healthcare for Medicare retiree drug coverage.
  - In addition to mail order drug copay savings for retirees, the Town avoided a 25% rate increase from BCBSNC and secured a 20% rate reduction from AARP/United Healthcare for 2020.

# Other Benefits (cont.)

- Retiree Medicare Supplement. BCBSNC. Renews June 1, 2020. Rates for individual policies available late March.

# Next Steps

- Staff recommendations presented to Council at March 31, 2020 work-session
- Recommendations approved by Council, on consent, at April 6, 2020 Council meeting
- Staff open enrollment from May 4, 2020 through May 25, 2020
- New benefits elections effective July 1, 2020



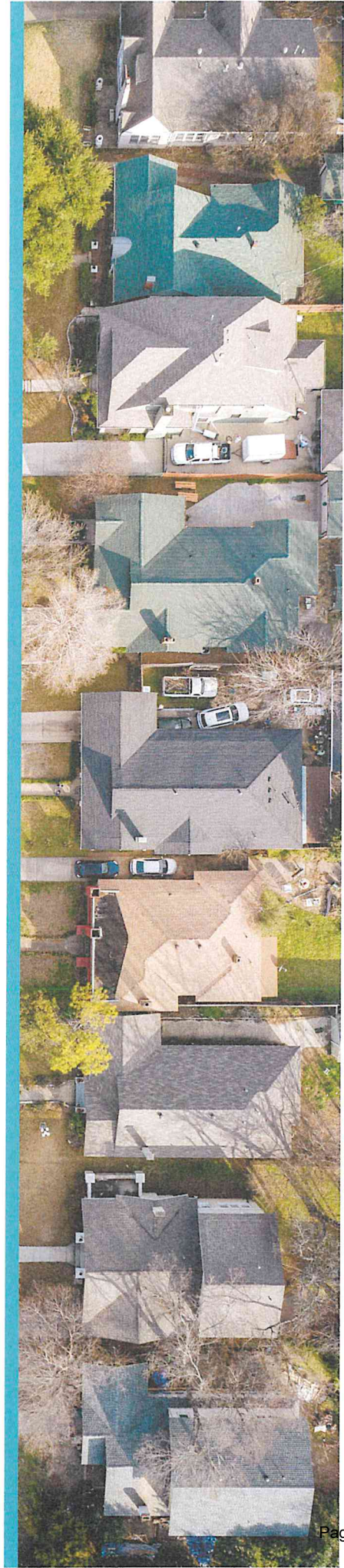
Town of Garner  
Town Council Meeting  
Agenda Form

Meeting Date: January 28, 2020		
Subject: Report from Marcus Kinrade regarding revaluation		
Location on Agenda: Discussion		
Department: Administration		
Contact: Mike Franks, Budget & Special Projects Manager		
Presenter: Marcus Kinrade, Wake County Revenue Director		
Brief Summary:  Marcus Kinrade, Revenue Director at Wake County, will provide an overview of the revaluation process and its impact on the Town of Garner.		
Recommended Motion and/or Requested Action: N/A		
Detailed Notes: Wake County performed a revaluation of residential and commercial properties that will impact the FY 2021 budget. This process is conducted every four years and is designed to establish tax values at fair market value. In Garner, the average residential property increased by 23 percent and the average commercial property increased 32 percent. Residential growth was driven by increases in homes with lower values as homes less than \$250k increased by 31 percent on average. Growth in the commercial sector was driven by multiple categories including hotels (48%), apartments (45%), and industrial (31%).		
Funding Source: N/A		
Cost: N/A	One Time: <input type="radio"/>	Annual: <input type="radio"/> No Cost: <input checked="" type="radio"/>
Manager's Comments and Recommendations: N/A		
Attachments Yes: <input checked="" type="radio"/> No: <input type="radio"/>		
Agenda Form Reviewed by:	Initials:	Comments:
Department Head:	MR	
Finance Director:		
Town Attorney:		
Town Manager:	RD	
Town Clerk:		





# 2020 Reappraisal Results



# What is Reappraisal?

The process of updating Wake County's real property values to reflect fair market value as of January 1, 2020

- ▶ **Fair market value** is the most probable price a property would bring in an open and competitive market. A hypothetical sale.
- ▶ **The last countywide reappraisal** was conducted 4 years ago with an effective date of January 1, 2016.
- ▶ **Wake County transitioned** from an 8-year to a 4-year reappraisal cycle in the Spring of 2016.

# Why Perform a Reappraisal?

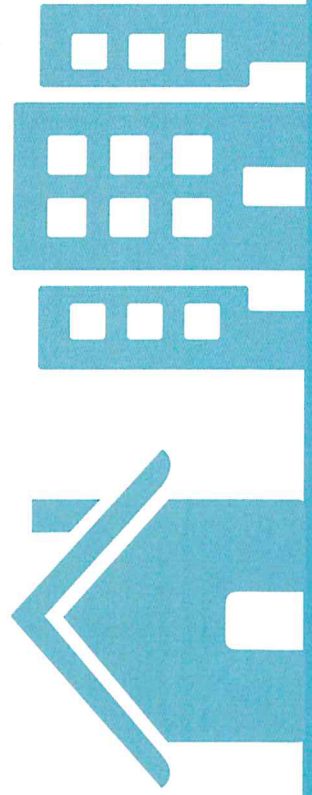
- ▶ **Required by NC General Statutes**  
North Carolina law requires all counties to reappraise real property at least once every 8 years.
- ▶ **Equity and Fairness**  
Reappraisal reestablishes the fairness of the tax burden between properties which typically change in value at different rates by location and property type.



# Reappraised Every 4 Years

85% of the property tax base

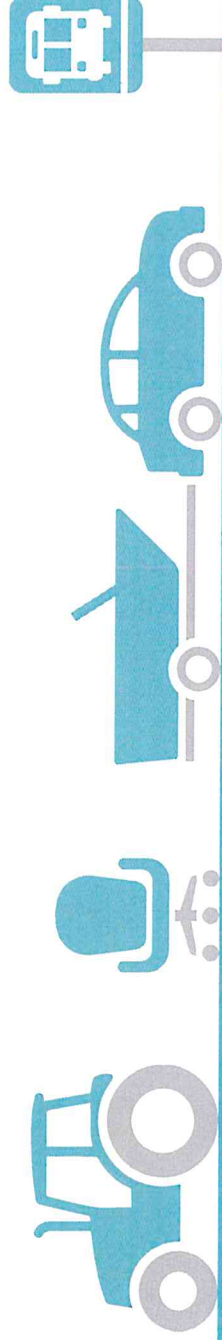
- ▶ All residential, commercial and rural farm land throughout Wake County and all improvements to the land.






# Appraised Annually

15% of the property tax base

- ▶ **Business personal property**  
Business equipment, computers, desks, chairs, machinery, equipment
- ▶ **Individual personal property**  
Cars and trucks, boats, aircraft, RV's, trailers
- ▶ **Public utilities property**  
Electric/nuclear power generation, gas companies, bus lines, railroads



# Reappraisal Review Activity

Property Type	Office Reviews	Field Reviews
 Residential	287,000 parcels	51,000 parcels
 Rural	13,000 parcels	17,000 parcels
 Commercial	9,000 parcels	15,000 parcels

# Cost Comparison - Contracts

2008	2016	2020 (anticipated)
\$9,000,000	\$7,100,000	\$5,850,532
325,000 parcels	360,000 parcels	395,000 parcels
\$27.69 per parcel	\$19.72 per parcel	\$14.81 per parcel



# Cost Comparison - Permanent Staff

2016	2020
\$4,213,500	\$5,850,532
\$11.70 per parcel	\$14.81 per parcel
65 Staff	76 Staff
1 to 5,538 parcels	1 to 5,197 parcels

# Administration Cost Paid by Town

To: Wake County

To: NCDMV

Collected: \$17.4 million

Collected: \$2.15 million

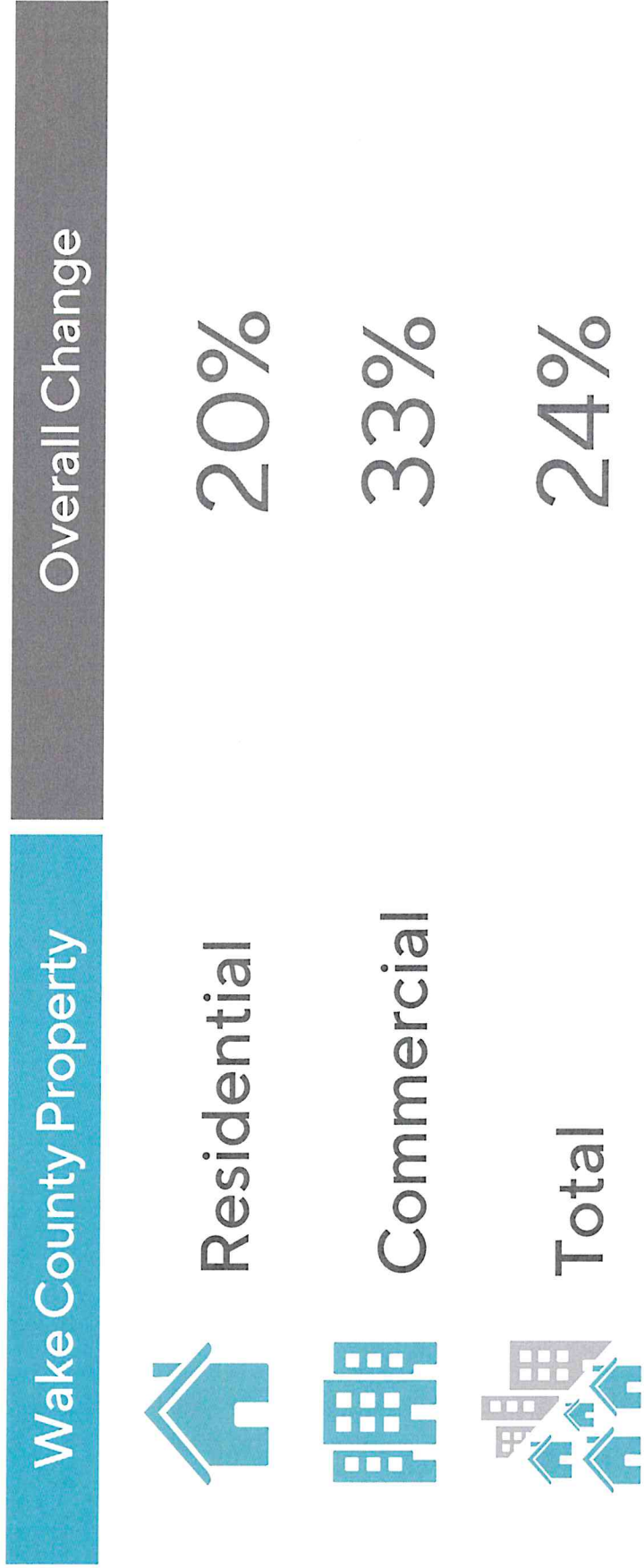
Paid: \$34,675

Paid: \$53,750

Rate: 0.2 %

Rate: 2.5%

# 2020 Reappraisal Results - Overall




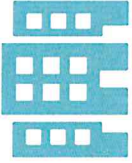

# Reappraisal History - Countywide

	1992	2000	2008	2016	2020
Total Parcels	165,000	230,000	325,000	360,000	395,000
Single Family	105,000	150,000	258,000	283,700	312,000
% Change from Reappraisal	43%	43%	40%	5%	24%
Taxable Value Post Reappraisal	\$21B	\$43B	\$94B	\$118.3B	\$162.2B
Taxable Value After Growth (New Construction)	\$30B	\$67B	\$112.3B	\$131.3B	



# 2020 Reappraisal Results - Garner

## Garner Property Overall Change

	Residential	23%
	Commercial	32%
	Total	27%

# Jurisdictional Percent Change

	Residential Change	Commercial Change	Overall Change
Angier	20%	35%	22%
Apex	18%	31%	21%
Cary	18%	28%	21%
Durham	20%	51%	37%
Fuquay Varina	21%	32%	23%
Garner	23%	32%	27%
Holly Springs	18%	31%	20%
Knightdale	25%	36%	29%
Morrisville	22%	31%	27%
Raleigh	23%	36%	28%
Rolesville	13%	15%	13%
Wake Forest	15%	26%	17%
Wendell	22%	40%	26%
Zebulon	28%	28%	28%
Unincorporated	16%	29%	17%
Wake County Overall	20%	33%	24%

# Residential Value Drivers - Countywide

Value Range	Total % Change
Over \$1 million	3%
\$700 k to \$1 million	8%
\$450 k to \$700 k	12%
\$250 k to \$450 k	17%
Less than \$250 k	31%
Overall	20%
Higher demand at lowest price point	

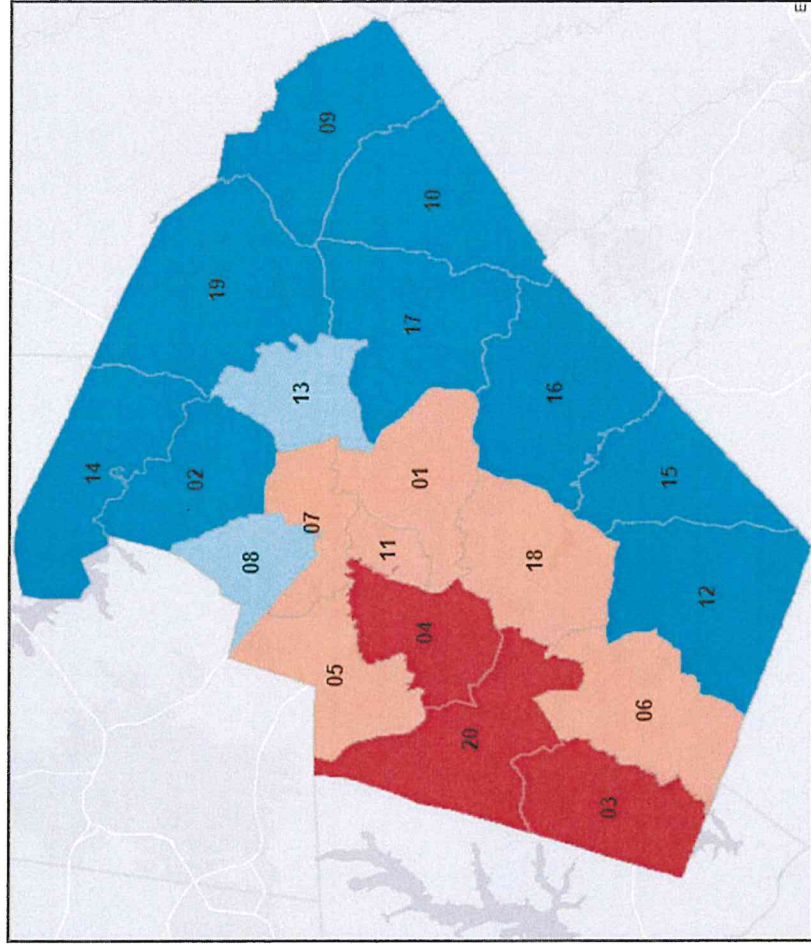


# Garner Residential Unit Count, Value Change

Value Range	Unit Count	(% Chg)
Over \$1 million	2	(-1%)
\$700 k to \$1 million	11	(6%)
\$450 k to \$700 k	49	(10%)
\$250 k to \$450 k	1,649	(15%)
Less than \$250 k	7,191	(29%)
Total	8,902	(23%)

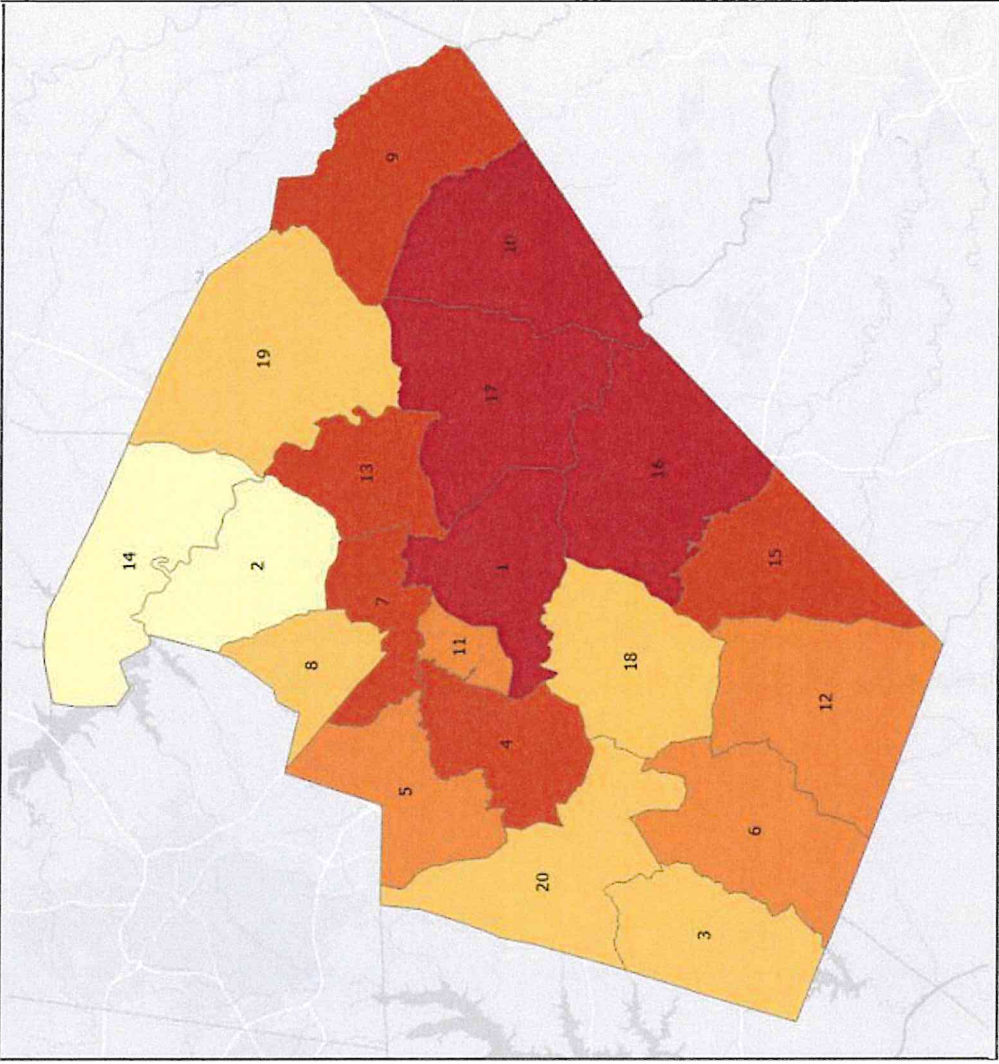


# Residential Property Value Change by Township - 2016



Township	Change	Township	Change
03	18%	08	-1%
04	6%	12	-3%
05	5%	02	-4%
06	3%	16	-5%
07	3%	15	-5%
08	2%	19	-7%
09	1%	17	-7%
10	1%	09	-8%
11	1%	10	-9%
12	-1%	14	-14%
13	-1%		
14			
15			
16			
17			
18			
19			
20			

# Residential Property Value Change by Township - 2020



# Commercial Value Drivers - Countywide

Property Type	Total Change
Hotels	48%
Apartments	45%
Industrial	31%
Service Garage	26%
Office	25%
Restaurant	24%
Retail	16%



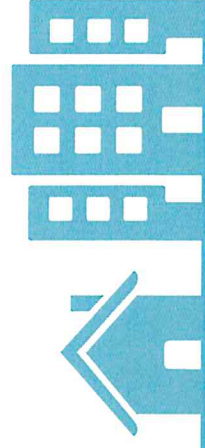
# Total Real Property Tax Base (Pre)

## 2020/2021 Real Property Tax Base Prior to Reappraisal

Residential Value	\$92,236,450,000	70%
Commercial Value	\$39,080,659,000	30%

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Total Taxable Real Property      \$131,317,109,000



# Total Real Property Tax Base (Post)

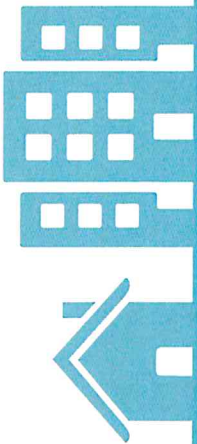
## 2020/2021 Real Property Tax Base After Reappraisal

Residential Value                      \$110,288,494,750                      68%

Commercial Value                      \$51,877,918,400                      32%

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Total Taxable Real Property                      \$162,166,413,150



# Garner Real Property Tax Base Prior to reappraisal, without 2020 new construction

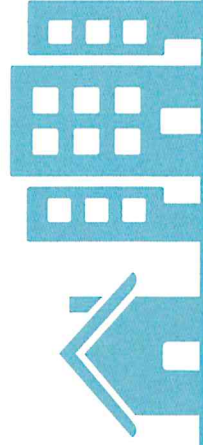
## 2020/2021 Real Property Tax Base Prior to Reappraisal

Residential Value                      \$1,686,326,000                      55%

Commercial Value                      \$1,387,617,000                      45%

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Total Taxable Real Property                      \$3,073,943,000



# Garner Real Property Tax Base Reappraised, without 2020 new construction

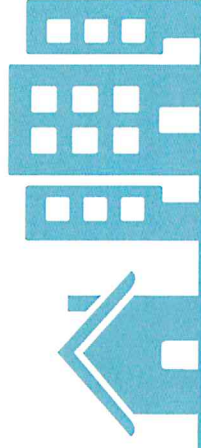
## 2020/2021 Real Property Tax Base After Reappraisal

Residential Value                      \$ 2,094,481,000                      54%

Commercial Value                      \$ 1,819,807,000                      46%

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Total Taxable Real Property                      \$ 3,914,288,000





# NC Property Tax Relief Programs

- ▶ **Elderly or Disabled** - 65 or total and permanent disability and income below \$31,000 or \$46,500 depending on program.
- ▶ **Disabled Veteran** - Total service connected disability and discharged under honorable conditions (or unmarried surviving spouse).
- ▶ **2020 Applications due by June 1**  
Call (919) 856-5400  
[wakegov.com/tax/relief](http://wakegov.com/tax/relief)



# Project Schedule 2020

January • New values viewable on the Wake County website  
**14** • Notices mailed to property owners  
• Start Informal appeals ( 7% expected or 27,650)

- FEB. • Submit pool of qualified BOER candidates for BOC review
- FEB. • Appoint 2020 BOER members
- APR. • Begin BOER hearings
- MAY • BOER Adjourns from receiving additional appeals
- JUN. • Adopt FY21 budget, set FY21 tax rate

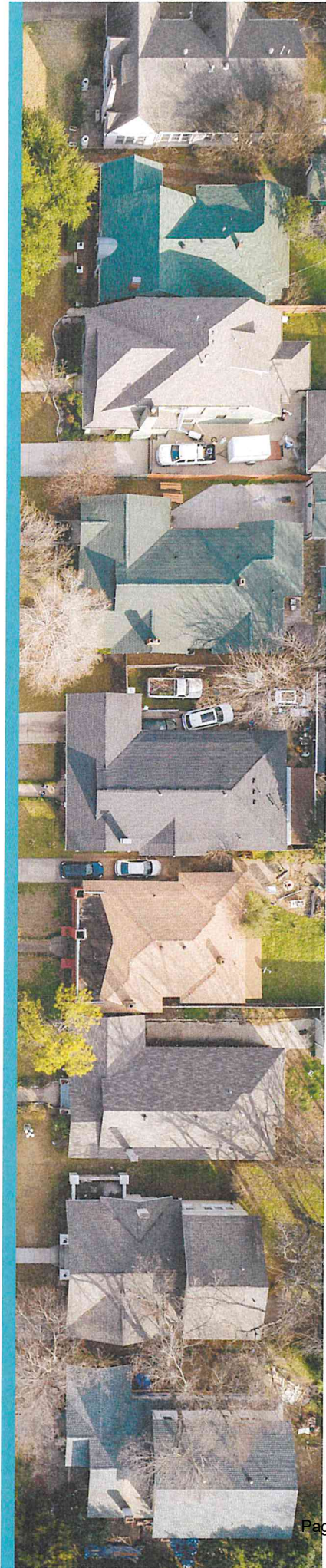


Wake County Tax Administration

919-857-3800

[reappraisal@wakegov.com](mailto:reappraisal@wakegov.com)

[wakegov.com/taxportal](http://wakegov.com/taxportal)



Town of Garner  
Town Council Meeting  
Agenda Form

Meeting Date: January 28, 2020		
Subject: Garner Transit Study Update		
Location on Agenda: Discussion		
Department: Planning		
Contact: Gaby Lontos-Lawlor; Senior Planner -Transportation		
Presenter: Gaby Lontos-Lawlor and Mary Kate Morookian, Kimley Horn & Associates		
<b>Brief Summary:</b>  Consultants from Kimley-Horn & Associates will provide a status update, an overview of initial findings from the study, and discuss next steps.		
<b>Recommended Motion and/or Requested Action:</b> Information only - no action required.		
<b>Detailed Notes:</b> The Town of Garner secured funds through the Community Funding Areas Program (CFAP), provided by the North Carolina Capital Area Metropolitan Planning Organization (CAMPO), to complete a transit planning study. The CFAP is meant to encourage community-based transit projects that complement the Wake Transit Plan regional service development and to meet local transit needs. The Garner Transit Study will also develop an implementation plan and service model, evaluate transit capital investment needs, and identify potential funding sources.		
<b>Funding Source:</b> N/A		
Cost: N/A	One Time: <input type="radio"/>	Annual: <input type="radio"/> No Cost: <input checked="" type="radio"/>
<b>Manager's Comments and Recommendations:</b> N/A		
Attachments Yes: <input type="radio"/> No: <input checked="" type="radio"/>		
Agenda Form Reviewed by:	Initials:	Comments:
Department Head:	JST	
Finance Director:		
Town Attorney:		
Town Manager:	RD	
Town Clerk:		

Town of Garner  
Town Council Meeting  
Agenda Form

Meeting Date: January 28, 2020		
Subject: Cancer Risk in the Fire Service		
Location on Agenda: Discussion		
Department: Garner Fire-Rescue		
Contact: Matt Poole, Fire Chief		
Presenter: Matt Poole, Fire Chief		
<p><b>Brief Summary:</b></p> <p>Recent studies have drawn attention to the increased risk of cancer that firefighters face due to exposure to smoke and hazardous chemicals. Chief Poole will discuss the findings of these studies and their implications for Garner Fire-Rescue.</p>		
<p><b>Recommended Motion and/or Requested Action:</b></p> <p>N/A</p>		
<p><b>Detailed Notes:</b></p>       		
<p><b>Funding Source:</b></p> <p>N/A</p>		
Cost:	One Time: <input type="radio"/>	Annual: <input type="radio"/> No Cost: <input checked="" type="radio"/>
<p><b>Manager's Comments and Recommendations:</b></p>       		
<p>Attachments Yes: <input checked="" type="radio"/> No: <input type="radio"/></p>		
Agenda Form Reviewed by:	Initials:	Comments:
Department Head:		
Finance Director:		
Town Attorney:		
Town Manager:	RD	
Town Clerk:		

# Garner Fire & Rescue Cancer Prevention

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# Objectives

1. Acknowledge the problem of occupational cancer in the fire service.
2. Discuss what is causing the higher rates of cancer.
3. Garner Fire & Rescue recent cancer prevention efforts
4. Where Garner Fire & Rescue is going with cancer prevention

# Carcinogens

- Carcinogens are any substance capable of causing cancer in living tissue.

# Leading Types of Cancer in Firefighters

- Testicular Cancer: 2.02 times the risk
- Mesothelioma: 2.0 times the risk
- Multiple Myeloma: 1.53 times the risk
- Non- Hodgkin's Lymphoma: 1.51 times the risk
- Skin Cancer: 1.39 times the risk
- Malignant Melanoma: 1.31 times the risk
- Brain Cancer: 1.31 times the risk
- Prostate Cancer: 1.28 times the risk
- Colon Cancer: 1.21 times the risk
- Leukemia: 1.14 times the risk





# Causes of Higher Cancer Rates

- Firefighters are at a much higher risk mainly because of constant exposure to carcinogenic toxins such as polycyclic aromatic hydrocarbons (PAHs).
- **PAHs** are common products of incomplete combustion. There are more than one hundred PAHs, in which many are classified as known, probable, or possible **carcinogens**.



# Recent Cancer Prevention Efforts

- In 2017 GFR implemented SOG #621 to guide employees through current techniques of on-scene decon. These techniques include:
  - On-scene Decontamination System
    - “Decon Bucket”
  - On-scene “Hood Exchange System”
    - Change hood with rehab
  - Advanced Gear Cleaning
  - After Exposure Personal Hygiene
    - “Shower within the hour”

# Recent Cancer Prevention Efforts

- Added a turnout gear extractor and gear dryer at station one to provide availability of proper decontamination equipment to employees.
- Added Diesel Exhaust removal system at station one to reduce our exposure to a class 1 carcinogen.

# Where We are Heading

## Updating SOG #621

- We've just finished updating SOG #621 to meet the most current and best practices for preventing firefighter cancer.
- In the near future we will be training the on duty staff on these best practices.



# Improved Decon Bucket

1. Fire Wipes
2. Dawn Dish Soap
3. Garden Hose and Nozzle
4. 2 ½ to Garden Hose Reducer
5. 10” Brush Head (use with broom handle)
6. 6 Mil 42 Gallon Trash Bags





# Purchasing Particulate Blocking Hoods

- Thanks to the approval of the board, we purchased 200 particulate hoods this year.
- These hoods will provide protection from harmful carcinogens to one of the most vulnerable areas on the firefighter.
- With this number of hoods each employee will be able to have two personal hoods and we can maintain our “hood exchange system”



# Purchasing 2nd Pair of Boots

- **Again, thanks to the approval of the board, we were able to purchase every staff member a second pair of boots.**
- This allows us to have our second set of gear ready to swap quickly and keeps us from having to wear wet or contaminated boots.



*Thank you*

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FOR THE SUPPORT

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ANY  
QUESTIONS  
?

Town of Garner  
Town Council Meeting  
Agenda Form

Meeting Date: January 28, 2020		
Subject: FY 2021 Budget Process Overview		
Location on Agenda: Discussion		
Department: Administration		
Contact: Mike Franks, Budget & Special Projects Manager		
Presenter: Mike Franks, Budget & Special Projects Manager		
Brief Summary: Staff will provide an overview of the FY 2021 budget process.		
Recommended Motion and/or Requested Action: N/A		
Detailed Notes: Staff will provide an overview of the FY 2020 budget process including the factors necessitating a tax increase and the five year budget model. In addition, staff will provide an initial outlook for the FY 2021 budget. Finally, staff will provide a detailed overview of the FY 2021 budget process and will request council feedback on the calendar and overall approach.		
Funding Source: N/A		
Cost: N/A	One Time: <input type="radio"/>	Annual: <input type="radio"/> No Cost: <input checked="" type="radio"/>
Manager's Comments and Recommendations: N/A		
Attachments Yes: <input checked="" type="radio"/> No: <input type="radio"/>		
Agenda Form Reviewed by:	Initials:	Comments:
Department Head:	MR	
Finance Director:		
Town Attorney:		
Town Manager:	RD	
Town Clerk:		



# FY 2021 Operating Budget Overview

# Presentation Summary

- Overview of Budget Challenges and Process
- Review Key Dates
- Discussion

# FY 2020 Review

- Utilized multi-year budget to review the Town's long term financial outlook
  - Structural imbalance discovered based on multiple factors
    - Healthcare increases
    - Retirement system rate increases
    - Resurfacing
    - Growth
- 2.75 cent tax increase approved to stabilize the budget
  - First step in a multi-year process of addressing budget challenges
- Allowed for most core requirements to be met with understanding that future action would be required
- Significant backlog of unfunded requests

# FY 2021 Outlook

- Current baseline forecast indicates continued revenue growth but limited flexibility to address requirements
  - This is a preliminary forecast that will be refined in the coming months
- Multiple competing priorities
- Ability to utilize revaluation as a tool

# FY 2021 Budget Process

- Will continue the multi-year approach and utilize similar review process as in prior years
- Will focus on providing council with as much information as possible to make decisions
  - Lines of Business Process exercise
- The primary goal will be to adequately address current year requirements while establishing a framework for future budget decisions



# FY 2021 Budget Process

- Departments will be tasked with providing both a baseline budget, a five year staffing model and any significant five year operating impacts for review
- The Town's Budget Team will meet with individual departments to review their operating budget and current year decision packages
- The multi-year requests will be reviewed as part of the multi-year budget

# FY 2021 Budget Process – Operating Review

- Departments enter baseline funding requirements into the Town's financial system
- This allows the budget team and departments to review current year requests and prior year actuals at the same time
- Decision packages are also reviewed with departments and ranked based on established criteria

# FY 2021 Budget Process – Operating Review

	2017	2018	2019	2019	2020	Increase/Decrease	Percent Increase/Decrease
	ACTUAL	ACTUAL	ORIG BUD	REVISED BUD	REQUEST	From FY 19 Adopted	From FY 19 Adopted
<b>Human Resources</b>							
<b>NEW PERSONNEL REQUEST</b>	\$0	\$0	\$0	\$0	\$84,188	\$84,188	#DIV/0!
Risk Manager					\$84,188		
Salaries	\$143,388	\$147,892	\$155,697	\$155,697	\$161,389	\$5,692	3.7%
Longevity	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$0	0.0%
FICA	\$10,648	\$11,675	\$11,974	\$11,974	\$12,423	\$449	3.7%
Group Insurance	\$17,717	\$21,373	\$23,701	\$23,701	\$23,693	-\$8	0.0%
Retirement	\$18,539	\$19,177	\$19,912	\$19,912	\$22,605	\$2,693	13.5%
<b>NEW OPERATING REQUEST</b>	\$0	\$0	\$0	\$0	\$24,000	\$24,000	#DIV/0!
Halogen					\$21,000		
Risk Manager					\$3,000		
Professional Services	\$18,920	\$16,891	\$16,000	\$16,000	\$16,400	\$400	2.5%
Postage	\$140	\$278	\$150	\$150	\$150	\$0	0.0%
Telephone	\$606	\$662	\$636	\$636	\$636	\$0	0.0%
Travel and Training	\$4,077	\$1,428	\$6,866	\$6,866	\$6,026	-\$840	-12.2%
Fellows Program			\$640		\$640	\$0	0.0%
CAI conference (\$520 x 2) NCSHRM conference \$2750 SOG labor law (\$450 x2) Raleigh metro SHRM (12 x \$14) x2 OMPO conference \$500 Misc training \$500			\$6,226		\$6,026	-\$200	-3.2%

# FY 2021 Budget Process – Operating Review

ID	Evaluation Criteria	Base Weight	+ Raw Score	= Final Weight		B	C	D	E
A	Mandate/requirement/commitment	5	12	17	A	A	A	A	A
B	Link to Council priority/strategic plan	5	4	9	A	3	3	3	3
C	Consequences of not funding	5	9	14		B	C	B	B
D	Cost benefit	5	1	6		B	3	2	2
E	Supported by data	5	0	5			C	C	C
							C	3	3
								D	D
								D	1
									E
									E
Weight assigned to each Evaluation Criteria is based on the team's comparison of each criteria against all others using the following values:									
1 =	Disagreement among Team								
2 =	Majority of Team in Agreement								
3 =	Almost Unanimous Agreement								

# FY 2021 Budget Process – Multi-Year Budget

- Staff will utilize recent trends and current projections to determine baseline revenue and expenditure growth
- Multi-year staffing model, CIP and staff knowledge will be used to highlight upcoming initiatives/challenges
- The goal will be review future projects/initiatives impacting the operating budget so the framework for future budgetary decisions can be agreed upon



	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget
<b>Categories</b>					
<b>Revenue Categories</b>					
Property Tax	\$20,586,638	\$22,861,058	\$24,345,745	\$25,151,019	\$25,984,311
Permits and Fees	2,309,580	2,532,522	2,639,049	2,752,377	2,872,997
Other Taxes and License	7,158,010	7,828,845	8,136,893	8,457,212	8,790,292
Intergovernmental Revenue	3,297,280	3,342,928	3,389,224	3,436,175	3,483,791
Sales and Service	695,210	705,638	716,223	726,966	737,871
Interest Earnings	580,000	588,700	597,531	606,493	615,591
Other Revenue	227,500	230,913	234,376	237,892	241,460
<b>Total Revenue</b>	<b>\$34,854,218</b>	<b>\$38,090,604</b>	<b>\$40,059,040</b>	<b>\$41,368,134</b>	<b>\$42,726,312</b>
Other Financing Sources	\$2,590,407	\$2,162,846	\$1,916,897	\$1,795,932	\$1,670,382
<b>Total Available Resources</b>	<b>\$37,444,625</b>	<b>\$40,253,450</b>	<b>\$41,975,937</b>	<b>\$43,164,066</b>	<b>\$44,396,694</b>
<b>Department Expenditures</b>					
Governing Body	\$544,012	\$385,944	\$456,748	\$408,082	\$479,982
Administration	1,498,580	1,545,447	1,605,341	1,660,863	1,718,598
Finance	831,422	874,736	905,531	934,478	964,520
Economic Development	300,994	354,042	364,125	373,525	383,305
Planning	913,072	943,748	982,180	1,017,954	1,055,249
Building Inspections	1,213,554	1,243,435	1,290,715	1,334,701	1,380,652
Engineering	737,938	763,271	795,846	825,966	857,387
Information Technology	713,146	734,085	758,820	782,125	806,270
Police	7,941,079	8,206,650	8,547,194	8,843,318	9,152,322
Fire and Rescue	3,532,899	3,674,215	3,821,184	3,974,031	4,132,992
Public Works	9,141,610	9,343,399	9,599,465	9,849,089	10,107,217
Parks, Recreation and Cultural Resources	2,401,430	2,461,596	2,531,133	2,596,452	2,664,414
Debt Service	3,758,355	4,195,675	3,938,445	3,683,947	3,596,649
Special Appropriations	1,793,067	1,892,119	1,885,561	1,880,115	1,875,747
Transfers	2,123,467	2,381,668	2,454,413	2,703,579	2,954,129
	<b>\$37,444,625</b>	<b>\$39,000,030</b>	<b>\$39,936,700</b>	<b>\$40,868,225</b>	<b>\$42,129,434</b>

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	Projected Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget
<b>Categories</b>					
<b>Revenue Categories</b>					
Property Tax	\$20,586,638	\$22,861,058	\$24,345,745	\$25,151,019	\$25,984,311
Fire Station 5 (1 cent increase)				\$460,000	
New Park (1/2 cent increase)					\$237,500
Permits and Fees	2,309,580	2,532,522	2,639,049	2,752,377	2,872,997
Other Taxes and License	7,158,010	7,828,845	8,136,893	8,457,212	8,790,292
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Transfers	2,123,467	2,381,668	2,454,413	2,703,579	2,954,129
	<b>\$37,444,625</b>	<b>\$39,000,030</b>	<b>\$39,936,700</b>	<b>\$40,868,225</b>	<b>\$42,129,435</b>

# Lines of Business

- Educational exercise designed to provide Council with information regarding departments functions as well as their challenges and opportunities
- The goal will be to use this information to help establish strategic priorities for the current and long term budget
- May also help establish guiding principles that could be incorporated as part of a revised strategic plan

# Schedule

- Departments submit budget materials.....January 31<sup>st</sup>
- Third Quarter Review Discussion.....February 25<sup>th</sup>
- Departments Meet with Budget Team.....Mid February thru March
- Lines of Business/Strategic Planning Retreat.....??
- Third Quarter Approval and Budget Public Hearing.....March 17<sup>th</sup>
- CIP and Budget Update.....March 31<sup>st</sup>
- Recommended Budget Presented to Council.....May 4<sup>th</sup>
- Budget and CIP Review (All Day).....May ??
- Budget Public Hearing.....May 19<sup>th</sup>
- Additional Budget Session (if necessary).....May ??
- Proposed Council Adoption.....June 16<sup>th</sup>

# Administration Department

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## Lines of Business

### Town Manager's Office

#### Purpose

To help achieve Town Council's vision by researching and proposing approaches to achieve Council objectives, presenting data to assist the Council in policy development and ordinance adoption, and implementing the Council's Strategic Action Plan. In addition, the Town Manager's Office oversees the performance of all Town departments and service providers, responds to citizen requests and concerns, develops the annual budget, and produces and distributes public information.

#### Benefits

Ensures that highly trained professionals are available to guide Council on how best to implement their strategic vision and to oversee the day-to-day operations of the Town.

#### Mandates

The Town Manager's powers and duties are set by state law ([G.S. 160A-148](#)). In addition, this line of business is responsible for coordinating with the department heads and occasionally with the Town's lobbyist to ensure compliance with all applicable laws.

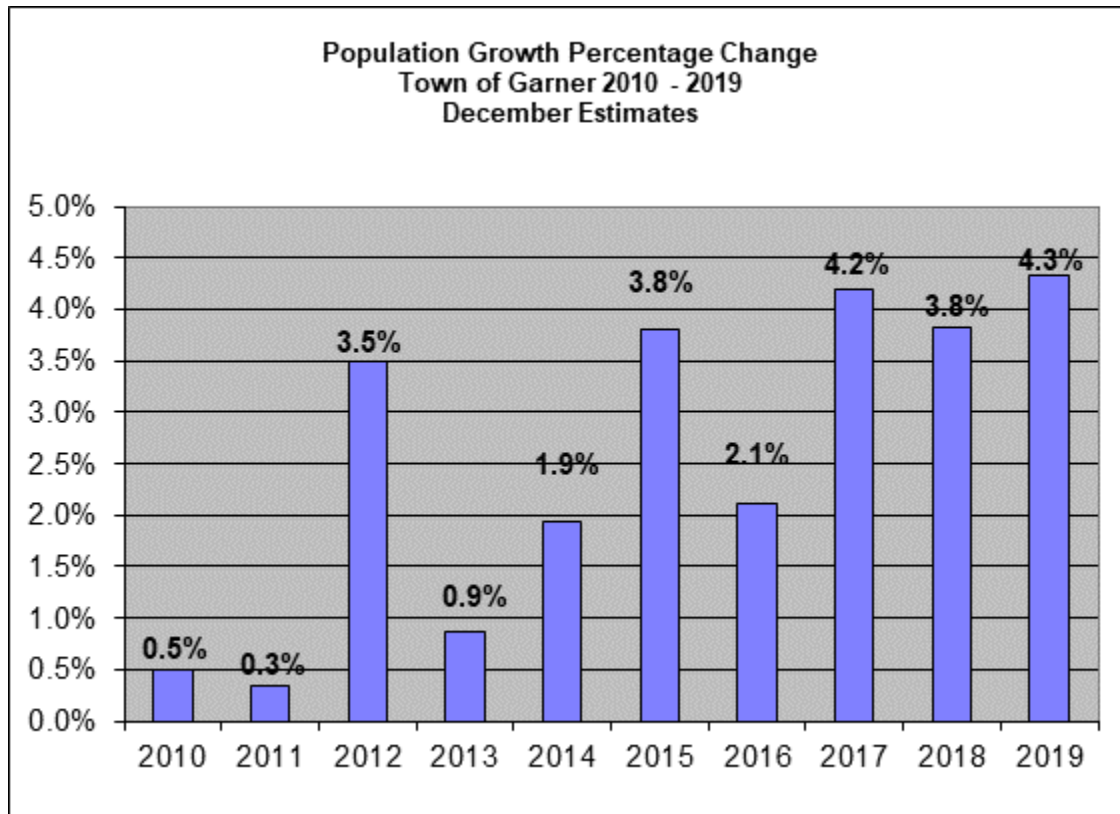
#### Challenges and Opportunities

There are several challenges and opportunities with a town wide impact. Based on this line of business overseeing these activities, they have been reflected here:

- **Growth** – In calendar year 2019, the Inspections Department issued 1,620 permits – the most ever – and 306 of these were for single family dwellings. This growth is expected to continue as the Council has approved several large residential developments including Georgia's Landing, Bethel, and Oak Park West (1,608 dwelling units) and 340 multi-family apartment units. In addition, the Planning Department is currently reviewing 1,156 residential and 288 multi-family apartment developments which should be considered for approval in 2020. Growth will be both a challenge and an opportunity. The town will be required to provide additional services to meet the demands of a growing community. While this will present some challenges, it will offer Council an opportunity to make strategic decisions with a lasting impact. In many ways, the current

## Administration Department

Council will have the opportunity to establish the vision for what the Town of Garner will be in 10, 20 or 30 years. This is a tremendous opportunity and one that staff is excited to assist with.



- **Citizen Engagement** – As the town continues to grow, there will be several critical decisions regarding how growth is managed and what assets/amenities are invested in. Currently, the town does not have a formal system to capture citizens input and expectations regarding these decisions. As a result, the town may be required to make an investment in staff and/or a system to help facilitate the process of engaging citizens. This will ensure that citizens feel engaged in the decision making process and that staff can respond to concerns.
- **Bond Referendum** – The town has two sites that are being studied for future park development, a variety of transportation requirements and several other needs. An upcoming referendum will offer Council an opportunity to address all, or some, of these needs. This should result in enhanced amenities/services and alleviate some of the transportation issues resulting from growth.
- **Compression** – This occurs when differences in pay between employees are negligible despite differences in skill sets and/or experience levels that would warrant a larger pay



## Administration Department

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differential. The Town hired a consultant to determine the level of compression and the fiscal impact of addressing it. Based on initial feedback, staff anticipates the financial impact of addressing compression to be in the six figures. A full analysis, and options for addressing the issue, will be brought to the council in the coming months.

- **Capital Renewal** – The Town established the Public Facilities Repair & Maintenance Team (PFRM) to review and prioritize maintenance requirements on an annual basis. Since the team was established, funding has generally been unavailable to proactively perform any of the suggested maintenance. As a result, items such as the Avery Street roof and the natural playground at White Deer Park continue to deteriorate. This impacts citizens' ability to utilize certain amenities and results in additional costs as staff are often forced to perform costly repairs on items that have reached the end of their life. In addition, the risk of a catastrophic failure increases as infrastructure ages, which can result in extensive damage and costly repairs.

The Public Works Department is implementing an asset management software system that should help quantify and manage this issue. The system will advise staff on when to perform proactive maintenance to reduce long-term costs and when to replace an item. This system will allow staff to make educated decisions on how best to maintain the Town's infrastructure. However, to properly utilize this information a recurring funding source will be required to cover the cost of performing maintenance.

- **Health Insurance** – The cost of providing health insurance appears to have stabilized after increasing by over \$950,000 in a four-year period. However, this remains one of the Town's biggest budget drivers and one of the most significant benefits for employees. As a result, it will be critical to continue to evaluate ways to reduce costs while providing quality health insurance plans for staff.