

TOTAL BUDGET - ALL FUNDS

	FY 14/15 Original	FY 14/15 Revised	FY 15/16 Adopted	% Change from Original Budget
Fund #110 - General Fund	56,650,231	58,587,795	58,349,581	3.00%
Fund #113 - Webb Project - Nick's	86,150	86,150	33,000	-61.69%
Fund #114 - Conference Center Operations	645,048	921,461	664,295	2.98%
Fund #115 - Solid Waste Disposal Tax Fund	22,650	152,650	40,000	76.60%
Fund #118 - Martha Rivers Operation Playground Fund	0	4,900	0	0.00%
Fund #119 - Technology Support Fund	25,100	142,266	25,100	0.00%
Fund #147 - Park/Rec - District C	0	21,000	0	-100.00%
Fund #148 - Park/Rec - District D	0	54,857	0	-100.00%
Fund #171 - SC State Asset Forfeiture	0	33,467	0	0.00%
Fund #173 - Federal Asset Forfeiture	20,000	377,393	20,000	0.00%
Fund #174 - State Asset Forfeiture	20,000	119,500	20,000	0.00%
Fund #176 - Law Enforcement Block Grant Fund	0	119,417	0	0.00%
Fund #244 - Airport Capital Projects	166,667	824,729	166,667	0.00%
Fund #263 - Street Capital Projects Fund	30,000	27,673,888	20,000	100.00%
Fund #264 - Developer Sidewalks Fund	0	117,000	0	0.00%
Fund #283 - General Fund Capital Projects Fund	150,000	5,901,068	3,824,304	2449.54%
Fund #312 - Water & Sewer Stimulus Grant Fund	3,977	3,977	3,977	0.00%
Fund #330 - Water & Sewer Enterprise Fund	34,188,661	34,412,004	34,692,851	1.47%
Fund #331 - Electric Enterprise Fund	77,731,367	78,875,106	76,349,965	-1.78%
Fund #332 - Transit System Enterprise Fund	2,518,568	2,536,312	2,319,474	-7.91%
Fund #335 - Solid Waste Enterprise Fund	4,484,056	4,900,766	4,634,619	3.36%
Fund #336 - Stormwater Utility Fund	2,549,062	2,600,686	2,546,473	-0.10%
Fund #342 - Water & Sewer Capital Expansion & Development	4,477,799	5,248,478	6,993,799	56.19%
Fund #351 - Water & Sewer Renewal & Replacement	1,617,099	1,617,099	1,616,599	-0.03%
Fund #352 - Electric Renewal & Replacement	1,405,384	1,405,384	1,465,384	4.27%
Fund #460 - Water & Sewer System Expansion Fee	320,000	320,000	320,000	0.00%
Fund #462 - Water & Sewer Capital Projects Fund	1,672,000	14,545,954	4,208,600	151.71%
Fund #478 - Electric Capital Projects Fund	900,000	2,830,760	1,000,000	11.11%
Fund #479 - Stormwater Capital Projects Fund	793,800	1,452,611	782,413	-1.43%
Fund #611 - General Fund Stimulus Grant Fund	230,644	606,059	76,182	-66.97%
Fund #621 - Community Development Fund	710,901	1,362,191	724,633	1.93%
Fund #622 - CD - 108 Loan-Downtown Fund	18,500	93,500	19,500	5.41%
Fund #623 - CD - Rehab Fund	0	55,701	0	0.00%
Fund #624 - CD - Home Investment Trust Fund	640,979	2,162,611	570,440	-11.00%
Fund #626 - 108 Loan - Economic Development Fund	0	500,786	0	0.00%
Fund #628 - Occupancy Tax Fund	475,000	475,000	484,500	2.00%
Fund #629 - Uptown Municipal Services District Fund	120,983	211,275	131,685	8.85%
Fund #687 - Infrastructure Rehabilitation Fund	111,620	464,285	111,620	0.00%
Fund #775 - Police Memorial Trust Fund	2,000	2,000	2,000	0.00%
Fund #868 - Health Self-Insurance Fund	7,330,129	7,330,129	7,650,879	4.38%
Fund #870 - Dental Self-Insurance	340,000	340,000	340,000	0.00%
Fund #880 - Vehicle/Equipment Renewal & Replacement	5,308,705	7,593,572	5,865,077	10.48%
Fund #881 - Technology Internal Services Fund	6,385,997	6,755,203	6,236,946	-2.33%
TOTAL ALL FUNDS	<u>212,153,077</u>	<u>273,838,990</u>	<u>222,310,563</u>	<u>4.79%</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES
GRAND TOTAL**

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
AD VALOREM TAXES	29,462,003	31,182,824	29,991,526	31,065,819	30,303,229
APPROPRIATED FUND BALANCE	0	0	47,091,499	0	9,935,645
ASSESSMENTS	14,519	24,738	8,000	12,460	6,814
ELECTRIC COLLECTIONS	69,503,488	73,359,718	75,987,575	74,294,956	74,530,532
FEES	7,636,594	7,672,890	11,247,398	11,073,604	11,227,591
FUNDING FOR ROADS	2,490,460	2,714,565	7,198,290	2,691,246	2,357,685
INVESTMENT EARNINGS	110,285	96,323	47,500	96,145	49,300
NON-RECURRING GRANTS	1,284,328	82,929	1,410,093	119,910	601,122
OPERATING GRANTS	2,126,082	2,467,468	6,435,628	2,131,839	3,021,203
OTHER REVENUES	18,978,513	24,745,890	28,317,090	18,396,106	21,968,013
RECURRING GRANTS	297,850	273,966	94,397	130,115	0
SALES TAX	9,245,172	9,188,630	14,190,016	12,405,443	15,057,800
STATE TRANSFERS	6,149,341	6,311,796	1,583,000	1,654,984	904,000
STORMWATER	2,057,001	2,103,080	2,535,162	2,511,446	2,531,261
TRANSFERS	16,857,385	20,346,722	14,359,831	14,311,831	15,910,273
WATER & SEWER	32,397,147	33,039,811	33,341,985	33,312,258	33,906,095
TOTAL REVENUES BY TYPE	198,610,167	213,611,349	273,838,990	204,208,162	222,310,563
BENEFITS	12,747,036	12,968,617	13,334,441	12,765,230	13,944,515
CAPITAL OUTLAY	5,395,032	4,884,457	2,814,330	912,647	500
DEBT SERVICE	14,098,321	19,414,217	17,294,167	16,967,169	16,750,106
EQUIPMENT & CAPITAL OUTLAY	3,128,738	2,168,482	52,977,836	9,341,581	11,634,198
INSURANCE	1,377,956	1,392,754	2,000,432	1,839,881	1,797,000
MAINTENANCE	5,303,552	5,914,341	6,415,422	5,572,017	6,039,914
OPERATIONAL SUPPORT	13,425,139	13,306,750	19,092,541	16,797,528	18,975,683
OTHER EXPENSES	5,739,999	5,954,131	12,406,815	6,080,040	10,054,307
OTHER PURCHASES FOR RESALE	61,004,121	63,062,825	65,610,808	65,356,047	63,028,409
OVERTIME	1,591,254	1,340,655	1,472,956	1,356,788	1,251,600
PROFESSIONAL & CONTRACTED SVCS	8,992,766	11,357,755	15,902,007	9,964,713	11,487,669
SALARIES & WAGES	41,324,088	41,155,570	42,384,726	41,286,180	43,790,197
TRANSFERS	16,857,385	20,346,722	14,359,831	14,311,831	15,910,273
TRAVEL & TRAINING	372,618	343,492	511,664	381,969	461,825
UTILITIES & LEASES	6,225,881	6,470,039	7,261,014	6,949,680	7,184,367
TOTAL APPROPRIATIONS BY TYPE	197,583,885	210,080,807	273,838,990	209,883,301	222,310,563

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

110 GENERAL FUND

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
AD VALOREM TAXES	29,343,966	31,060,162	29,871,503	30,943,394	30,182,773
APPROPRIATED FUND BALANCE	0	0	3,210,495	0	1,042,528
FEES	3,605,426	3,963,738	3,471,569	3,848,488	3,493,024
FUNDING FOR ROADS	2,357,635	2,455,545	2,357,685	2,364,613	2,357,685
INVESTMENT EARNINGS	28,564	22,122	19,000	19,750	18,500
NON-RECURRING GRANTS	18,654	26,763	92,919	113,262	111,834
OPERATING GRANTS	290,422	399,732	486,836	250,334	568,848
OTHER REVENUES	2,765,233	2,445,349	1,304,772	1,251,026	1,312,589
SALES TAX	9,245,172	9,188,630	14,190,016	12,405,443	15,057,800
STATE TRANSFERS	6,149,341	6,311,796	1,583,000	1,654,984	904,000
TRANSFERS	2,206,871	2,717,464	2,000,000	2,000,000	3,300,000
TOTAL REVENUES BY TYPE	56,011,285	58,591,300	58,587,795	54,851,295	58,349,581
BENEFITS	8,712,790	8,935,882	8,739,636	8,417,639	9,247,852
CAPITAL OUTLAY	284	15,005	500	312	500
DEBT SERVICE	4,739,638	5,990,090	5,956,383	5,950,471	5,987,127
EQUIPMENT & CAPITAL OUTLAY	69,036	96,623	549,127	339,655	207,800
INSURANCE	1,184,146	1,206,451	1,575,000	1,407,130	1,515,000
MAINTENANCE	1,461,245	1,623,622	1,952,737	1,661,185	1,802,745
OPERATIONAL SUPPORT	3,759,833	3,848,228	5,442,963	4,881,591	5,169,995
OTHER EXPENSES	616,173	563,567	881,290	622,146	929,460
OTHER PURCHASES FOR RESALE	71,499	82,182	78,616	70,993	83,500
OVERTIME	622,105	564,235	592,090	573,341	511,300
PROFESSIONAL & CONTRACTED SVCS	1,744,416	1,865,434	1,450,938	1,127,121	1,448,649
REIMBURSEMENTS	-6,512,938	-6,631,530	-6,167,305	-5,768,956	-6,310,642
SALARIES & WAGES	29,712,291	29,580,084	29,114,918	28,600,367	30,164,734
TRANSFERS	5,316,906	5,077,499	6,157,603	6,157,603	5,326,283
TRAVEL & TRAINING	249,445	226,526	267,746	216,501	248,565
UTILITIES & LEASES	1,772,499	1,783,542	1,995,553	1,855,873	2,016,713
TOTAL APPROPRIATIONS BY TYPE	53,519,368	54,827,440	58,587,795	56,112,971	58,349,581

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

113 WEBB PROJECT - NICK'S

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	0	0	33,000
FEES	7,238	6,762	0	-7,758	0
INVESTMENT EARNINGS	0	41	0	341	0
OTHER REVENUES	86,100	86,150	86,150	70,907	0
TRANSFERS	78,212	0	0	0	0
TOTAL REVENUES BY TYPE	171,550	92,953	86,150	63,490	33,000
DEBT SERVICE	30,905	30,831	33,000	32,714	33,000
OTHER EXPENSES	0	0	45,500	0	0
UTILITIES & LEASES	0	0	7,650	6,130	0
TOTAL APPROPRIATIONS BY TYPE	30,905	30,831	86,150	38,845	33,000

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

114 CONFERENCE CENTER OPERATIONS

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	127,413	0	0
INVESTMENT EARNINGS	-6,257	294	0	296	0
OTHER REVENUES	971,389	584,954	734,048	736,830	595,295
TRANSFERS	291,625	60,000	60,000	60,000	69,000
TOTAL REVENUES BY TYPE	1,256,757	645,248	921,461	797,126	664,295
CAPITAL OUTLAY	144,501	0	0	0	0
DEBT SERVICE	655,945	425,200	427,025	424,499	453,318
EQUIPMENT & CAPITAL OUTLAY	0	0	52,131	52,128	0
MAINTENANCE	440	104	18,383	18,306	1,000
OPERATIONAL SUPPORT	21,331	12,581	7,739	7,559	12,962
OTHER EXPENSES	236,759	185,000	232,290	129,146	85,094
PROFESSIONAL & CONTRACTED SVCS	12,712	944	138,738	137,261	30,065
TRANSFERS	79,074	0	0	0	0
UTILITIES & LEASES	0	0	45,155	42,864	81,856
TOTAL APPROPRIATIONS BY TYPE	1,150,763	623,829	921,461	811,764	664,295

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

115 SOLID WASTE DISPOSAL TAX

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	130,000	0	0
INVESTMENT EARNINGS	266	216	0	254	0
OTHER REVENUES	45,340	40,733	22,650	46,439	40,000
TOTAL REVENUES BY TYPE	45,605	40,949	152,650	46,693	40,000
OPERATIONAL SUPPORT	0	0	59,600	0	6,000
OTHER EXPENSES	0	0	93,050	0	34,000
TOTAL APPROPRIATIONS BY TYPE	0	0	152,650	0	40,000

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

118 M RIVERS OPER. PLAYGROUND

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	4,900	0	0
INVESTMENT EARNINGS	36	22	0	7	0
OTHER REVENUES	8,752	319	0	0	0
TOTAL REVENUES BY TYPE	8,788	341	4,900	7	0
MAINTENANCE	9,709	5,700	4,900	0	0
TOTAL APPROPRIATIONS BY TYPE	9,709	5,700	4,900	0	0

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

119 TECHNOLOGY SUPPORT

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	117,166	0	0
FEES	27,582	33,462	25,000	40,561	25,000
INVESTMENT EARNINGS	174	158	100	205	100
OTHER REVENUES	10	-6	0	3	0
TOTAL REVENUES BY TYPE	27,766	33,614	142,266	40,769	25,100
OPERATIONAL SUPPORT	4,061	3,191	19,432	2,024	8,358
OTHER EXPENSES	0	0	98,500	0	0
PROFESSIONAL & CONTRACTED SVCS	6,781	6,736	14,334	13,468	11,742
TRAVEL & TRAINING	400	0	10,000	0	5,000
UTILITIES & LEASES	4,283	2,142	0	0	0
TOTAL APPROPRIATIONS BY TYPE	15,524	12,069	142,266	15,492	25,100

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

147 PARK/REC - DISTRICT C

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	21,000	0	0
OTHER REVENUES	0	0	0	119	0
TOTAL REVENUES BY TYPE	0	0	21,000	119	0
CAPITAL OUTLAY	0	35,374	0	0	0
EQUIPMENT & CAPITAL OUTLAY	0	0	21,000	2,167	0
TOTAL APPROPRIATIONS BY TYPE	0	35,374	21,000	2,167	0

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

148 PARK/REC - DISTRICT D

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	54,857	0	0
TOTAL REVENUES BY TYPE	0	0	54,857	0	0
EQUIPMENT & CAPITAL OUTLAY	0	0	54,857	54,857	0
TOTAL APPROPRIATIONS BY TYPE	0	0	54,857	54,857	0

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

171 SC STATE ASSET FORFEITURE

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	18,000	0	0
INVESTMENT EARNINGS	19	12	0	14	0
OTHER REVENUES	0	15,494	15,467	0	0
TOTAL REVENUES BY TYPE	19	15,507	33,467	14	0
EQUIPMENT & CAPITAL OUTLAY	0	0	15,467	13,700	0
OPERATIONAL SUPPORT	0	0	3,700	3,700	0
PROFESSIONAL & CONTRACTED SVCS	1,438	0	14,300	600	0
TOTAL APPROPRIATIONS BY TYPE	1,438	0	33,467	18,000	0

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

173 FED ASSET FORFEITURE TRUS

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	250,000	0	0
INVESTMENT EARNINGS	17	100	0	514	0
OTHER REVENUES	82,360	221,451	127,393	280,939	20,000
TOTAL REVENUES BY TYPE	82,377	221,551	377,393	281,454	20,000
EQUIPMENT & CAPITAL OUTLAY	20,524	0	261,962	9,990	0
OPERATIONAL SUPPORT	148,854	0	115,431	0	20,000
TOTAL APPROPRIATIONS BY TYPE	169,378	0	377,393	9,990	20,000

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

174 STATE ASSET FORFEITURE FD

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	99,500	0	0
INVESTMENT EARNINGS	427	284	0	135	0
OTHER REVENUES	69,667	38,220	20,000	20,937	20,000
TOTAL REVENUES BY TYPE	70,094	38,504	119,500	21,073	20,000
EQUIPMENT & CAPITAL OUTLAY	0	6,577	36,790	0	0
OPERATIONAL SUPPORT	65,801	33,285	59,230	5,523	20,000
PROFESSIONAL & CONTRACTED SVCS	3,720	5,405	23,480	20,732	0
TOTAL APPROPRIATIONS BY TYPE	69,521	45,268	119,500	26,255	20,000

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

176 LOCAL LAW ENF BLOCK GRANT

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	-23,221	0	0
INVESTMENT EARNINGS	147	82	0	-21	0
NON-RECURRING GRANTS	0	0	29,866	0	0
OPERATING GRANTS	69,328	-193	14,700	0	0
OTHER REVENUES	0	26	0	5	0
RECURRING GRANTS	125,767	0	94,397	30,434	0
TRANSFERS	0	0	3,675	3,675	0
TOTAL REVENUES BY TYPE	195,242	-85	119,417	34,093	0
EQUIPMENT & CAPITAL OUTLAY	96,732	0	43,988	43,987	0
OPERATIONAL SUPPORT	80,154	258	72,770	45,059	0
PROFESSIONAL & CONTRACTED SVCS	48,126	24,191	2,659	2,024	0
TRAVEL & TRAINING	3,086	72	0	0	0
TOTAL APPROPRIATIONS BY TYPE	228,098	24,521	119,417	91,069	0

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

244 C.P.-AIRPORT PROJECTS

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	70,420	0	0
INVESTMENT EARNINGS	219	52	0	-198	0
OTHER REVENUES	473,827	156,758	737,642	-85,289	150,000
TRANSFERS	30,000	36,500	16,667	16,667	16,667
TOTAL REVENUES BY TYPE	504,046	193,310	824,729	-68,819	166,667
CAPITAL OUTLAY	444,688	69,584	0	0	0
EQUIPMENT & CAPITAL OUTLAY	0	0	722,110	36,324	166,667
MAINTENANCE	0	88,786	0	0	0
OPERATIONAL SUPPORT	0	0	80	0	0
PROFESSIONAL & CONTRACTED SVCS	141,157	15,805	102,539	0	0
TOTAL APPROPRIATIONS BY TYPE	585,845	174,175	824,729	36,324	166,667

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

263 CAP. PROJ.-STREET IMPROVM

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	22,933,914	0	0
FUNDING FOR ROADS	31,452	259,020	4,648,605	326,633	0
INVESTMENT EARNINGS	21,850	20,444	0	19,363	0
OTHER REVENUES	4,000	23,636	61,369	61,575	0
TRANSFERS	0	0	30,000	30,000	20,000
TOTAL REVENUES BY TYPE	57,302	303,100	27,673,888	437,570	20,000
CAPITAL OUTLAY	918,690	1,467,605	2,731,037	834,802	0
EQUIPMENT & CAPITAL OUTLAY	0	0	23,883,246	1,421,401	-1,280,000
OTHER EXPENSES	296	293	420	317	0
PROFESSIONAL & CONTRACTED SVCS	318,398	509,225	989,310	441,466	0
SALARIES & WAGES	0	0	69,875	0	0
TRANSFERS	0	0	0	0	1,300,000
TOTAL APPROPRIATIONS BY TYPE	1,237,384	1,977,123	27,673,888	2,697,986	20,000

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

264 DEVELOPER SIDEWALKS

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	117,000	0	0
INVESTMENT EARNINGS	1,228	730	0	136	0
OTHER REVENUES	0	500	0	1,250	0
TOTAL REVENUES BY TYPE	1,228	1,230	117,000	1,387	0
EQUIPMENT & CAPITAL OUTLAY	0	0	64,713	41,742	0
OTHER EXPENSES	0	0	40,229	0	0
PROFESSIONAL & CONTRACTED SVCS	0	0	12,058	11,637	0
TOTAL APPROPRIATIONS BY TYPE	0	0	117,000	53,379	0

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

283 GENERAL FUND CAPITAL PROJ

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,904,241	0	57,918
FEES	0	0	90,000	0	0
FUNDING FOR ROADS	0	0	192,000	0	0
INVESTMENT EARNINGS	3,693	2,530	0	2,392	0
NON-RECURRING GRANTS	-490	0	620,000	0	484,106
OTHER REVENUES	198,625	171,248	2,123,400	425,902	2,532,280
TRANSFERS	348,700	302,231	971,427	923,427	750,000
TOTAL REVENUES BY TYPE	550,528	476,008	5,901,068	1,351,721	3,824,304
CAPITAL OUTLAY	1,491,398	214,970	2,069	0	0
EQUIPMENT & CAPITAL OUTLAY	0	0	4,306,007	295,270	750,000
MAINTENANCE	0	0	129,285	0	0
OPERATIONAL SUPPORT	6,649	0	7,669	4,849	0
OTHER EXPENSES	0	5,100	674,565	217,621	0
PROFESSIONAL & CONTRACTED SVCS	43,595	51,645	536,473	90,544	3,074,304
TRANSFERS	0	684,440	245,000	245,000	0
TOTAL APPROPRIATIONS BY TYPE	1,541,642	956,155	5,901,068	853,284	3,824,304

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

312 WATER/SEWER STIMULUS GRAN

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
INVESTMENT EARNINGS	1	2	0	7	0
TRANSFERS	3,977	3,977	3,977	3,977	3,977
TOTAL REVENUES BY TYPE	3,978	3,979	3,977	3,984	3,977
DEBT SERVICE	3,977	3,977	3,977	3,977	3,977
TOTAL APPROPRIATIONS BY TYPE	3,977	3,977	3,977	3,977	3,977

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

330 WATER & SEWER FUND

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	223,343	0	0
ASSESSMENTS	14,519	24,738	8,000	12,460	6,814
FEES	894,861	805,501	753,776	808,873	679,114
INVESTMENT EARNINGS	9,016	8,878	0	10,145	8,000
OTHER REVENUES	137,000	6,049,114	84,900	168,932	92,828
TRANSFERS	726,422	0	0	0	0
WATER & SEWER	32,397,147	33,039,811	33,341,985	33,312,258	33,906,095
TOTAL REVENUES BY TYPE	<u>34,178,966</u>	<u>39,928,042</u>	<u>34,412,004</u>	<u>34,312,668</u>	<u>34,692,851</u>
BENEFITS	1,919,414	1,967,659	2,082,081	1,954,632	2,166,715
CAPITAL OUTLAY	0	5,030	0	0	0
DEBT SERVICE	5,704,194	10,538,525	7,454,189	7,325,517	7,419,461
EQUIPMENT & CAPITAL OUTLAY	193,521	176,658	187,526	136,014	151,771
INSURANCE	128,211	47,013	250,000	293,380	190,000
MAINTENANCE	2,326,349	2,515,698	2,676,082	2,398,557	2,685,842
OPERATIONAL SUPPORT	2,359,949	2,471,311	3,095,733	2,970,960	3,200,939
OTHER EXPENSES	2,444,873	2,532,070	2,573,744	2,584,310	2,969,590
OVERTIME	361,701	398,852	389,700	370,494	309,300
PROFESSIONAL & CONTRACTED SVCS	1,634,330	1,863,332	1,840,477	1,737,375	1,709,432
REIMBURSEMENTS	3,219,562	3,276,035	3,012,692	2,825,770	3,095,870
SALARIES & WAGES	5,337,296	5,517,415	5,652,107	5,478,325	6,015,295
TRANSFERS	5,361,942	5,086,164	1,422,845	1,422,845	1,200,000
TRAVEL & TRAINING	41,545	46,494	58,890	51,526	52,990
UTILITIES & LEASES	3,146,078	3,493,635	3,715,938	3,620,356	3,525,646
TOTAL APPROPRIATIONS BY TYPE	<u>34,178,966</u>	<u>39,935,890</u>	<u>34,412,004</u>	<u>33,170,061</u>	<u>34,692,851</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

331 ELECTRIC FUND

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,143,739	0	0
ELECTRIC COLLECTIONS	69,503,488	73,359,718	75,987,575	74,294,956	74,530,532
FEES	1,127,249	927,136	623,859	110,706	687,500
INVESTMENT EARNINGS	19,382	14,815	15,000	9,031	10,000
OTHER REVENUES	1,239,334	965,330	724,933	819,543	741,933
TRANSFERS	163,357	0	380,000	380,000	380,000
TOTAL REVENUES BY TYPE	<u>72,052,811</u>	<u>75,266,999</u>	<u>78,875,106</u>	<u>75,614,236</u>	<u>76,349,965</u>
BENEFITS	874,979	835,843	833,542	788,997	819,911
CAPITAL OUTLAY	138,897	155,317	0	0	0
DEBT SERVICE	16,869	16,869	16,869	16,869	16,869
EQUIPMENT & CAPITAL OUTLAY	42,340	23,067	179,300	164,715	228,000
INSURANCE	15,685	72,306	17,200	14,083	15,000
MAINTENANCE	852,869	1,075,885	865,147	817,622	911,265
OPERATIONAL SUPPORT	445,034	500,320	1,113,908	1,058,426	1,169,287
OTHER EXPENSES	853,175	1,153,464	1,198,378	1,026,005	1,057,524
OTHER PURCHASES FOR RESALE	60,928,343	62,979,769	65,530,192	65,284,854	62,942,909
OVERTIME	442,034	175,095	203,000	160,886	203,000
PROFESSIONAL & CONTRACTED SVCS	656,274	695,579	773,705	663,255	777,157
REIMBURSEMENTS	2,300,900	2,373,130	2,163,397	1,948,398	2,164,875
SALARIES & WAGES	2,507,269	2,520,005	2,507,148	2,376,479	2,490,059
TRANSFERS	3,086,882	3,061,168	3,011,507	3,011,507	3,060,000
TRAVEL & TRAINING	32,602	36,372	42,371	30,770	41,842
UTILITIES & LEASES	456,933	423,587	419,442	442,947	452,267
TOTAL APPROPRIATIONS BY TYPE	<u>73,651,085</u>	<u>76,097,774</u>	<u>78,875,106</u>	<u>77,805,814</u>	<u>76,349,965</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

332 TRANSIT SYSTEM

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	17,744	0	0
FEES	218,520	201,123	222,700	197,212	220,500
INVESTMENT EARNINGS	272	163	0	-36	0
OPERATING GRANTS	1,126,204	1,113,781	1,392,612	950,888	1,190,627
OTHER REVENUES	280,675	238,697	231,500	225,971	225,500
TRANSFERS	588,175	621,610	671,756	671,756	682,847
TOTAL REVENUES BY TYPE	<u>2,213,846</u>	<u>2,175,374</u>	<u>2,536,312</u>	<u>2,045,791</u>	<u>2,319,474</u>
BENEFITS	286,767	311,475	324,379	309,546	331,787
CAPITAL OUTLAY	-691	15,718	0	0	0
EQUIPMENT & CAPITAL OUTLAY	5,675	5,750	219,895	9,190	54,156
INSURANCE	10,417	30,204	44,000	28,727	44,000
MAINTENANCE	51,527	63,609	71,267	72,693	58,100
OPERATIONAL SUPPORT	326,597	322,526	361,677	281,215	364,742
OTHER EXPENSES	11,074	-2,587	1,434	16,766	500
OVERTIME	39,825	51,510	46,000	28,821	31,500
PROFESSIONAL & CONTRACTED SVCS	74,291	78,881	98,964	90,021	91,504
REIMBURSEMENTS	360,166	345,481	376,804	358,726	388,779
SALARIES & WAGES	908,798	897,995	948,712	895,994	936,872
TRANSFERS	12,545	545	24,037	24,037	0
TRAVEL & TRAINING	1,447	2,069	3,200	1,830	3,200
UTILITIES & LEASES	13,671	14,016	15,943	13,967	14,334
TOTAL APPROPRIATIONS BY TYPE	<u>2,102,109</u>	<u>2,137,192</u>	<u>2,536,312</u>	<u>2,131,533</u>	<u>2,319,474</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

335 SOLID WASTE FUND

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	416,710	0	0
FEES	1,175,133	1,163,592	1,113,750	1,193,900	1,147,950
OTHER REVENUES	11,425	12,769	5,200	25,771	9,900
TRANSFERS	3,581,146	3,392,381	3,365,106	3,365,106	3,476,769
TOTAL REVENUES BY TYPE	<u>4,767,704</u>	<u>4,568,743</u>	<u>4,900,766</u>	<u>4,584,777</u>	<u>4,634,619</u>
BENEFITS	506,644	481,202	484,571	472,237	491,903
EQUIPMENT & CAPITAL OUTLAY	0	5,117	416,710	0	0
INSURANCE	209	11,376	18,050	17,618	0
MAINTENANCE	402,628	331,945	351,200	367,814	313,800
OPERATIONAL SUPPORT	402,317	426,260	437,347	394,079	462,464
OTHER EXPENSES	19,693	14,782	1,900	59	15,000
OVERTIME	95,106	125,280	190,000	182,385	160,000
PROFESSIONAL & CONTRACTED SVCS	1,459,147	1,408,024	1,487,151	1,466,314	1,533,000
REIMBURSEMENTS	-55,618	-50,894	-92,171	-52,040	-54,779
SALARIES & WAGES	1,265,159	1,188,070	1,157,143	1,128,355	1,242,836
TRANSFERS	22,700	987	42,351	42,351	0
TRAVEL & TRAINING	850	2,005	1,700	1,742	1,700
UTILITIES & LEASES	361,849	336,703	404,814	398,427	468,695
TOTAL APPROPRIATIONS BY TYPE	<u>4,480,684</u>	<u>4,280,856</u>	<u>4,900,766</u>	<u>4,419,341</u>	<u>4,634,619</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

336 STORMWATER UTILITY FUND

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	51,624	0	0
FEES	13,517	15,201	13,250	18,099	14,562
INVESTMENT EARNINGS	671	618	650	850	650
OTHER REVENUES	1,223	1,888	0	959	0
STORMWATER	2,057,001	2,103,080	2,535,162	2,511,446	2,531,261
TOTAL REVENUES BY TYPE	<u>2,072,413</u>	<u>2,120,787</u>	<u>2,600,686</u>	<u>2,531,353</u>	<u>2,546,473</u>
BENEFITS	135,442	127,810	141,377	125,986	157,098
EQUIPMENT & CAPITAL OUTLAY	0	11,542	0	0	0
INSURANCE	39,288	25,403	81,100	78,943	31,000
MAINTENANCE	133,707	95,636	148,708	138,211	124,411
OPERATIONAL SUPPORT	56,463	51,066	276,011	251,831	279,119
OTHER EXPENSES	0	141	3,605	1,977	841
OVERTIME	4,708	5,763	5,500	5,138	500
PROFESSIONAL & CONTRACTED SVCS	21,715	30,667	37,395	28,665	37,300
REIMBURSEMENTS	793,963	786,135	715,469	695,524	726,103
SALARIES & WAGES	417,414	368,773	398,784	365,373	437,736
TRANSFERS	456,657	379,919	780,668	780,668	742,413
TRAVEL & TRAINING	4,184	2,497	5,513	3,460	4,334
UTILITIES & LEASES	19,810	11,720	6,556	6,154	5,618
TOTAL APPROPRIATIONS BY TYPE	<u>2,083,351</u>	<u>1,897,072</u>	<u>2,600,686</u>	<u>2,481,932</u>	<u>2,546,473</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

342 W&S CAPITAL EXPANSION/DEV

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	4,040,978	0	5,786,299
INVESTMENT EARNINGS	7,786	7,271	7,500	10,610	7,500
OTHER REVENUES	5,877	4,866	0	2,566	0
TRANSFERS	5,305,126	5,082,892	1,200,000	1,200,000	1,200,000
TOTAL REVENUES BY TYPE	5,318,790	5,095,029	5,248,478	1,213,176	6,993,799
OTHER EXPENSES	0	0	2,801,822	0	2,781,222
TRANSFERS	2,133,039	5,961,488	2,446,656	2,446,656	4,212,577
TOTAL APPROPRIATIONS BY TYPE	2,133,039	5,961,488	5,248,478	2,446,656	6,993,799

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

351 W&S RENEWAL & REPLACEMENT

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,538,409	0	1,613,599
INVESTMENT EARNINGS	3,526	2,741	3,500	2,467	3,000
TRANSFERS	51,000	0	75,190	75,190	0
TOTAL REVENUES BY TYPE	54,526	2,741	1,617,099	77,657	1,616,599
EQUIPMENT & CAPITAL OUTLAY	0	0	1,617,099	0	1,616,599
TOTAL APPROPRIATIONS BY TYPE	0	0	1,617,099	0	1,616,599

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

352 ELECTRIC RENWAL & REPLACE

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,345,384	0	1,405,384
INVESTMENT EARNINGS	2,739	2,205	0	2,148	0
TRANSFERS	60,000	60,000	60,000	60,000	60,000
TOTAL REVENUES BY TYPE	62,739	62,205	1,405,384	62,148	1,465,384
EQUIPMENT & CAPITAL OUTLAY	0	0	1,405,384	0	1,465,384
TOTAL APPROPRIATIONS BY TYPE	0	0	1,405,384	0	1,465,384

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

460 WATER & SEWER SYSTEM EXPANSION FEE

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
FEES	387,477	376,186	320,000	250,308	320,000
TOTAL REVENUES BY TYPE	387,477	376,186	320,000	250,308	320,000
OTHER EXPENSES	0	0	320,000	0	320,000
TOTAL APPROPRIATIONS BY TYPE	0	0	320,000	0	320,000

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

462 WATER & SEWER CAP PROJ

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	3,976,698	0	0
FUNDING FOR ROADS	24,520	0	0	0	0
INVESTMENT EARNINGS	7,084	6,938	0	7,189	0
NON-RECURRING GRANTS	0	0	600,000	0	0
OPERATING GRANTS	0	0	300,000	0	0
OTHER REVENUES	-4,858	124,800	7,226,577	1,329	0
TRANSFERS	1,200,000	5,655,000	2,442,679	2,442,679	4,208,600
TOTAL REVENUES BY TYPE	1,226,746	5,786,738	14,545,954	2,451,198	4,208,600
CAPITAL OUTLAY	700,780	1,681,002	77,351	77,377	0
DEBT SERVICE	0	0	100,000	0	0
EQUIPMENT & CAPITAL OUTLAY	90,603	156,926	11,327,310	1,949,158	4,108,600
MAINTENANCE	0	23,739	0	0	0
OTHER EXPENSES	355	841	144,091	202	0
PROFESSIONAL & CONTRACTED SVCS	387,007	2,836,502	2,873,202	1,989,424	100,000
TRANSFERS	0	0	24,000	0	0
TOTAL APPROPRIATIONS BY TYPE	1,178,745	4,699,010	14,545,954	4,016,162	4,208,600

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

478 C.P.-ELECTRIC SYSTEM

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,772,181	0	0
FUNDING FOR ROADS	76,853	0	0	0	0
INVESTMENT EARNINGS	4,843	3,502	0	2,430	0
OTHER REVENUES	505	3,565	158,579	158,770	0
TRANSFERS	1,000,000	1,000,000	900,000	900,000	1,000,000
TOTAL REVENUES BY TYPE	1,082,201	1,007,067	2,830,760	1,061,200	1,000,000
CAPITAL OUTLAY	1,079,395	850,883	0	0	0
EQUIPMENT & CAPITAL OUTLAY	0	0	1,585,835	1,122,941	615,000
OTHER EXPENSES	85,000	200,000	156,705	0	100,000
PROFESSIONAL & CONTRACTED SVCS	259,762	367,176	1,064,220	194,191	285,000
TRANSFERS	0	0	24,000	0	0
TOTAL APPROPRIATIONS BY TYPE	1,424,158	1,418,059	2,830,760	1,317,132	1,000,000

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

479 STORMWTR CAPITAL PROJECTS

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	658,811	0	0
INVESTMENT EARNINGS	1,583	1,300	0	1,245	0
OTHER REVENUES	731	8,605	20,000	7,030	40,000
TRANSFERS	452,475	379,737	773,800	773,800	742,413
TOTAL REVENUES BY TYPE	454,789	389,642	1,452,611	782,075	782,413
CAPITAL OUTLAY	251,505	257,461	3,373	156	0
EQUIPMENT & CAPITAL OUTLAY	0	0	1,375,644	491,403	782,413
MAINTENANCE	0	28,405	0	0	0
OTHER EXPENSES	0	113	1,287	0	0
PROFESSIONAL & CONTRACTED SVCS	10,378	30,326	72,307	11,426	0
UTILITIES & LEASES	0	2,605	0	0	0
TOTAL APPROPRIATIONS BY TYPE	261,882	318,909	1,452,611	502,985	782,413

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

611 GEN FUND STIMULUS GRANTS

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	-53,841	0	0
INVESTMENT EARNINGS	-345	-360	0	7	0
NON-RECURRING GRANTS	1,266,164	56,166	67,308	6,648	5,182
OTHER REVENUES	70,900	72,575	138,596	69,097	71,000
TRANSFERS	185,409	310,685	453,996	453,996	0
TOTAL REVENUES BY TYPE	<u>1,522,127</u>	<u>439,066</u>	<u>606,059</u>	<u>529,748</u>	<u>76,182</u>
BENEFITS	65,922	65,070	34,779	26,680	0
OPERATIONAL SUPPORT	-3,495	-2,286	547	-1,650	0
OTHER EXPENSES	450	0	138	0	0
OVERTIME	8,537	4,134	5,866	445	0
PROFESSIONAL & CONTRACTED SVCS	1,356,077	93,288	429,808	10,693	75,182
SALARIES & WAGES	311,220	231,199	123,633	77,825	0
TRANSFERS	0	0	2,676	2,676	0
TRAVEL & TRAINING	0	0	2,898	0	0
UTILITIES & LEASES	1,938	576	5,714	1,338	1,000
TOTAL APPROPRIATIONS BY TYPE	<u>1,740,649</u>	<u>391,981</u>	<u>606,059</u>	<u>118,008</u>	<u>76,182</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

621 COMM DEV BLOCK GRANT

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	-356,848	0	0
INVESTMENT EARNINGS	-1,084	-787	0	-543	0
OPERATING GRANTS	521,927	419,860	1,713,201	435,858	715,851
OTHER REVENUES	7,811	7,107	4,500	9,680	8,782
TRANSFERS	0	0	1,338	1,338	0
TOTAL REVENUES BY TYPE	528,654	426,179	1,362,191	446,333	724,633
BENEFITS	24,036	23,572	20,267	20,098	21,459
CAPITAL OUTLAY	1,033	0	0	0	0
DEBT SERVICE	298,271	198,815	340,701	235,253	152,035
EQUIPMENT & CAPITAL OUTLAY	0	0	88,279	0	0
INSURANCE	0	0	14,807	0	2,000
MAINTENANCE	570	72	7,157	348	1,000
OPERATIONAL SUPPORT	15,737	12,112	100,711	13,312	24,335
OTHER EXPENSES	8,036	1,252	65,836	1,728	7,000
PROFESSIONAL & CONTRACTED SVCS	98,082	128,010	630,982	123,501	432,829
REIMBURSEMENTS	-7,578	-6,740	-8,886	-7,422	-10,206
SALARIES & WAGES	85,373	77,403	84,862	84,491	88,114
TRANSFERS	0	1,202	2,289	2,289	0
TRAVEL & TRAINING	1,346	1,553	5,029	1,629	3,067
UTILITIES & LEASES	2,983	1,595	10,157	1,163	3,000
TOTAL APPROPRIATIONS BY TYPE	527,888	438,845	1,362,191	476,389	724,633

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

622 108 LOAN-DOWNTOWN REVITA

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	75,100	0	2,820
INVESTMENT EARNINGS	0	14	0	96	0
OTHER REVENUES	27,534	16,680	18,400	16,680	16,680
TOTAL REVENUES BY TYPE	27,534	16,694	93,500	16,776	19,500
DEBT SERVICE	18,636	18,526	47,155	19,360	19,500
OTHER EXPENSES	0	0	46,345	0	0
TOTAL APPROPRIATIONS BY TYPE	18,636	18,526	93,500	19,360	19,500

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

623 CD/REHAB

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	55,701	0	0
INVESTMENT EARNINGS	89	78	0	9	0
OTHER REVENUES	2	0	0	0	0
TOTAL REVENUES BY TYPE	91	78	55,701	9	0
PROFESSIONAL & CONTRACTED SVCS	0	0	701	0	0
TRANSFERS	0	0	55,000	55,000	0
TOTAL APPROPRIATIONS BY TYPE	0	0	55,701	55,000	0

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

624 HOME INVESTMENT TRUST FUN

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	-459,766	0	0
INVESTMENT EARNINGS	-1,010	-739	0	-522	0
OPERATING GRANTS	118,201	534,288	2,528,279	494,759	545,877
OTHER REVENUES	32,976	33,736	92,760	150,421	24,563
RECURRING GRANTS	172,083	273,966	0	99,682	0
TRANSFERS	0	0	1,338	1,338	0
TOTAL REVENUES BY TYPE	322,250	841,251	2,162,611	745,677	570,440
BENEFITS	14,690	15,165	13,331	13,141	14,302
EQUIPMENT & CAPITAL OUTLAY	0	0	83,044	0	0
INSURANCE	0	0	275	0	0
OPERATIONAL SUPPORT	5,836	6,041	28,829	9,776	8,409
OTHER EXPENSES	240,844	267,784	586,358	315,813	255,936
PROFESSIONAL & CONTRACTED SVCS	83,233	491,737	1,390,087	307,474	235,743
SALARIES & WAGES	55,191	53,173	51,992	51,941	53,550
TRANSFERS	0	26	1,145	1,145	0
TRAVEL & TRAINING	1,201	977	3,105	2,297	2,500
UTILITIES & LEASES	0	0	4,445	0	0
TOTAL APPROPRIATIONS BY TYPE	400,995	834,902	2,162,611	701,586	570,440

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

626 108 LOAN-ECONOMIC DEVELOP

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	500,786	0	0
INVESTMENT EARNINGS	727	1,005	0	402	0
TRANSFERS	0	302,511	0	0	0
TOTAL REVENUES BY TYPE	727	303,516	500,786	402	0
CAPITAL OUTLAY	97,504	16,450	0	0	0
DEBT SERVICE	0	0	477,359	521,000	0
PROFESSIONAL & CONTRACTED SVCS	5,567	2,570	0	0	0
TRANSFERS	0	0	23,427	23,427	0
TOTAL APPROPRIATIONS BY TYPE	103,071	19,020	500,786	544,427	0

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

628 OCCUPANCY TAX

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
OTHER REVENUES	462,765	474,255	475,000	567,496	484,500
TOTAL REVENUES BY TYPE	462,765	474,255	475,000	567,496	484,500
OTHER EXPENSES	462,765	474,255	475,000	514,553	484,500
TOTAL APPROPRIATIONS BY TYPE	462,765	474,255	475,000	514,553	484,500

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

629 DOWNTOWN MUNICIPAL SVCS DIS

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
AD VALOREM TAXES	118,036	122,661	120,023	122,424	120,456
APPROPRIATED FUND BALANCE	0	0	90,292	0	9,669
FEES	1,760	2,460	960	2,570	1,560
INVESTMENT EARNINGS	250	199	0	157	0
OTHER REVENUES	20	139	0	94	0
TOTAL REVENUES BY TYPE	120,067	125,459	211,275	125,245	131,685
MAINTENANCE	446	1,998	4,275	0	3,983
OPERATIONAL SUPPORT	2,388	2,706	4,500	1,405	4,500
OTHER EXPENSES	20,546	23,771	107,775	26,072	22,000
PROFESSIONAL & CONTRACTED SVCS	1,737	29,518	24,725	24,725	22,500
TRANSFERS	60,000	60,000	60,000	60,000	69,000
UTILITIES & LEASES	9,305	8,978	10,000	9,154	9,702
TOTAL APPROPRIATIONS BY TYPE	94,422	126,970	211,275	121,357	131,685

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

687 INFRASTRUCTURE REHABILITAT

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	352,665	0	0
INVESTMENT EARNINGS	313	379	200	740	200
OTHER REVENUES	193,149	148,859	111,420	214,435	111,420
TOTAL REVENUES BY TYPE	193,462	149,238	464,285	215,176	111,620
CAPITAL OUTLAY	293	0	0	0	0
EQUIPMENT & CAPITAL OUTLAY	0	0	3,831	0	0
MAINTENANCE	0	9,772	27,995	23,492	4,000
OPERATIONAL SUPPORT	0	893	876	0	928
OTHER EXPENSES	0	0	311,528	283	75,400
PROFESSIONAL & CONTRACTED SVCS	0	0	27,000	10,039	0
UTILITIES & LEASES	71,602	38,368	93,055	32,197	31,292
TOTAL APPROPRIATIONS BY TYPE	71,895	49,032	464,285	66,011	111,620

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

775 POLICE MEMORIAL TRUST

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
FEES	226	130	2,000	110	2,000
INVESTMENT EARNINGS	-16	-11	0	-6	0
OTHER REVENUES	92	0	0	0	0
TOTAL REVENUES BY TYPE	302	119	2,000	104	2,000
OTHER PURCHASES FOR RESALE	0	0	2,000	200	2,000
TOTAL APPROPRIATIONS BY TYPE	0	0	2,000	200	2,000

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

868 HEALTH SELF-INSURANCE

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
INVESTMENT EARNINGS	668	1,793	750	1,391	750
OTHER REVENUES	6,429,912	6,386,874	6,380,497	6,208,040	7,650,129
TRANSFERS	500,000	421,734	948,882	948,882	0
TOTAL REVENUES BY TYPE	6,930,581	6,810,402	7,330,129	7,158,313	7,650,879
OPERATIONAL SUPPORT	6,207,554	6,060,363	6,409,079	5,536,966	6,772,879
OTHER EXPENSES	729,981	520,787	761,750	553,501	700,000
PROFESSIONAL & CONTRACTED SVCS	171,281	162,225	159,300	152,310	178,000
TOTAL APPROPRIATIONS BY TYPE	7,108,816	6,743,374	7,330,129	6,242,777	7,650,879

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

870 DENTAL SELF-INSURANCE

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
INVESTMENT EARNINGS	34	127	0	202	0
OTHER REVENUES	324,867	317,419	340,000	311,766	340,000
TOTAL REVENUES BY TYPE	324,901	317,546	340,000	311,968	340,000
OPERATIONAL SUPPORT	342,265	327,566	340,000	325,892	340,000
TOTAL APPROPRIATIONS BY TYPE	342,265	327,566	340,000	325,892	340,000

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

880 VEH/EQUIP R&R PROGRAM

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	2,245,292	0	-15,572
INVESTMENT EARNINGS	-4,789	-3,047	0	255	0
OTHER REVENUES	4,444,505	5,514,758	5,348,280	5,559,701	5,880,649
TRANSFERS	5,816	0	0	0	0
TOTAL REVENUES BY TYPE	4,445,532	5,511,711	7,593,572	5,559,956	5,865,077
CAPITAL OUTLAY	126,755	100,057	0	0	0
DEBT SERVICE	2,629,888	2,191,385	2,437,509	2,437,509	2,664,819
EQUIPMENT & CAPITAL OUTLAY	2,586,480	1,655,913	4,372,573	3,085,725	2,758,208
MAINTENANCE	899	0	17,800	0	0
OPERATIONAL SUPPORT	184,971	178,118	452,566	384,907	435,800
OTHER EXPENSES	0	0	239,427	0	0
PROFESSIONAL & CONTRACTED SVCS	44,577	141,961	73,697	70,247	6,250
TOTAL APPROPRIATIONS BY TYPE	5,573,569	4,267,434	7,593,572	5,978,388	5,865,077

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

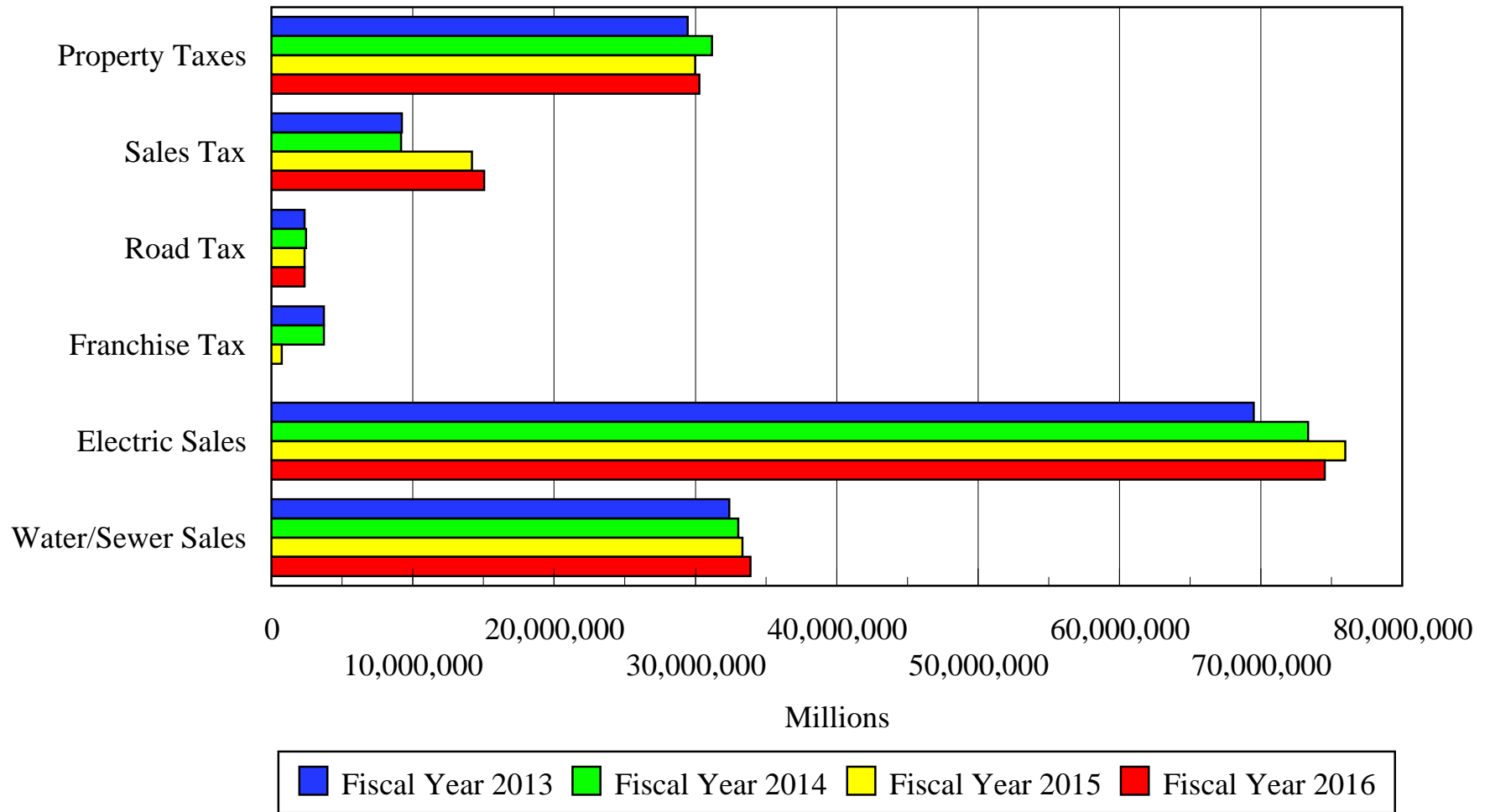
881 TECH INTERNAL SVCS FUND

	2012 - 2013 ACTUALS	2013 - 2014 ACTUALS	2015 BUDGET	YTD	2015 - 2016 COUNCIL
APPROPRIATED FUND BALANCE	0	0	420,812	0	0
FEES	177,448	177,400	4,610,534	4,610,534	4,636,381
INVESTMENT EARNINGS	809	644	800	539	600
OTHER REVENUES	579,295	578,424	1,723,057	1,067,181	1,599,965
TOTAL REVENUES BY TYPE	757,551	756,468	6,755,203	5,678,255	6,236,946
BENEFITS	187,273	190,645	660,478	636,274	693,488
EQUIPMENT & CAPITAL OUTLAY	23,826	30,309	104,008	71,215	9,600
MAINTENANCE	63,164	49,371	140,486	73,790	133,768
OPERATIONAL SUPPORT	-1,015,244	-953,093	682,143	620,104	674,966
OTHER EXPENSES	0	0	543,848	69,542	216,240
OVERTIME	17,237	15,786	40,800	35,277	36,000
PROFESSIONAL & CONTRACTED SVCS	399,626	515,068	1,633,457	1,240,202	1,439,012
SALARIES & WAGES	652,683	649,538	2,275,552	2,227,028	2,361,001
TRANSFERS	5,974	260	36,627	36,627	0
TRAVEL & TRAINING	35,914	24,928	111,212	72,212	98,627
UTILITIES & LEASES	364,928	352,574	526,592	519,109	574,244
TOTAL APPROPRIATIONS BY TYPE	735,382	875,385	6,755,203	5,601,380	6,236,946

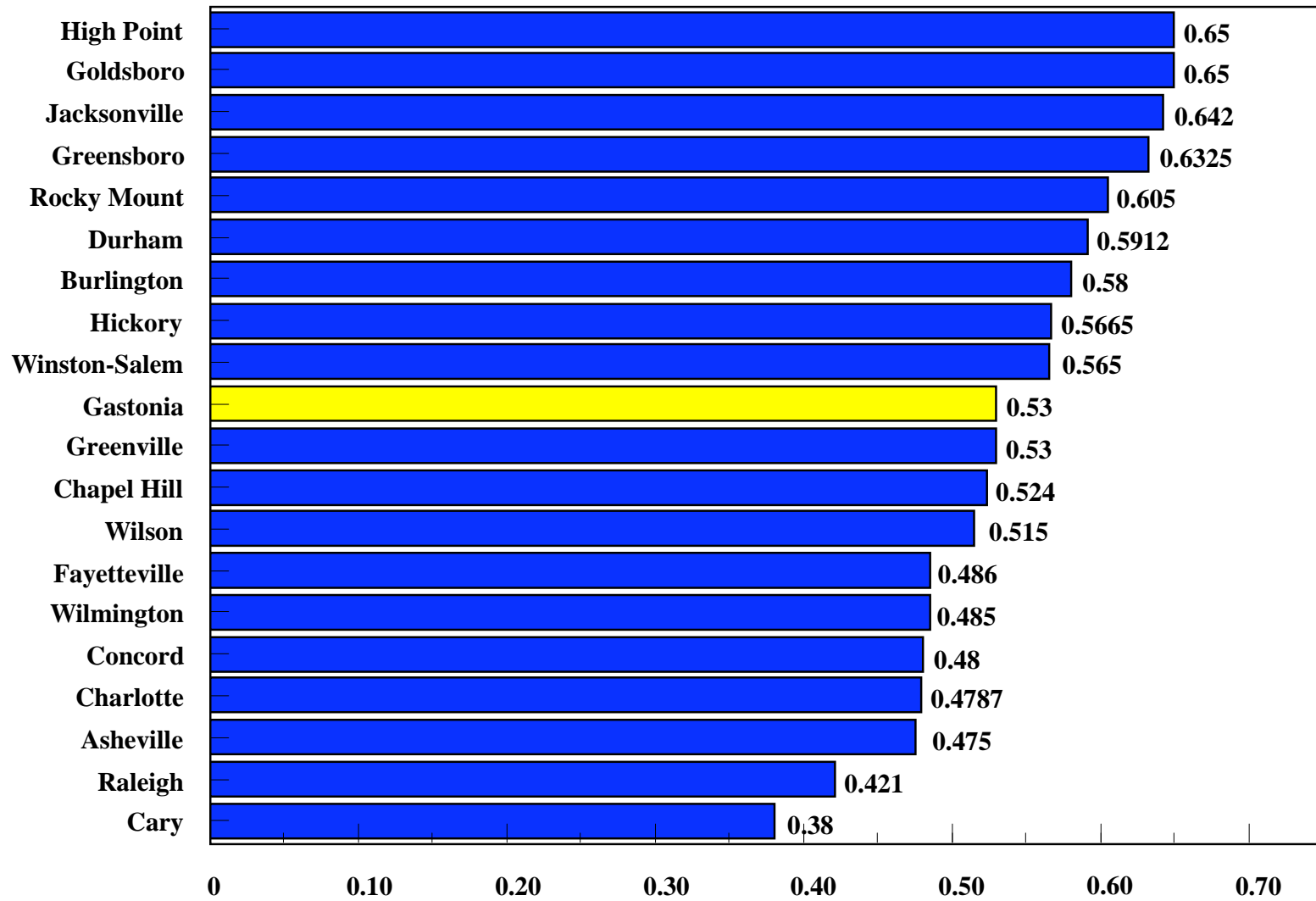


COMPARISON OF MAJOR REVENUES

FY13 Actual - FY14 Actual - FY15 Budget - FY16 Adopted



Comparison of Ad Valorem Tax Rates
Twenty Largest Cities in North Carolina
Fiscal Year 2016 Adopted Levies



CITY OF GASTONIA COMPARISON OF BUDGETED TAX LEVIES

<u>Adopted Budget FY 2014-2015</u>			<u>Adopted Budget FY 2015-2016</u>				Projected 2015-2016 % Increase (Decrease)
Regular Levy	Tax Values	Tax Levies	Projected Collections	Tax Value Summary Report for RP 3-11-2015 less 1.5% for appeals and TR2 Values for personal property as of - 1-2-15	Tax Levies	Projected Collections	
Real Property	4,262,079,809	22,589,023	22,159,832	4,181,309,375	22,160,940	21,795,284	-1.65%
Personal Property	495,290,079	2,625,037	2,575,162	526,331,648	2,789,558	2,743,530	6.54%
Utility Certifications	113,014,732	598,978	598,978	116,398,612	616,913	616,913	2.99%
Motor Vehicles- Legacy System	414,706,815	2,197,946	1,821,438	5,578,525	29,566	26,320	
Motor Vehicles- NCVTS	0	0	0	487,695,849	2,584,788	2,300,978	
Grand Total	\$5,285,091,435	\$28,010,985	\$27,155,409	\$5,317,314,009	\$28,181,764	\$27,483,025	

Adopted Budget FY 2015-2016

Real Property value of 4,244,984,137 is from the County Tax Value Summary Report by Property Type as of 3-11-2015 less 1.5% for appeals

Tax values for personal property are from TR2-14 Report dated 1/02/2015 Prior to Revaluation figures

Tax levies based on tax rate .53 per \$100 valuation

New Vehicle Tax Value is based on NCVTS Finance Reports/ average gross levy amount for 2014 calendar year

Projected collections using audited 13/14 collection percentage as of 6/30/2014

Property-98.35%, Utility Certif- 100%, and Motor Vehicles - 89.02%

CITY OF GASTONIA
TAX VALUES, RATES, LEVIES AND COLLECTIONS
(Dollars in Thousands)

Fiscal Year Ended	Real Property	Personal Property	Public Service Companies	Regular Tax Levy	% Collected Sch A-6	Motor Vehicles	Motor Vehicle Tax Levy	% Collected Sch A-6	Total Tax Valuation	Tax Rate	Total Tax Levy	Total Percent Collected Sch A-6
2005	3,296,429	392,600	99,560	20,998	96.72%	380,558	2,055	84.03%	4,169,147	0.5400	23,053	95.59%
2006	3,389,163	477,540	98,925	21,414	97.20%	420,911	2,273	83.67%	4,386,539	0.5400	23,687	95.90%
2007	3,463,484	496,793	103,924	21,950	97.50%	410,628	2,217	80.79%	4,474,829	0.5400	24,167	96.40%
2008	3,945,878	485,315	110,132	24,110	97.09%	428,148	2,299	83.50%	4,969,473	0.5300	26,409	95.91%
2009	4,082,384	482,831	116,429	24,813	96.72%	433,571	2,298	84.42%	5,115,215	0.5300	27,111	95.70%
2010	4,135,722	489,271	116,435	25,130	97.02%	402,900	2,135	83.78%	5,144,328	0.5300	27,265	96.01%
2011	4,159,158	470,599	108,636	25,113	97.34%	373,641	1,980	83.43%	5,112,034	0.5300	27,093	96.31%
2012	4,184,015	461,499	120,953	24,786	98.12%	389,889	2,027	82.74%	5,156,356	0.5200	26,813	96.92%
2013	4,213,067	481,162	115,685	25,492	98.10%	419,048	2,220	82.87%	5,228,962	0.5300	27,713	96.87%
2014	4,262,079	495,290	113,014	25,813	98.35%	414,707	2,198	89.02%	5,285,091	0.5300	28,011	97.88%
2015	4,181,309	526,332	116,399	25,567		493,274	2,614		5,317,314	0.5300	28,182	

CITY OF GASTONIA
LEGAL DEBT MARGIN - DIRECT & OVERLAPPING DEBT

June 30, 2015
Unaudited

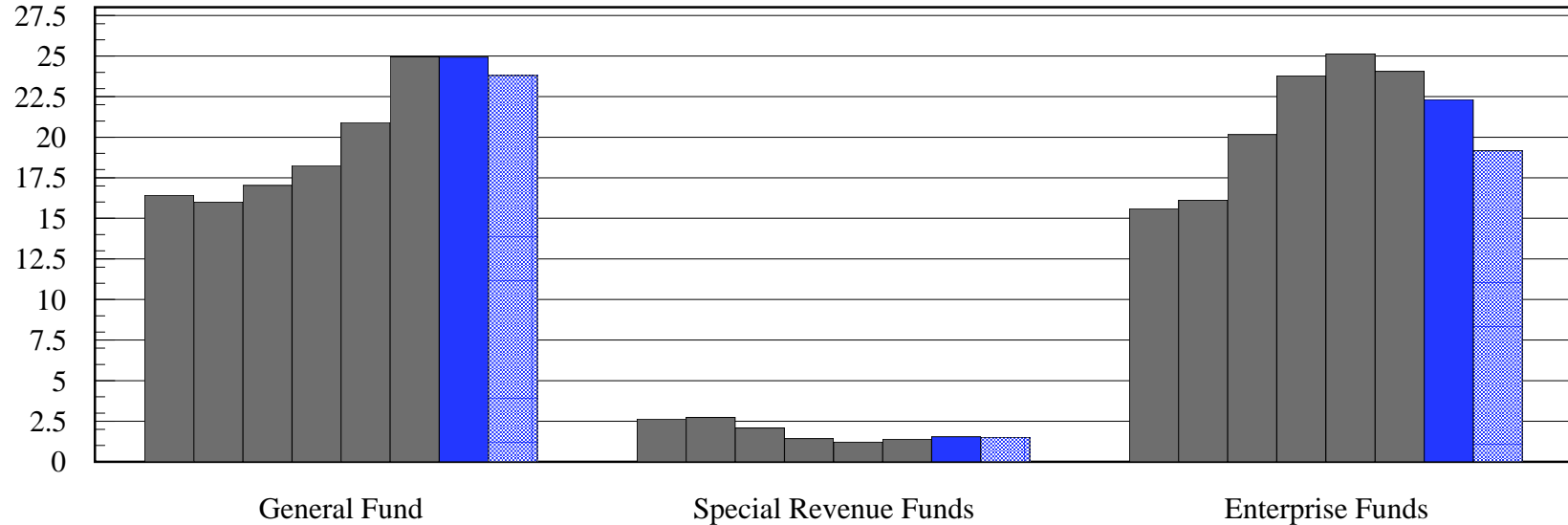
Assessed valuation	
Assessed value - Fiscal Year 2015	\$5,285,091,435
Debt Limit	
Eight percent (8%) of valuation	\$422,807,315
Gross Debt	
Authorized & Outstanding bonded debt	\$64,305,000
Outstanding debt not evidenced by bonds	\$14,182,793
	\$78,487,793
Statutory Deductions	
Bonds and other debt not evidenced by bonds applicable to Enterprise Funds	\$23,310,933
Amount designated for payment of gross debt other than Enterprise Fund debt	\$30,000
	\$23,340,933
Net Debt	\$55,146,860
Legal Debt Limit	\$367,660,455

Year Over Year Fund Balance Comparison

By Accounting Fund Type

Fiscal Years 2008-2016 (estimate)

Millions



	General Fund	Special Revenue Funds	Enterprise Funds
■ 06/30/09	\$16,414,744	\$2,632,656	\$15,598,053
■ 06/30/10	\$16,004,601	\$2,730,234	\$16,117,441
■ 06/30/11	\$17,037,031	\$2,078,711	\$20,168,530
■ 06/30/12	\$18,255,394	\$1,438,580	\$23,790,438
■ 06/30/13	\$20,916,901	\$1,212,204	\$25,135,112
■ 06/30/14	\$24,945,980	\$1,397,443	\$24,054,403
■ 06/30/15 est	\$24,945,000	\$1,546,000	\$22,317,000
■ 06/30/16 est	\$23,800,000	\$1,525,000	\$19,157,000

General Funds: 110, 113, 114, 115, 117, 118, 119, 145, 146, 147, 148, 167, 169, 171, 173, 174, 775, 176

Enterprise Funds: 312, 330, 342, 351, 460, 331, 352, 332, 335, 336, 337

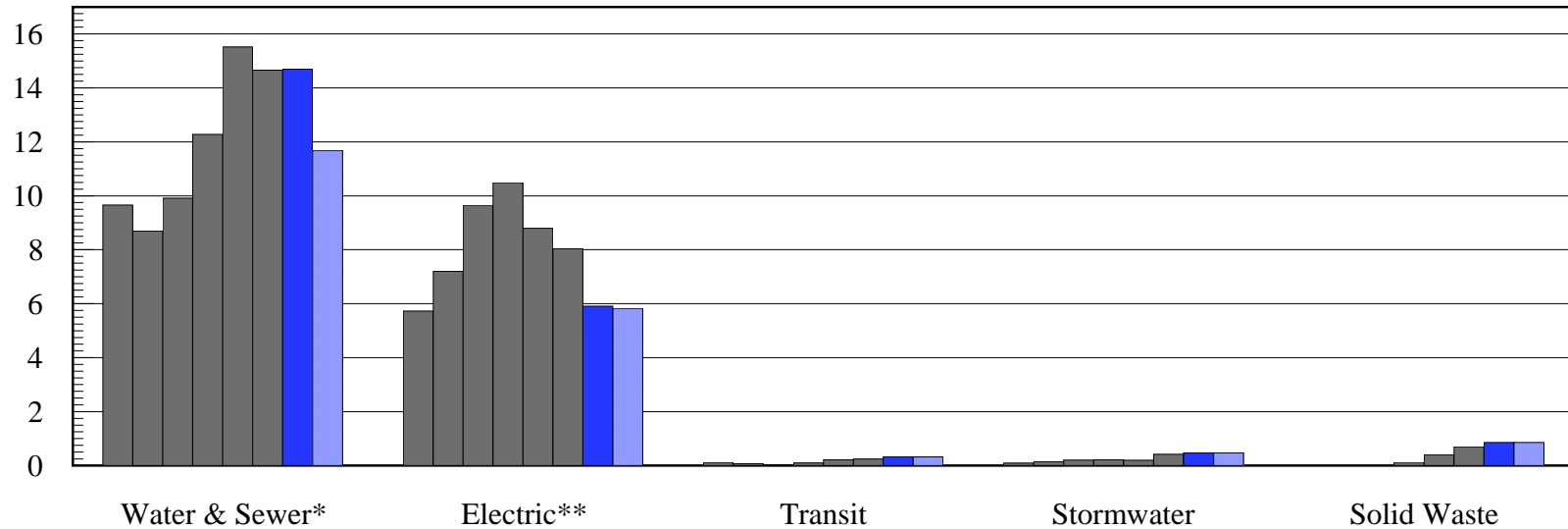
Special Revenue Funds: 611, 621, 622, 623, 624, 625, 626, 627, 628, 629, 687

Year Over Year Fund Balance Comparison

Enterprise Funds

Fiscal Years 2008-2016 (estimate)

Millions

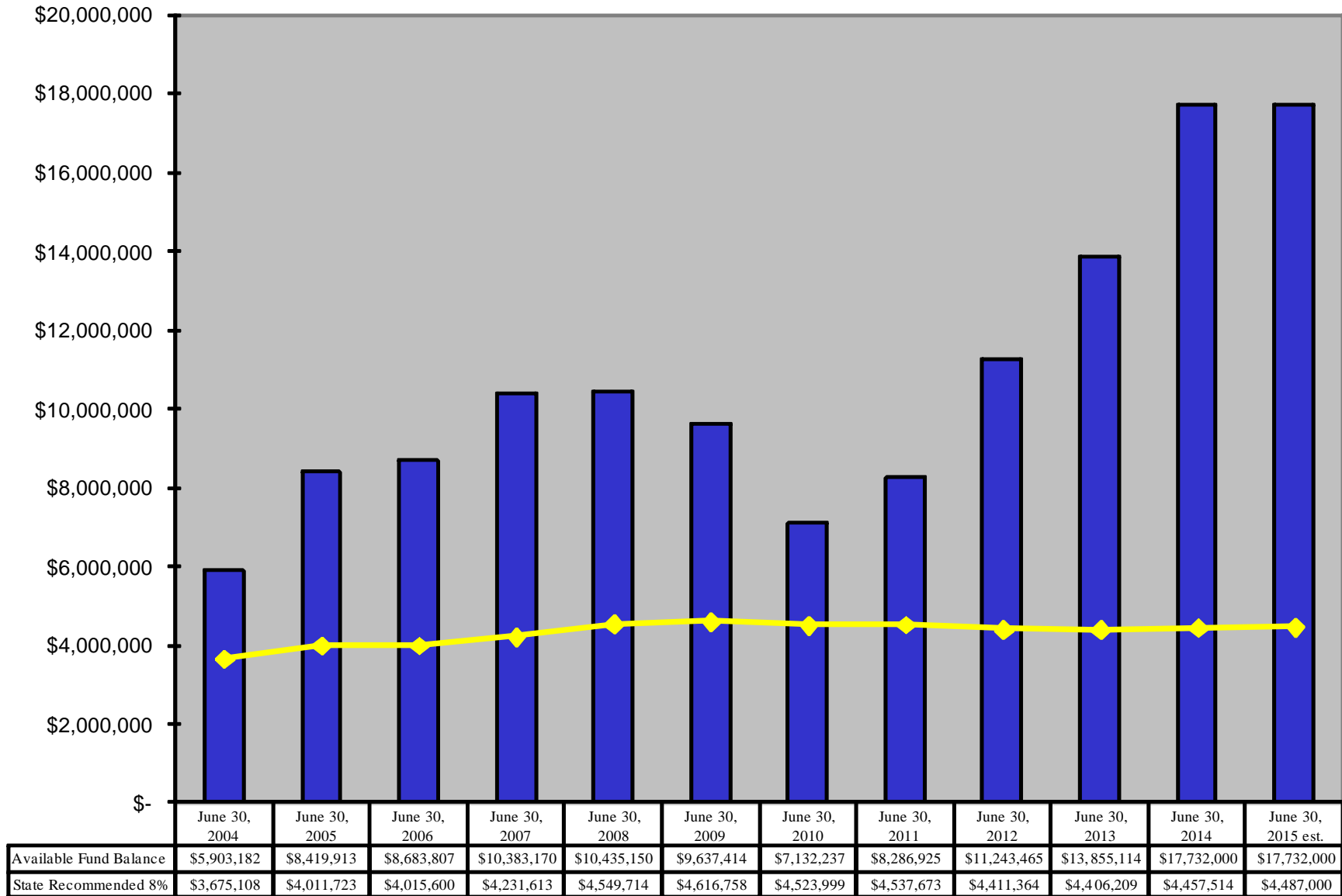


	Water & Sewer*	Electric**	Transit	Stormwater	Solid Waste
■ 06/30/09	\$9,657,478	\$5,727,729	\$114,036	\$98,810	\$0
■ 06/30/10	\$8,699,118	\$7,205,663	\$64,208	\$148,452	\$0
■ 06/30/11	\$9,916,226	\$9,651,513	\$23,142	\$203,889	\$0
■ 06/30/12	\$12,279,351	\$10,489,808	\$99,772	\$210,108	\$118,635
■ 06/30/13	\$15,519,628	\$8,799,151	\$211,508	\$199,170	\$405,655
■ 06/30/14	\$14,655,913	\$8,036,668	\$249,689	\$418,591	\$693,542
■ 06/30/15 est	\$14,700,000	\$5,910,000	\$320,000	\$468,000	\$859,000
■ 06/30/16 est	\$11,680,000	\$5,830,000	\$320,000	\$468,000	\$859,000

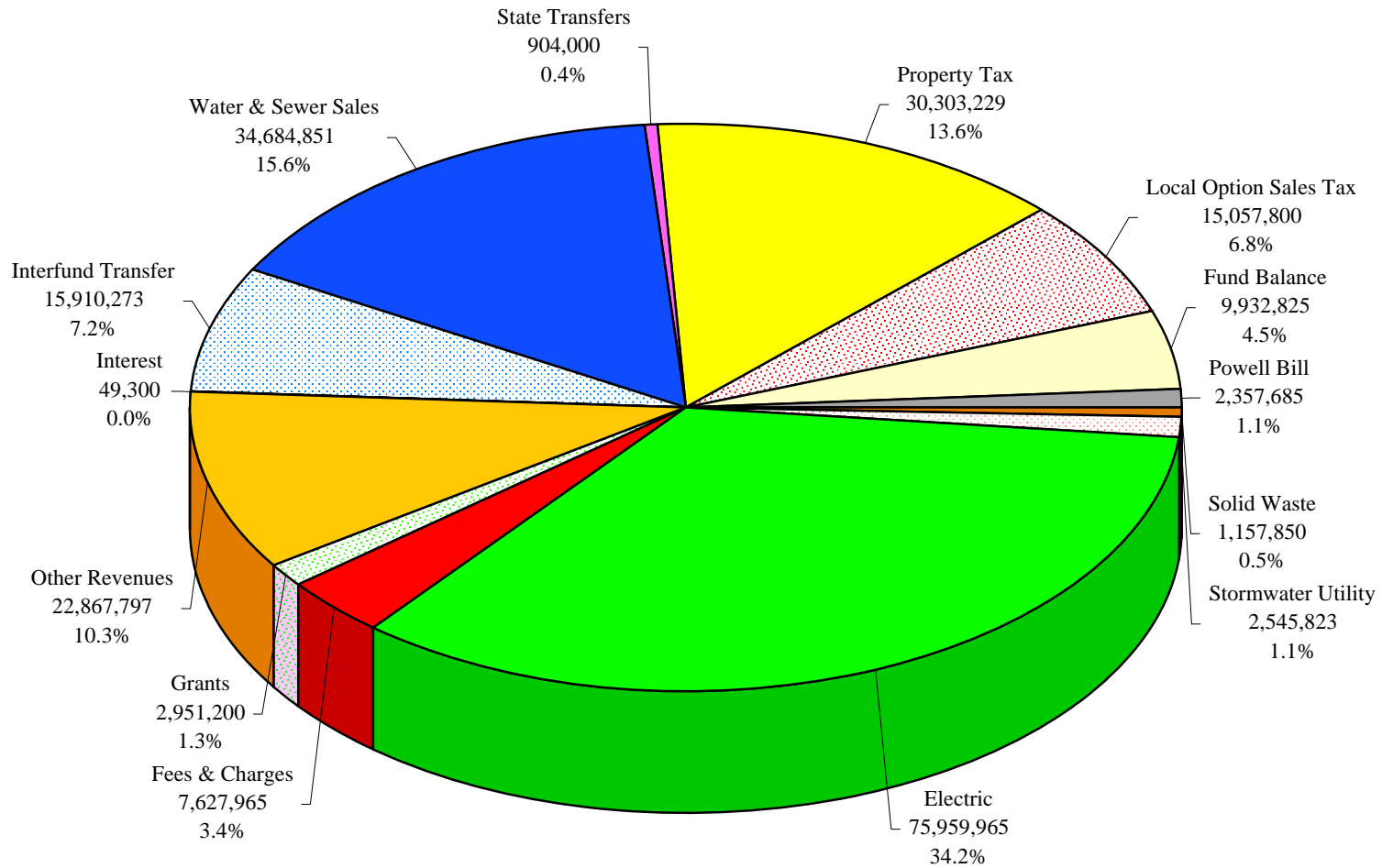
* Includes Funds 351 Water & Sewer Renewal & Replacement Funds, Fund 342 W/S Expansion Fund, and Fund 312 Water & Sewer Stimulus Grant Fund .

** Includes Funds 352 Electric Renewal & Replacement Funds and Fund 337 Power Agreement Settlement Fund

HISTORICAL TREND OF GENERAL FUND AVAILABLE FUND BALANCE



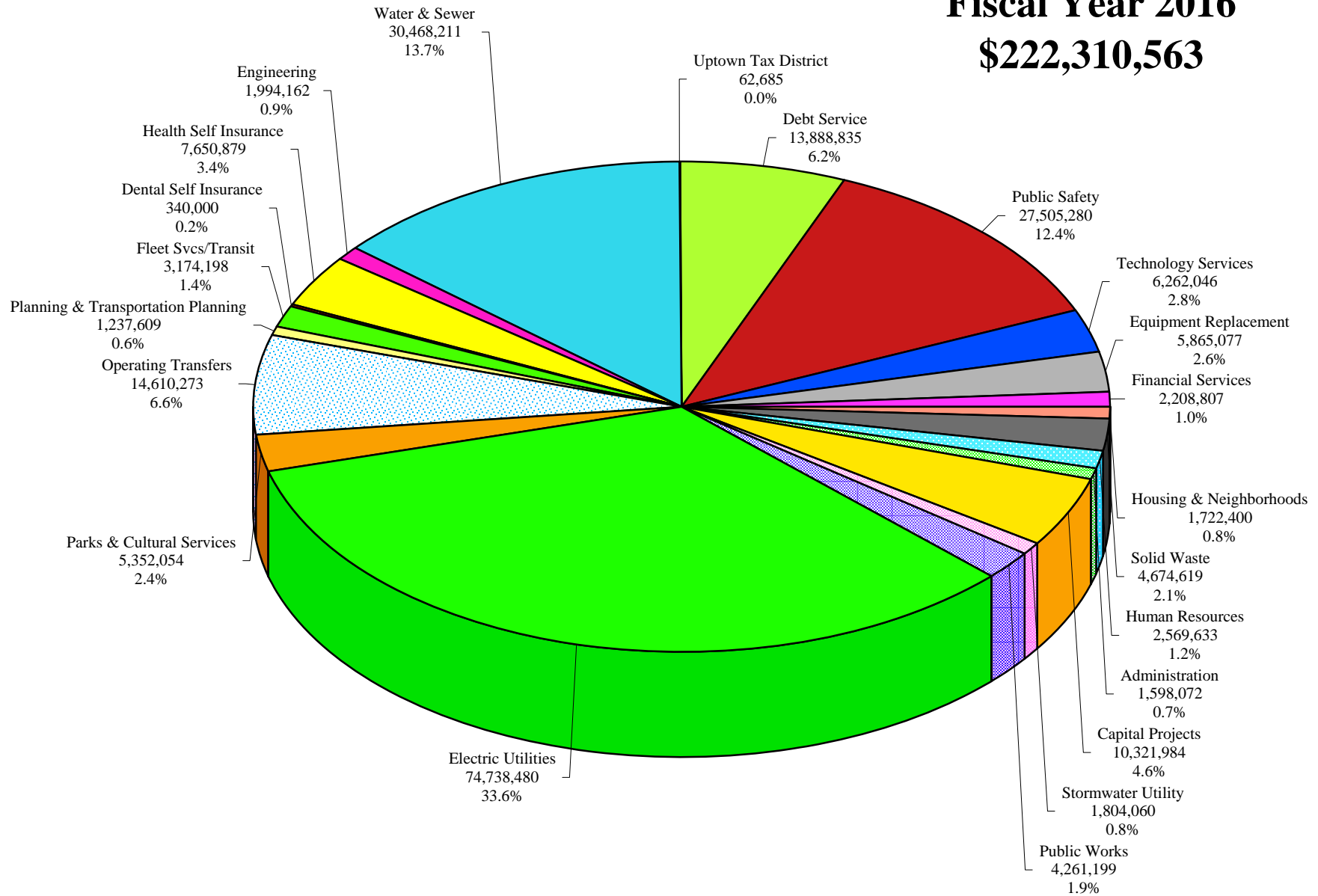
Annual Budget Revenues Fiscal Year 2016 \$222,310,563



Annual Budget Expenditures

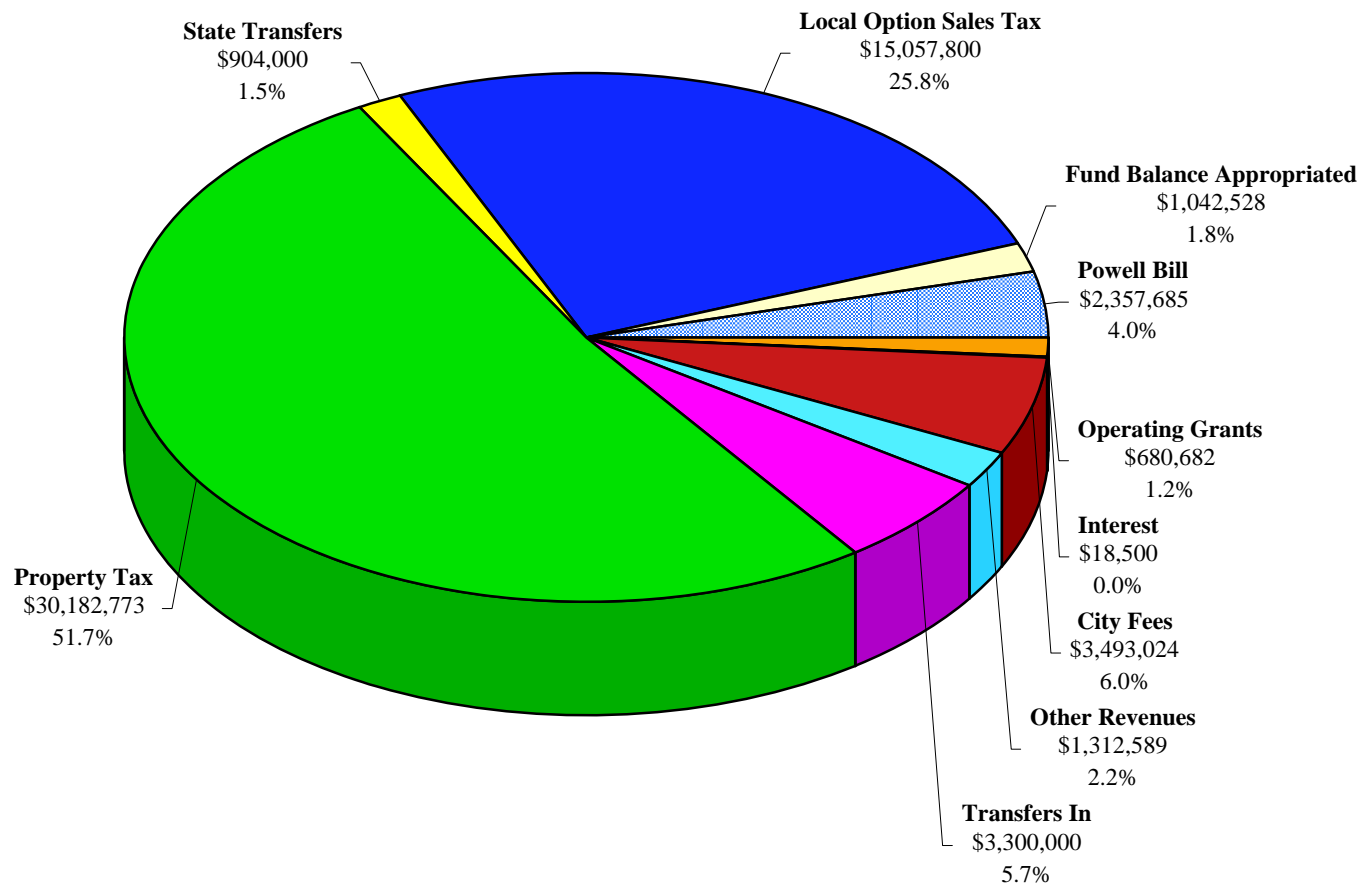
Fiscal Year 2016

\$222,310,563



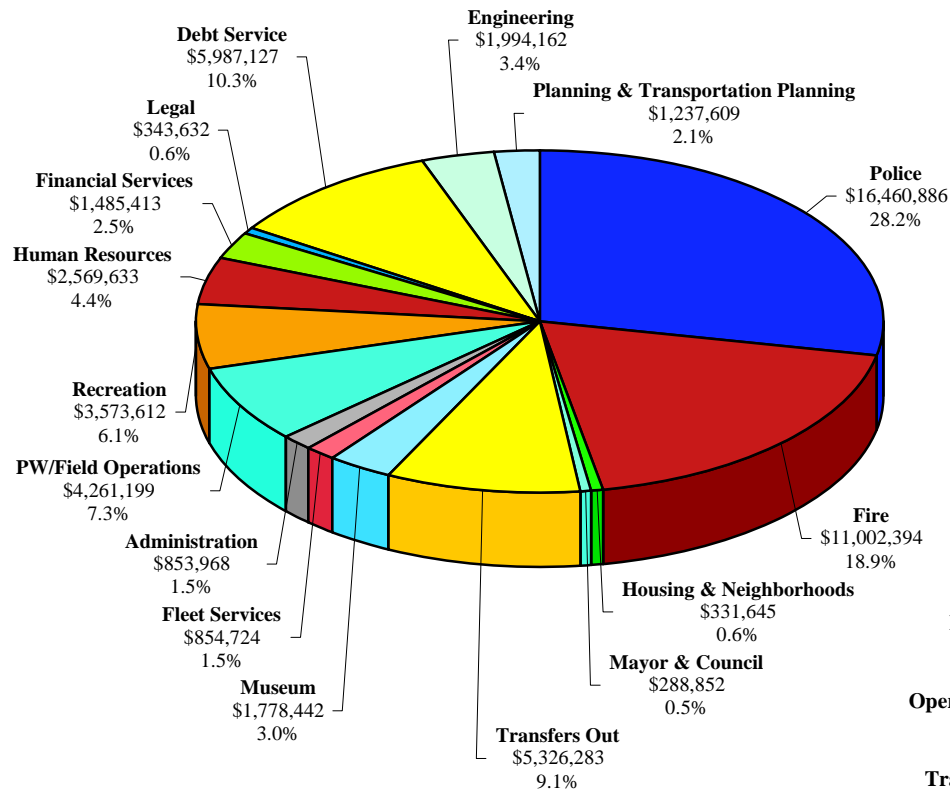
General Fund Fiscal Year 2016 \$58,349,581

Revenues

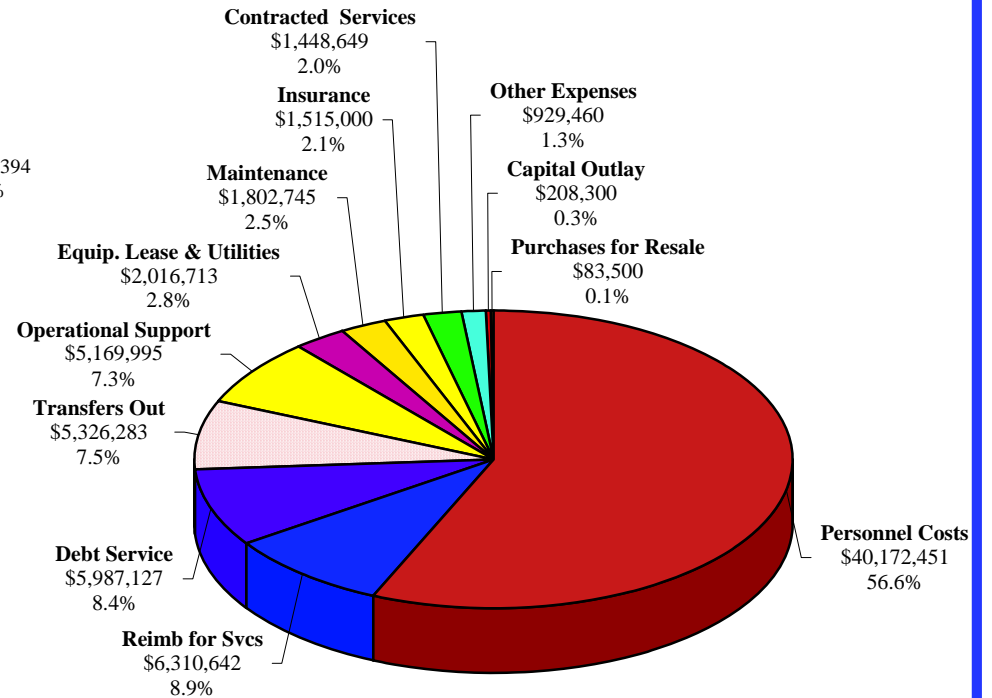


General Fund Fiscal Year 2016 \$58,349,581

Expenditures by Function

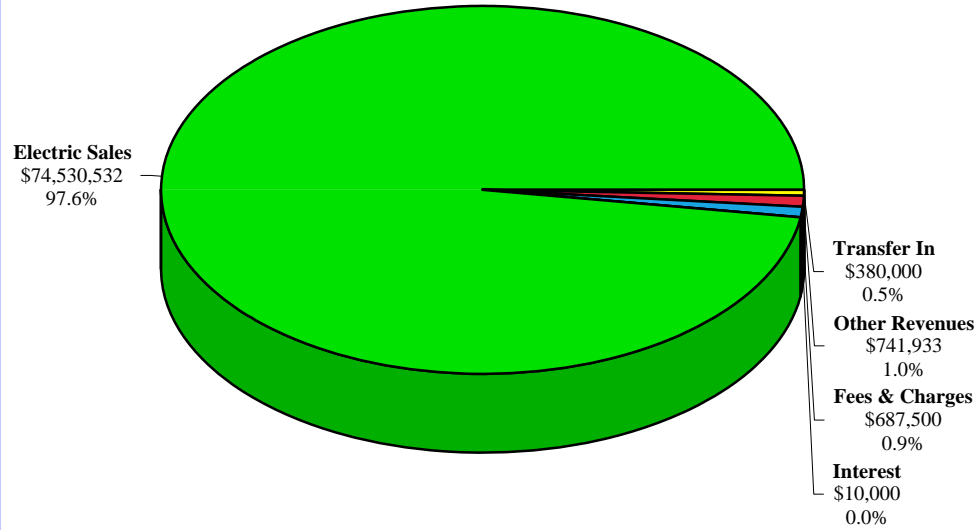


Expenditures by Category

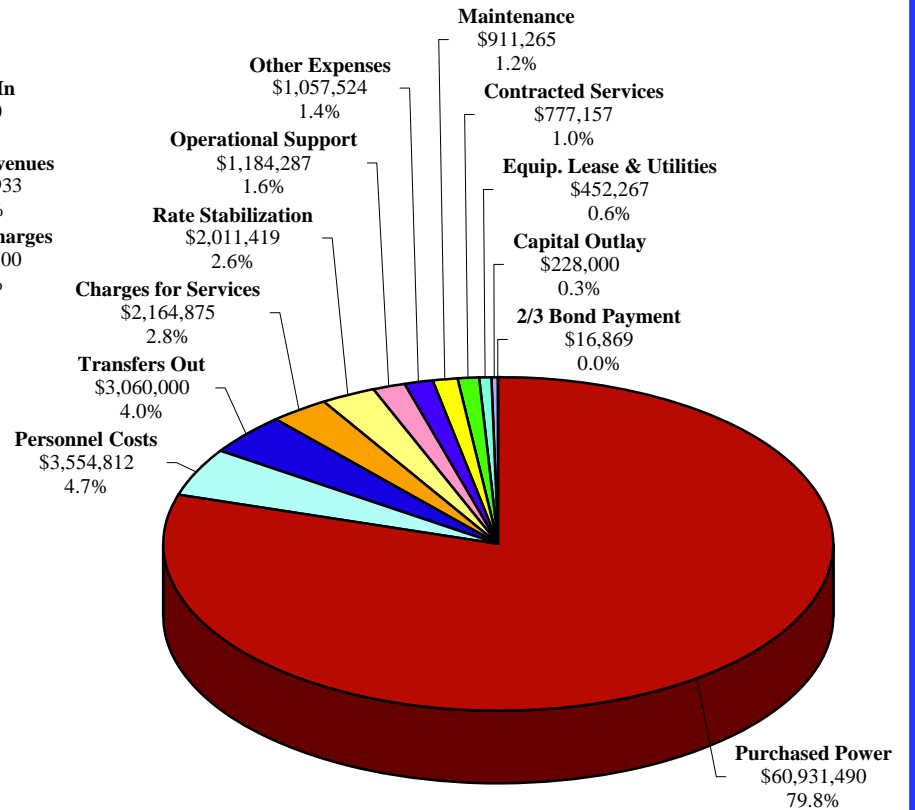


Electric Fund Fiscal Year 2016 \$76,349,965

Revenues



Expenditures

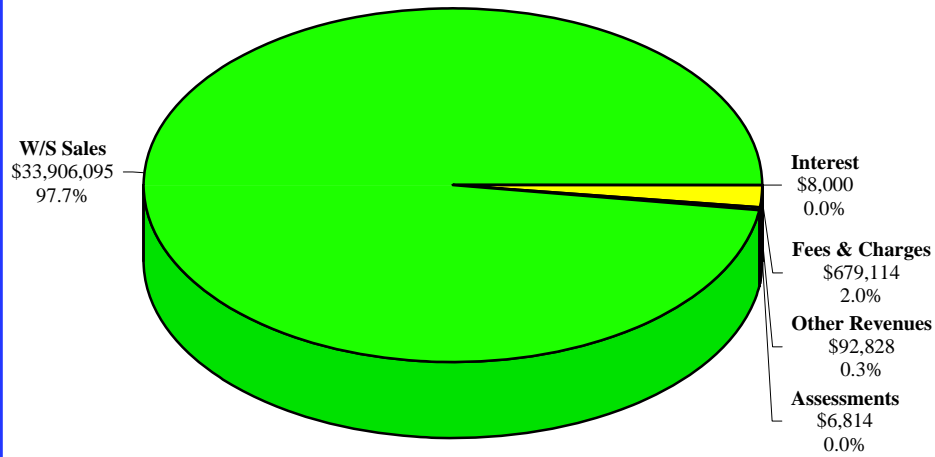


Water & Sewer Fund

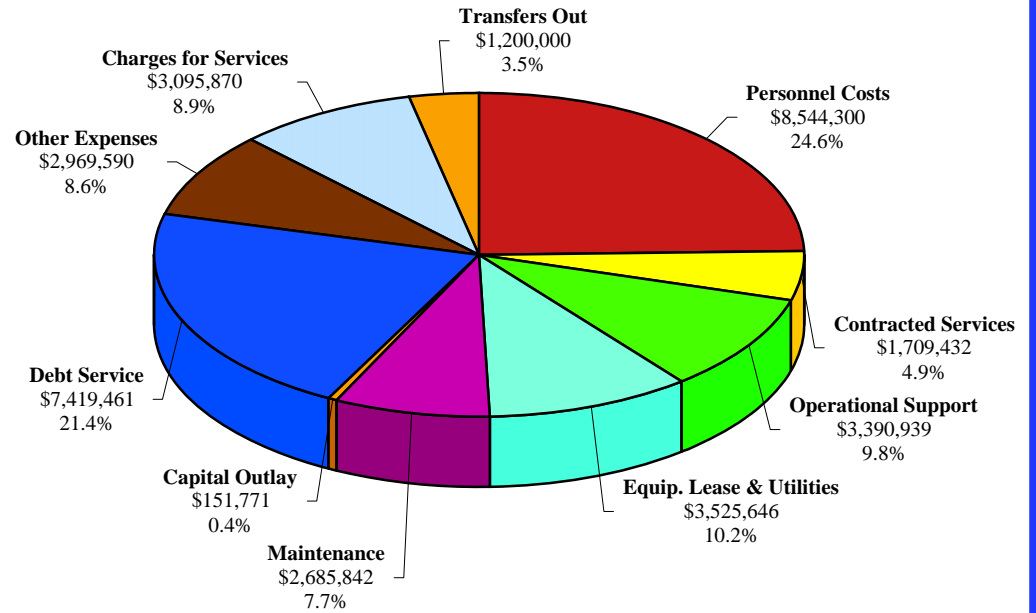
Fiscal Year 2016

\$34,692,851

Revenues



Expenditures



MAJOR REVENUE SOURCE ANALYSIS

The following analysis includes a breakdown of major revenue sources for the various operating funds. Actual revenue figures are used for Fiscal Years 2007 through 2014. The Fiscal Year 2015 numbers are budgeted amounts. The Fiscal Year 2016 estimates are determined by the operating departments' best estimates on receipts for the upcoming fiscal year.

GENERAL FUND

TAX BASE

Property tax valuations have shown an increase from Fiscal Year 2007 to the present. After 1988, the State Legislature removed property and business inventories from the taxable base but with revaluation and economic development, we have maintained some growth each year until now.

2006-07	4,430,646,140
2007-08	4,969,472,571
2008-09	5,089,893,878
2009-10	5,145,529,270
2010-11	5,144,327,985
2011-12	5,112,034,174
2012-13	5,156,355,933
2013-14	5,228,962,017
2014-15	5,285,091,435
2015-16	5,317,314,009

AD VALOREM TAX

Budgeted net property tax estimates of \$27,483,025 for Fiscal Year 2016 are based on \$5.317 billion estimated valuation, 53¢ per \$100 valuation tax rate and a 98.35% collection rate.

Major Revenue Sources - General Fund, continued

UTILITIES FRANCHISE TAX

In North Carolina, a 6% franchise tax was levied on utility gross sales. After collection, the State would keep 50% and distribute the remaining 50% to the governmental units located in the area producing the utility sales. As of July 1, 2014 this tax was repealed by the State. The FY 2014-15 amount is the 4th quarter distribution for FY 2014 ending 6/30/2014, therefore it is actual dollars received instead of budgeted amount. The estimate for Fiscal Year 2016 is \$0.

2006-07	3,318,899
2007-08	3,394,229
2008-09	3,601,749
2009-10	3,522,544
2010-11	3,634,806
2011-12	3,635,093
2012-13	3,730,758
2013-14	3,738,468
2014-15	899,729

UTILITY SALES TAX (REPLACES UTILITIES FRANCHISE TAX)

This revenue replaces the Utilities Franchise tax which was repealed as of July 1, 2014. The general sales tax rate is applied to the sale of electricity and a percentage of the proceeds are to be returned to cities and towns. The estimate for Fiscal Year 2016 is \$3,700,000.

2014-15	3,700,000
---------	-----------

Major Revenue Sources - General Fund, continued

BEER & WINE TAX

The state levies a number of taxes on alcoholic beverages. A city or county is eligible to share in the beer and wine excise tax revenues if beer or wine may be legally sold within its boundaries. Distribution of the beer and wine tax revenue is based on the population of eligible cities and counties. Growth has been slow and, as in all state allocated revenues, the distribution of these funds is subject to the state's discretion. During 2010, the State withheld approximately two-thirds of our distribution. Our estimate for Gastonia for Fiscal Year 2016 is \$340,000.

2006-07	317,568
2007-08	328,786
2008-09	347,159
2009-10	106,282
2010-11	331,788
2011-12	311,311
2012-13	291,396
2013-14	317,167
2014-15	303,000

ABC NET REVENUES

The ABC revenues are determined by the amount requested from the ABC Board by the City Council. This revenue is usually based on net sales received above the working capital required to operate in that fiscal year. In Fiscal Year 1992-93, the City Council requested all funds set aside for a new ABC store plus the normal request above the working capital amount. In Fiscal Year 1996-97, City Council requested \$650,000 for the Martha Rivers Park Youth Sports Complex and in 2010 the City received a one-time distribution from ABC fund balance of \$300,000. In Fiscal Year 2010-11, the City received a one time distribution of \$420,000 to match a grant for 800 Mhz radios for Public Safety. In Fiscal Year 2016, the City is expecting \$400,000.

2006-07	608,000
2007-08	532,000
2008-09	460,000
2009-10	700,000
2010-11	820,000

Major Revenue Sources - General Fund – ABC Net Revenues, continued

2011-12	400,000
2012-13	650,000
2013-14	400,000
2014-15	400,000

LOCAL OPTION SALES TAX

The one cent share from the State of the Local Option Sales Tax in Gaston County is distributed on the basis of population as determined by the Gaston County Commissioners. In 1983, 1986 and 2001, Gaston County opted to levy an additional 1/2 cent sales tax as allowed by law. Each are collected by the State and distributed based on the population method statewide. After Fiscal Year 2004, Gaston County opted to use the Ad Valorem Tax formula for distribution; but insured that the municipalities in the County will receive the same amount as Fiscal Year 2004. This would not allow any growth of sales tax to municipalities, all growth would go to the County. The County and City renegotiated the agreement and the County's share will decrease 20% per year beginning 2011 with FY 2014 as the last year to be received. During FY 2014 the State expanded the sales tax base to include other items such as admissions to movies and live events, and service contracts for maintenance and repairs. Our General Fund estimate for Fiscal Year 2016 is \$9,591,607.

2006-07	9,988,922
2007-08	9,988,922
2008-09	9,988,923
2009-10	9,728,777
2010-11	9,456,007
2011-12	9,461,249
2012-13	9,245,172
2013-14	9,188,630
2014-15	8,750,000

POWELL BILL

One quarter of the Powell Bill revenue distribution is based on mileage of nonstate system streets within the City and three quarters of the distribution is based on the City's population. The revenue is derived from the \$.0175/per gallon portion of state gasoline tax and a 6.5% allocation from the Highway Trust Fund revenues which stems from vehicle registration, title fees and highway use taxes. Our General Fund estimate for Fiscal Year 2016 is \$1,997,685.

2006-07	2,135,382
2007-08	2,411,499
2008-09	2,193,017
2009-10	1,968,971
2010-11	1,908,414
2011-12	1,963,996
2012-13	1,969,111
2013-14	1,997,685
2014-15	1,997,685

TRANSFER FROM ELECTRIC FUND

With the implementation of the City Manager's Transfer Policy in February of 1994, we established a set policy on the allowable transfer from the Electric Fund to supplement the General Fund. In prior years, all profits remaining after operating costs were transferred to the General Fund at year end. The rationale behind this was that this enabled the City to keep the tax rate as low as possible. However, due to a request by the bond rating agencies, and the Local Government Commission, beginning in Fiscal Year 1994-95, the City began to reduce its reliance on electric transfers. The transfer from the Electric Fund to the General Fund should be reduced each Fiscal Year until a level equating to 3% of gross fixed assets is attained. This mark is reflective of Council's April 1997 change to the Electric Transfer Policy from a target of 8% to a maximum of 3%. The total transfer budgeted for Fiscal Year 2016 is \$2,000,000, this should again meet the 3% goal.

2006-07	2,100,000
2007-08	2,100,000
2008-09	2,100,000
2009-10	2,100,000
2010-11	2,000,000

Major Revenue Sources – General Fund – Transfer From Electric Fund, continued

2011-12	2,000,000
2012-13	2,000,000
2013-14	2,000,000
2014-15	2,000,000

APPROPRIATED FUND BALANCE

In past years we have relied heavily on appropriations from the General Fund Balance to balance the budget. The ability to do this was based on the fact that at year end, the General Fund swept all monies remaining in the Electric Fund. It also previously swept large amounts of Water and Sewer Fund Balance for its needs. These practices were discontinued in 1994 and the Enterprise Funds retained their Fund Balance. The Fiscal Year 2016 budget appropriates Available Fund Balance of \$1,042,528.

2006-07	0
2007-08	0
2008-09	0
2009-10	0
2010-11	0
2011-12	0
2012-13	0
2013-14	0
2014-15	3,210,495

WATER AND SEWER FUND

The Water and Sewer Fund is operated as a self-sustaining enterprise fund. After all miscellaneous revenue is recognized, the water and sewer rates are set to balance the revenues to expenses. The growth in this fund would be affected by the economy and, of course, the number of customers coming on the system as a result of economic development. The water and sewer sales estimate for Fiscal Year 2016 is \$33,906,095.

2006-07	26,643,187
2007-08	26,895,014
2008-09	26,253,739
2009-10	26,739,965
2010-11	28,702,254
2011-12	31,586,536
2012-13	32,397,147
2013-14	33,039,812
2014-15	33,341,985

ELECTRIC FUND

CUSTOMER SALES

The Electric Fund is operated as an enterprise fund with a portion of its profits passed to the General Fund each year. Our sales forecast takes into consideration customer growth, business activity and peak requirements due to weather conditions. The rates are set by the City Council taking into account the total expenditures necessary to operate, pay debt service, make capital improvements and cover the cost of wholesale power purchases. The sales estimate for Fiscal Year 2016 is \$74,530,532

2006-07	55,457,557
2007-08	61,210,773
2008-09	62,239,810
2009-10	64,084,219
2010-11	69,628,458
2011-12	68,506,783

Major Revenue Sources – Electric Fund – Customer Sales, continued

2012-13	69,503,488
2013-14	73,359,718
2014-15	75,987,575

TRANSIT SYSTEM FUND

USER FEES, FEDERAL AND STATE GRANTS

The City operates a mass transit system. While this fund does raise revenues through user fees and advertising, most of the revenue is received through Federal and State Grants and from Transfers from the General Fund. The Transit System operates at a loss to the City, but continues to provide a vital service to the citizens of Gastonia. Our estimate for Fiscal Year 2016 for user fees is \$220,500 and for grant funds is \$1,410,627.

	<u>User Fees</u>	<u>Federal/State Grants</u>
2006-07	180,338	1,189,055
2007-08	194,307	1,327,680
2008-09	185,822	1,487,117
2009-10	186,699	1,341,804
2010-11	194,167	1,351,441
2011-12	214,576	1,333,951
2012-13	218,520	1,354,317
2013-14	201,127	1,339,953
2014-15	222,700	1,618,612

BONDED DEBT OBLIGATIONS

The City of Gastonia’s primary focus in debt management is to keep the amount of indebtedness at a level whereby available resources can carry the debt and to keep the debt within the legal debt limitations established by the State of North Carolina Department of State Treasurer while maintaining a minimum cost to the taxpayer.

The Fiscal Year 2016 Budget provides \$13,846,667 for debt service as follows:

Water and Sewer Fund	\$4,577,239
Water and Sewer Stimulus Fund	\$ 3,977
Electric Fund	\$ 16,869 (2008 2/3rds GOBs)
General Fund	\$3,709,055 (Streets)
General Fund	\$ 334,750 (Recreation)
General Fund	\$ 65,288 (Museum)
General Fund	\$ 652,800 (Police)
General Fund	\$ 700,290 (Fire)
General Fund	\$ 289,002 (Garland Center)
General Fund	\$ 225,642 (2008 2/3rds GOBs)
Webb Theater – Nick’s Fund	\$ 33,000 (108 and EDI Loan)
Conference Ctr Operations Fund	\$ 422,401 (2010 LOBs)
Community Development Funds	\$ 171,535 (108 Loans)
Vehicle/Equipment Replacement	\$2,644,819 (short-term installment financing)

LEGAL DEBT LIMIT

In accordance with the provisions of the State Constitution and The Local Government Bond Act, as amended, the City had the statutory capacity to incur additional net debt, excluding debt for water, electric and gas purposes, in the approximate amount of \$367,660,455 as of the end of June, 2015. For purposes of continued review, the distinction should be made about the three types of bonded debt the City carries. First, we have General Obligation (GO) Bonds which are backed by the “full faith and credit” of the City. The General Assembly has pledged the power and obligation of the City to levy taxes and raise other revenues for the prompt payment of installments of principal and interest or for the maintenance of sinking funds. This authority is unrestricted as to rate and/or amount. In North Carolina, no bonds may be issued without the approval of the Department of State Treasurer, Local Government Commission. A sworn statement of debt must also be filed attesting that net debt will not exceed 8% of the appraised value of the property subject to taxation by the governing unit. The

exceptions to this limitation are the refunding of existing bonds, the continued funding of existing authorized debt, bonds issued for water, gas or electric power purposes, or two or more of such purposes, certain sanitary sewer, sewage disposal or sewage purification plant bonds, or bonds issued for erosion control purposes or bonds issued for the purposes of erecting jetties or other protective works to prevent encroachment by certain bodies of water. The following charts will summarize the City's outstanding General Obligation debt as well as the outstanding debt ratios.

Outstanding General Obligation Debt

G.O. Bonds	June 30, 2013	June 30, 2014	June 30, 2015
Street Bonds	27,365,000	27,365,000	27,365,000
Other Bonds	4,605,000	3,485,000	2,135,000
Refunding	5,081,000	3,762,000	2,600,000

Debt Ratios

June 30	Total GO Debt	Assessed Valuation	Debt to Assessed Value	Population	Debt Per Capita
2005	\$31,000,000	\$4,269,147,783	0.73%	68,518	\$452.44
2006	\$26,215,000	\$4,386,539,796	0.59%	68,809	\$380.98
2007	\$21,735,000	\$4,474,829,000	0.49%	72,779	\$298.64
2008	\$20,395,000	\$4,969,473,571	0.40%	71,349	\$285.29
2009	\$17,265,000	\$5,145,529,270	0.34%	72,848	\$237.00
2010	\$14,070,000	\$5,144,327,985	0.27%	74,518	\$188.81
2011	\$40,480,000	\$5,112,034,174	0.79%	71,741	\$564.25
2012	\$38,749,000	\$5,156,355,933	0.75%	71,741	\$540.12
2013	\$37,051,000	\$5,228,962,017	0.71%	72,173	\$513.36
2014	\$34,612,000	\$5,285,091,435	0.65%	72,507	\$477.36
2015	\$32,100,000	\$5,317,314,009	0.60%	72,947	\$440.05

The second type of bonded debt carried by the City are Revenue Bond Issues. These are Combined Utility Water and Sewer Revenue Issues in the original issue amounts of 2009 refunded \$19,605,000, 2011 refunded \$4,318,000 and 2013 refunded \$5,895,000 with projected June 30, 2015 outstanding balances of \$10,280,000, \$3,085,000 and \$5,760,000. The major difference between the Revenue issues and General Obligation issues is that the “full faith and credit” of the City is not pledged for the repayment of the bonds. This debt is payable solely through revenues raised by the City’s water and sewer utility systems. The revenues of the enterprise are required by statute to be applied with the following priority: (1) to pay the operating, maintenance and capital expenses of the utility, (2) to pay when due the interest on and principal of outstanding bonds issued for capital projects that are or were part of the utility, and (3) for any other lawful purpose. As with General Obligation bonds, the issue of revenue bonds requires the approval of the North Carolina Department of State Treasurer, Local Government Commission.

On the City’s existing revenue issue, a minimum parity debt coverage ratio of 1.2 must be maintained. This means the net utility operating revenues must exceed 120 percent of the maximum annual parity debt service cost. Each year, any excess after paying current operating, debt service and capital projects is placed in a Capital Expansion and System Development Fund for future use. These cumulative funds will help offset the cost of future system needs and the cost of future expansion to the base structure needed in the instance of annexation.

Lastly, the City incurred a final type of debt during fiscal years 1996, 2002, 2003, 2005 and 2011. These Certificates of Participation (COPS) were issued to build a new police facility for 1996, to build four Fire Stations and purchase equipment for 2002, to renovate the old Gaston County Courthouse to be used as City municipal offices for 2003, to partially refund the 1996 COPS for 2005 and in 2011 to build a Conference Center, an Educational Center at the Museum, Park improvements and refunding of the 2002 issue for fire stations and equipment. The major distinction which needs to be made is that this type of debt does not pledge the “full faith and credit” of the City either, but rather offers the investors the property as security for the certificates and the repayment is subject to annual appropriation. These issues operate similar to a conventional home mortgage whereby the property collateralizes the loan. Debt service on these issues are funded through property tax revenues and monthly chargebacks to operating departments for use of the equipment.

The following charts are the debt payment schedules for the City’s bonded debt. They are presented with the distinctions made between the various types of debt: General Obligation bonded debt, Revenue Issue debt and outstanding Certificates of Participation.

General Obligation Bonds Outstanding

<u>Fiscal Year</u>	<u>Bonds Payable</u>	<u>Interest Payable</u>	<u>Total</u>
2016	\$2,660,000.00	\$1,291,565.00	\$3,951,565.00
2017	\$2,769,000.00	\$1,206,131.00	\$3,975,131.00
2018	\$2,006,000.00	\$1,114,448.00	\$3,120,448.00
2019	\$1,855,000.00	\$1,052,156.00	\$2,907,156.00
2020	\$1,905,000.00	\$991,856.00	\$2,896,856.00
2021	\$1,975,000.00	\$913,906.00	\$2,888,906.00
2022	\$2,045,000.00	\$825,763.00	\$2,870,763.00
2023	\$2,085,000.00	\$743,782.00	\$2,828,782.00
2024	\$1,910,000.00	\$660,894.00	\$2,570,894.00
2025	\$1,910,000.00	\$578,059.00	\$2,488,059.00
2026	\$1,910,000.00	\$492,956.00	\$2,402,956.00
2027	\$1,910,000.00	\$403,399.00	\$2,313,399.00
2028	\$1,910,000.00	\$310,261.00	\$2,220,261.00
2029	\$1,750,000.00	\$217,044.00	\$1,967,044.00
2030	\$1,750,000.00	\$130,226.00	\$1,880,226.00
2031	<u>\$1,750,000.00</u>	<u>\$43,409.00</u>	<u>\$1,793,409.00</u>
	<u>\$32,100,000.00</u>	<u>\$10,975,855.00</u>	<u>\$43,075,855.00</u>

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2016	\$3,951,565.00	\$2,660,000.00	\$1,291,565.00
Maximum Requirement	2017	\$3,975,131.00	\$2,769,000.00	\$1,206,131.00

Combined Water and Sewer Revenue Bonds Outstanding

<u>Fiscal Year</u>	<u>Bonds Payable</u>	<u>Interest Payable</u>	<u>Total</u>
2016	\$2,876,000.00	\$595,564.00	\$3,471,564.00
2017	\$2,956,000.00	\$519,606.00	\$3,475,606.00
2018	\$3,062,000.00	\$411,383.00	\$3,473,383.00
2019	\$3,182,000.00	\$299,117.00	\$3,481,117.00
2020	\$997,000.00	\$182,328.00	\$1,179,328.00
2021	\$1,153,000.00	\$153,124.00	\$1,306,124.00
2022	\$1,177,000.00	\$123,979.00	\$1,300,979.00
2023	\$1,209,000.00	\$94,213.00	\$1,303,213.00
2024	\$1,241,000.00	\$63,628.00	\$1,304,628.00
2025	\$1,272,000.00	\$32,227.00	\$1,304,227.00
	<u>\$19,125,000.00</u>	<u>\$2,475,169.00</u>	<u>\$21,600,169.00</u>

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2016	\$3,471,564.00	\$2,876,000.00	\$595,564.00
Maximum Requirement	2019	\$3,481,117.00	\$3,182,000.00	\$299,117.00

Certificates of Participation Outstanding
Includes Limited Obligation Bonds

<u>Fiscal Year</u>	<u>Bonds Payable</u>	<u>Interest Payable</u>	<u>Total</u>
2016	\$1,796,667.00	\$667,862.00	\$2,464,529.00
2017	\$1,166,667.00	\$609,514.00	\$1,776,181.00
2018	\$1,038,333.00	\$572,621.00	\$1,610,954.00
2019	\$915,000.00	\$542,977.00	\$1,457,977.00
2020	\$925,000.00	\$506,377.00	\$1,431,377.00
2021	\$935,000.00	\$467,873.00	\$1,402,873.00
2022	\$930,000.00	\$427,404.00	\$1,357,404.00
2023	\$520,000.00	\$386,315.00	\$906,315.00
2024	\$535,000.00	\$360,471.00	\$895,471.00
2025	\$550,000.00	\$333,079.00	\$883,079.00
2026	\$565,000.00	\$304,094.00	\$869,094.00
2027	\$585,000.00	\$270,239.00	\$855,239.00
2028	\$600,000.00	\$235,186.00	\$835,186.00
2029	\$620,000.00	\$199,234.00	\$819,234.00
2030	\$645,000.00	\$162,084.00	\$807,084.00
2031	\$665,000.00	\$123,435.00	\$788,435.00
2032	\$685,000.00	\$83,588.00	\$768,588.00
2033	<u>\$710,000.00</u>	<u>\$42,543.00</u>	<u>\$752,543.00</u>
	<u>\$14,386,667.00</u>	<u>\$6,294,896.00</u>	<u>\$20,681,563.00</u>

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2016	\$2,464,529.00	\$1,796,667.00	\$667,862.00
Maximum Requirement	2016	\$2,464,529.00	\$1,796,667.00	\$667,862.00

BUDGET AMENDMENT PROCESS

The budget ordinance as adopted by the City Council may be amended in several ways: (1) line item transfers within a budget appropriation, or transfers between appropriations, (2) transfers between funds and (3) increases or decreases in revenues and/or expenditures. Procedure (1) can be approved by the Budget Administrator if it does not involve salary or travel and is less than \$10,000. The City Manager or his designee will approve transfers more than \$10,000 and using salary or travel sub accounts. A monthly report of Budget Transfers approved by the Budget Administrator shall be submitted to the City Manager. Procedures (2 & 3) can be approved only through City Council action.

Transfers Between Budget Appropriations (Procedure 1) To transfer funds within an appropriation, the requesting department requests a budget transfer number from the Budget Office, then completes a Budget Transfer in the Eden Administrative system, showing the account description, account number to be transferred to and from, the amount to be transferred and a reason for the transfer. Once the department head or their designee approves, the transfer is sent to the Budget Office. The transfer is then reviewed by the Budget Office for compliance with the current policies. The Budget Administrator approves and if required, the transfer is sent to the City Manager for approval. After approval, the request is posted into the general ledger system and the requesting department is emailed a notification that the transfer has been processed. If the transfer is more than \$10,000 and/or utilizes salary or travel line items, it will be forwarded to the City Manager or his designee for approval.

Transfers Between Funds and Fund Appropriation Increases and/or Decreases (Procedures 2 & 3) A budget ordinance amendment which results in either an increase or decrease in a fund's total budget or transfers monies between funds require City Council approval. For example, if revenue is received during the fiscal year that was not included in the original adopted budget, the City Council may appropriate this revenue and budget a corresponding expenditure for a stated purpose. Additionally, the City Council may elect to transfer, contribute to or reimburse one fund from another fund for a stated purpose. In any of these instances an increase in the fund's budget is the result. To process these amendments, the same process is followed as outlined above with the additional step of presentation to the City Council after the City Manager's approval. After Council deliberation, if approved, the Budget Amendment is filed with the City Clerk and returned to the Budget Office to complete the process of updating the general ledger.

ACCOUNTING SYSTEM and BUDGETARY CONTROL

All City funds are accounted for on the modified accrual basis in accordance with North Carolina General Statutes. Under the modified accrual basis, revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period. Expenditures are recognized in the accounting period in which a liability is incurred, if measurable, except for unmatured principal and interest on long-term debt which is recognized when due.

The proprietary funds (enterprise) are converted to the full accrual basis for presentation in the financial statements. Under this basis, revenues are recognized in the accounting period when earned and expenses are recognized in the period when incurred.

The accounts of the City are organized on the basis of funds and account groups. Each fund is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues and expenditures or expenses as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The City operates its various funds under three broad categories and six generic fund types. The two account groups are not funds but are used to establish accountability over the City's general fixed assets and general long-term debt.

Fund Accounting

Governmental Funds

This group of funds are accounting segregations of financial resources. Expendable assets are assigned to various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are to be paid; and the differences between governmental fund assets and liabilities (the fund equity) is referred to as "Fund Balance". The primary measurement focus is "flow of current financial resources". Put in other words, are there more or less resources that can be spent in the near future as a result of transactions of the period. Increases in spendable resources are reported in the operating statement as revenues or other financing sources, and decreases are reported as expenditures or other financing uses.

General Fund The General Fund is the general operating fund of the City. The primary revenue sources are ad valorem taxes, state-shared revenues and transfers from the Enterprise Funds. The primary expenditures are for public safety, streets and highways, parks and recreation, museum and general government services.

Special Revenue Funds The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The City has ten Special Revenue Funds - the Community Development Block Grant Fund, the CD/Affordable Housing Revolving Loan Fund, the CD/Rehabilitation Revolving Loan Fund, the CD/Section 108 Guaranteed Loan Fund, the CD/Community Housing Development Organization Fund, the Occupancy Tax Fund, the Uptown Municipal Services District Tax Fund, the Technology Support Fund, the Solid Waste Disposal Tax Fund and the Infrastructure Rehabilitation Fund.

Capital Project Funds The Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The City has three Capital Projects Funds within the Governmental Fund types.

Proprietary Funds

These funds are sometimes referred to as “income determination,” “nonexpendable,” or “commercial type” funds and are used to account for a government’s on-going organizations and activities which are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government’s business and quasi-business activities, where net income and capital maintenance are measured, are accounted for through proprietary funds. The generally accepted accounting principles here are those applicable to similar businesses in the private sector, and the measurement focus is the economic condition of the fund as a result of the events and transactions of the period. Events and transactions that improve the economic position of a proprietary fund are reported as revenues or gains in the operating statement. Those that diminish the economic position are reported as expenses or losses.

Enterprise Funds Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City of Gastonia has six Enterprise Funds: the Water and Sewer Fund (with accompanying Renewal and Replacement Fund and Capital Expansion and Development Fund), the Electric Fund (with accompanying Renewal and Replacement Fund), the Stormwater Utility Fund, the Solid Waste Management Fund and the Transit System Fund.

Internal Service Funds Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. An Internal Service Fund for Vehicle/Equipment Renewal & Replacement was instituted in Fiscal Year 1995.

In 2005, a Technology Services Internal Service Fund was created and departments are being charged for hardware and internet access and over time will be charged for applications. In 2007 a Health Self-Insurance Internal Service Fund was created and during 2008 a Dental Self-Insurance Internal Service Fund was created.

Fiduciary Funds

These funds account for assets held by the City in a trustee capacity or as an agent for other governmental units and for other funds. Each trust fund is accounted for as either a governmental or a proprietary fund.

Trust and Agency Funds (Expendable) This type of trust fund is one in which the principal and its earnings may be expended in the course of their designated operations. The City created a trust fund for Police Federal and State Asset Forfeiture in Fiscal Year 1995. During Fiscal Year 1998, the City created a trust fund for a Police Memorial.

Account Groups

These represent another accounting entity used to establish accounting control and accountability for the City's general fixed assets and the outstanding principal of its general long-term debt (General Fixed Assets and General Long-Term Debt Account Groups). These records are accounted for in a self-balancing group of accounts because the City's general fixed assets -- all fixed assets except those accounted for in Proprietary Funds or Trust Funds -- are not financial resources available for expenditures, and because the outstanding principal of the general long term debt-long term liabilities not accounted for in the Proprietary Funds or Trust Fund does not require an appropriation or expenditure during the account year.

General Fixed Assets Account Group This group of accounts is established to account for all fixed assets for the City. General fixed assets acquired are recorded as expenditures in the various funds at the time of purchase. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings; such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems, are excluded. No depreciation has been provided on general fixed assets.

General Long-Term Debt Account Group This group of accounts is established to account for all long-term obligations of the City except those which are accounted for in the proprietary funds.

Deposits and Investments

Deposits

All deposits of the City are made in board designated official depositories and collateralized as required by General Statute 159-31. The City may designate as an official depository any bank or savings and loan association whose principal office is located in North Carolina. Also, the City may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

All of the City's deposits are either insured or collateralized by using one of two options. Under Option 1, all deposits over the federal depository insurance coverage are collateralized with securities held by the City's agent in the City's name. Under Option 2, a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name to the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City, these deposits are considered to be held by the City's agent in the City's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using Option 2 report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the City under Option 2, the potential exists for undercollateralization, and the risk may increase in periods of high cash flow. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each Option 2 depository. The City utilizes one official depository which collateralizes public deposits in excess of the allowable federal insurance coverage by the Option 2 method.

Investments

G.S. 159-30 (c) authorizes the City to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and banker's acceptances; and the North Carolina Cash Management Trust, an SEC registered mutual fund. [Investments are stated at market value.] The City pools monies from several funds to facilitate disbursement and investment and maximize investment income. Therefore, all enterprise fund cash and investments are essentially demand deposits and are considered cash and equivalents.

Budgetary Data

Budgetary Control The City's Financial Management System provides for excellent fiscal management. Through utilization of budgetary accounting methods, effective budgetary control and accountability can be maintained. The annual budget is adopted as required by state statute. An annual budget ordinance, which is adopted at the function level, authorizes and provides the basis for the City's financial management plan. The adopted appropriations constitute the maximum expenditure authorization during the fiscal year and can only be amended by action of the City Council. Project ordinances are adopted for capital project funds and are appropriated for the life of the project as well as Community Grant grant funding which is a multi-year funding. The basis for budgeting is a cash basis.

Expenditures may not legally exceed appropriations at the function level for all annually budgeted funds and at the project level for the capital project funds. However, accounting control is exercised at the line item level by encumbering purchase amounts prior to the release of purchase orders to vendors. Purchase orders which would result in an overrun of line item balances are not released until additional appropriations are made available. Open encumbrances are reviewed at year-end, and, if deemed appropriate to carry forward, are treated as commitments, rather than expenditures, and such encumbered funds are appropriated for expenditure in the subsequent fiscal year.

Basis of Budgeting and Budget Structure The City of Gastonia does not distinguish between the Basis of Budgeting and the Basis of Accounting. The principles set forth as the Basis of Accounting are strictly observed in the budgeting process. A fund's Basis of Budgeting and Basis of Accounting determines when a transaction or event is recognized within a fund's operating statement. All funds are maintained on a Modified Accrual Basis in accordance with the North Carolina General Statutes.

RELATIONSHIP BETWEEN OPERATING AND CAPITAL BUDGETS

The total Fiscal Year 2016 budget for the City of Gastonia is \$222,310,563. This incorporates both operating costs as well as funding for capital needs. The operating budget is \$211,988,579 funds cover departmental operating expenses and human resources costs throughout the City. The Capital budget amounts to \$10,321,984 for Fiscal Year 2016 new funding.

Each year as part of the budget preparation process, the City Manager's office, along with the Budget Office and affected departments, propose a five-year capital improvement program for each major capital fund. These projects usually represent expenditures that result in the acquisition, addition, or improvement to physical assets with an extended life greater than 5 years.

The City of Gastonia has several elements of capital expenditures incorporated in its annual budget which are distinguishable from its operating budget. Operating capital items which cost more than \$5,000 (office equipment, furniture, etc.) are included in the individual operating budgets where they were originally requested. All vehicles and large pieces of equipment are being "bought" through the Vehicle/Equipment Renewal & Replacement Fund and "leased" to the operating departments. The major capital expenditures (construction projects) are reported in the Capital Improvements section.

The program, which emerges after a series of coordination and planning sessions with the City Manager, is basically a planning tool for management and the City Council. The first year of the plan is the only year considered for budget adoption purposes since needs and priorities change from year to year. The projects listed in following years give an idea of future needs and to help facilitate future budget planning.

The Capital Project plan is adopted in the form of a Capital Projects Ordinance. This allows for long-range planning and multi-year appropriations for multi-year capital projects. The long range planning process also incorporates associated operating costs once construction is completed. During the budget process, staffing needs and other operating cost projections are prepared to begin addressing potential long-term operating expenses. By planning ahead, the funding for these staff members and other day-to-day operating costs can be forecast in subsequent operating budgets.

Please note that with each capital project funded, there could be related operating costs. If applicable, these costs are funded in the departmental operating budgets and usually lead to bottom line increases in expenditures, although on occasion, a new capital project can actually reduce operating expenditures. This year's Capital Projects budget has appropriations budgeted of \$10,321,984.

It is the City's policy to substitute capital expenditures for operating expenditures whenever possible. Technology has been the principle method used to implement this policy. For example, conversion to Global Positioning System (GPS) Survey Instrumentation has helped reduce our survey crews from three-person crews to two-person crews, and at the same time, increasing overall efficiencies and production. Computer technology has also been responsible for minimizing increases in personnel as our municipal limits and service areas expand. In conjunction with Technology Services, the City implemented remote payment processing with the use of self-service kiosks located at 3 area grocery stores which allowed us to reduce personnel costs. Purchased an asphalt recycler for Public Works to maintain operations during winter months and lower overall asphalt costs. City functions are evaluated periodically to determine if a capital expenditure can have a positive impact on operational procedures and either minimize or reduce annual operating costs.

Major Projects for Fiscal Year 2015 and 2016

<u>Project</u>	<u>Capital Cost</u>	<u>Project Start Date</u>	<u>Estimated Completion Date</u>	<u>Estimated New Operating Personnel</u>	<u>Total New Estimated Operating Costs/(Savings)</u>	<u>Notes</u>
Water & Sewer 1) Water Treatment Plant Rehabilitation	\$58,000,000	FY 12/13	On-going	0 FTE	(\$230,000,000)	Rehabilitation of the Water Treatment Plant's, Filter Trains 1-4 and North Clearwell. Preliminary design was complete in FY 12/13. Construction of Phase I, the Clearwell will begin in FY 15/16. Savings are based on studies done to determine the cost of building another plant instead of rehabilitating the current one. Proposed funding will be from the issuance of Revenue Bonds
2) Long Creek Internal Sewer	\$375,000	FY 15/16	TBD	0 FTE	\$0	Replacement of existing internal plant sewer line, which is used for conveyance of various liquid byproducts back into the head of the plant for treatment.
3) Remount Road Sewer Improvements	\$400,000	TBD	TBD	0 FTE	\$0	Replacement by pipe bursting and direct bury of existing 8" to 12" HDPE or DIP with Protecto 401
4) Firestone Outfall SSO	\$1,000,000	On-going	On-going	0 FTE	\$0	Reduction of inflow and infiltration in sewer lines in the Firestone basin and new parallel sewer line for the additional capacity.
5) Southfork Regional Sewer Project	\$2,800,000	TBD	TBD	0 FTE	\$45,000/year	City participation in sewer consolidation project with Cramerton, McAdenville, Lowell and Pharr Yarns. \$2,200,000 is from a 0% interest SRL and \$600,000 grant from CWMTF.
6) Eagle Road Hydraulic Structure and Downstream Main	\$260,000	FY 15/16	TBD	0 FTE	\$0	Replacement of the hydraulic structure and piping at the existing hydraulic structure that receives flows from the Baltimore, Lakewood and Timberlake sewer pump stations. The project will replace the current undersized structure.
7) Waterline Improvements	\$120,000	TBD	TBD	0 FTE	\$0	Upgrade of 2" PVC lines to 8" due to high number of line breaks from Highland to Cramerton

	<u>Project</u>	<u>Capital Cost</u>	<u>Project Start Date</u>	<u>Estimated Completion Date</u>	<u>Estimated New Operating Personnel</u>	<u>Total New Estimated Operating Costs/(Savings)</u>	<u>Notes</u>
Electric	1) Economic Development	\$250,000	Ongoing	Ongoing	0 FTE	\$0	Technology Park Development and New Substation Engineering
	2) Cable Replacement in Residential Areas	\$455,000	Ongoing	Ongoing	0 FTE	\$0	Continue replacement program related of old deteriorating electrical cable and transformers in older residential areas.
	3) Electric Developments	\$75,000	Ongoing	Ongoing	0 FTE	\$0	Install primary infrastructure in revitalized commercial developments.
	4) Primary Tie Lines	\$200,000	Ongoing	Ongoing	0 FTE	\$0	Extend primary infrastructure to balance existing load between delivery points and serve new customers.
	5) Loray Mill	\$550,000	FY13/14	Ongoing	0 FTE	\$0	Electric infrastructure to serve revitalized industrial facility.
	6) Road Widening Projects	\$200,000	Ongoing	Ongoing	0 FTE	\$0	Various Road Widening Projects
General	1) Catawba Creek Greenway Extension	\$410,000	FY 15/16	TBD	0 FTE	\$0	Extension of the existing Catawba Creek Greenway from Ferguson Park to Marietta Street. Construction will be funded 100% by FHWA and NCDOT
	2) Downtown/Lineberger Park Pedestrian/Bicycle Connector	\$345,000	FY 14/15	TBD	0 FTE	TBD	Pedestrian and bicycle improvements between Lineberger Park and the intersection of East Second Street and South Marietta Street. Funding will be (80%) from CMAQ and the (20%) local match will be from the City.
Streets	1) Street Resurfacing	\$270,000	On-going	On-going	0 FTE	\$0	Continues the City's street resurfacing program to provide needed maintenance to existing roads, as well as, continue to address the paving of graveled (public) streets in prior annexed areas.
	2) Traffic Calming	\$50,000	On-going	On-going	0 FTE	\$0	Installation of speed humps at various locations around the city. Speed Humps are installed by petition as per City Policy.

BUDGET POLICIES

In recent years, changing conditions along with the demand for increased services, have forced a reevaluation of the role of local governments. As public officials, we are charged with the responsibility of ensuring that all local governmental services are provided in the most efficient and effective manner possible in order to maximize available resources. The budgetary process allows for the accumulation of financial and performance information relative to these services and provides the tools necessary to analyze the merits and cost implications of each.

Financial Policies

The City of Gastonia's financial policies set forth basic guidelines for the overall fiscal management of the City. Operating independently of changing circumstances and conditions, these policies provide a framework to assist in the decision-making process of the City Council and City Administration and guidelines for evaluating both current activities and proposed future programs.

1. City Council provides general guidance through the adoption of the annual budget while the City Manager is given the maximum flexibility to implement the budget throughout the fiscal year. To this end, City Council has adopted a series of policies designed to give the Manager authority to, among other things, transfer of funds within appropriations to meet changing operational needs and to move personnel positions during the year throughout the budget so long as total authorized head-count is not exceeded.
2. The budget process places emphasis on those personnel and management issues of critical importance to the City's fiscal health: Employee relations, office automation, implementation of new technologies, long-term work force planning and management incentives. In doing so, it provides for adequate levels of funding for all retirement systems and maintains the principle of avoiding layoffs to balance the budget by planning personnel reductions to come from attrition whenever possible.
3. Generally, expansion of existing service and programs, or the addition of a new service or program is considered in the proposed budget only when a new revenue source can support the ongoing costs or when the requesting department can identify an existing service or program which can be reduced or eliminated.

4. The City shall monitor departmental expenditures on a monthly basis to ensure conformity to adopted budgets and prepare monthly financial reports on all major funds comparing actual revenues and expenditures to budgeted amounts. This report shall be presented to City Council at public session.
5. Where possible, the City shall combine performance measurement and productivity indicators with the budget to enable the ongoing analysis of operating effectiveness and efficiency.
6. The City shall avoid budgetary practices or procedures that balance current period expenditures at the expense of future years' revenues or that utilize one-time revenues for on-going expenditures and it shall be general policy not to use prior year Fund Balance for operating and other on-going expenditures.
7. The budget shall provide for the satisfactory maintenance of capital facilities and equipment, and for their orderly replacement.
8. The Operating and Capital Budgets shall fully describe the major goals to be achieved by department and the services and programs to be delivered based upon the levels of funding anticipated or provided. They shall also provide brief descriptions of prior year accomplishments and mission statements for each department and division.
9. The City shall finance essential City services which have a City-wide benefit in the budget from revenue sources which are generated from a broad base, i.e., property taxes, sales taxes and other State shared revenues.
10. Minimize the impact in use of property tax financing by seeking alternative financing for City services, which focus on user fees for responsive services and upgrading and/or enhancement of the property tax base.
11. The City shall refine assessment financing formulas and user fee rate structures on a yearly basis to continually and accurately charge the cost of service provided to the benefiting user or customers served, while being sensitive to the needs of low-income citizens.
12. The City shall actively oppose any legislation which forces local service mandates without concurrent Federal, State or Regional funding or providing additional locally controlled funding sources.

13. Each operating fund shall budget a working capital reserve to ensure the timely meeting of unforeseen events and provide operational flexibility throughout the year.

Revenue Policies

1. The City shall make every attempt to maintain a diverse and stable revenue base to shelter it from short and long-term fluctuations in any one-revenue source.
2. The City shall project its annual revenues through an analytical process using historical data and conservative approaches for estimating future revenues.
3. The City shall establish user charges and set fees for services for its enterprise funds at a level that fully supports the total direct and indirect costs of the activities. The City

should review these, and all other fees/charges annually and modify them as necessary. Special care should be taken to include those costs associated with capital outlay and bond retirement and allow user charges to grow at a rate that keeps pace with the cost of providing the service.
4. The City shall follow aggressive policies to ensure the highest collection percentage for delinquent City revenues.

Reserve Policies

1. The City shall strive to maintain a minimum undesignated General Fund Balance at 8.33% or in an amount equal to at least one month of General Fund operations, and shall work towards the goal of matching the undesignated General Fund Balance at 12% .
2. The City shall respect the integrity of fund balances and allow each enterprise fund to retain all excess earnings as fund balance.

Accounting, Auditing and Financial Reporting Policies

1. An independent audit shall be performed annually.
2. The City shall produce a comprehensive annual financial report in accordance with Generally Accepted Accounting Practices (GAAP) as outlined by Governmental Auditing, Accounting and Financial Reporting (GAAFR).
3. The City shall maintain accounting control systems to ensure the safety of all assets held in the public trust and staff shall perform periodic unscheduled audits of all City departments that handle cash and negotiable instruments in the course of daily activities.

Investment Policies

1. The City shall make a cash flow analysis of all funds on a regular basis. Disbursement, collection and deposit of all funds will be scheduled such that investment capabilities are maximized and guidelines set forth under North Carolina General Statutes.
2. The City shall invest funds by using a specific, but flexible, investment strategy to secure high returns of income on cash flows that are in excess of current needs and, when permitted by law, will pool cash from several different funds to maximize its potential earnings. Investments will be structured according to the City's overall financial condition in anticipation of financial opportunities and obligations.
3. The City's accounting system will provide regular information concerning cash position and investment performance and will allow earnings to be reflected monthly on financial reports.

Debt Policies

1. The City shall confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues and where the issuance of long-term debt is required, it will repay the bonds within a period not to exceed the expected useful life of the project.

2. The City shall attempt to keep average maturity of general obligation bonds at or below 20 years.
3. When possible, the City shall use special assessment, revenue, or other self-supporting bonds.
4. When approving bonds for capital projects, Council shall increase the needed revenue for debt service at the time the project is approved.
5. The City shall not incur long-term debt to support current operations.
6. General obligation debt shall not be used for enterprise activities.
7. The City shall maintain a sound relationship with all bond-rating agencies and will keep them informed about current capital projects and other important fiscal events. Appropriate City staff shall endeavor to visit each agency and/or arrange for a local visit by agency officials once per year.

Capital Improvement Budget Policies

1. The City shall maintain the fiscal integrity of the City's operating, debt service and capital improvement budgets in order to provide services, construct and maintain public facilities, street and utilities.
2. The City shall make all capital improvements in accordance with an adopted capital acquisition program.
3. The City shall develop a five-year plan for capital improvements, with proposed funding sources identified for each project. The plan should be updated and extended annually.
4. The City shall coordinate decision making for the capital improvement budget with the operating budget to make effective use of the City's limited resources for operating and maintaining existing services and facilities as well as planning for future needs.

5. The City shall use intergovernmental assistance to finance only those capital improvements that are consistent with the adopted capital improvement plan, City priorities, and for which operating and maintenance costs have been included in the operating budget.
6. The City shall attempt to maintain all its assets at a level adequate to protect the City's capital investment, to minimize future maintenance and replacement costs, and to maximize operating efficiency.
7. The City shall maintain a responsible and prudent fiscal condition to minimize long-term interest expense when financing capital improvements with an ongoing systematic bonding program, which spreads the costs of the improvements to benefiting citizens, present and future.

Intergovernmental Policies

1. The City shall continuously review its programs and procedures in light of savings or other efficiencies to be gained through cooperation and consolidation opportunities with the County and the surrounding municipalities.
2. The City shall take advantage of public and private grant opportunities that support approved programs and projects.
3. The City shall maintain and enhance, where appropriate, incentives for surrounding municipalities to abandon their water/sewer systems and become long-term utility customers of the City.

LONG RANGE PLANNING

Gastonia has become a model for long-range and strategic planning in all areas of City Government. The City's long-range planning process is citizen driven. The City has a long tradition of acknowledging the importance of citizen input on major capital improvement decisions. During the past two decades, the City Council has appointed a number of citizen committees to study and recommend major capital improvements to the City Council and voters.

These major committees include: Capital Projects Study Committee, Committee on Surface Transportation, Citizens' Committee for Economic Progress, the Water and Sewer Capital Needs Study Committee, and the Citizens Stormwater Advisory Committee. Every priority identified by these committees has been subsequently approved by City Council and/or the voters. These projects include: Mountain Island Lake Water Supply (\$12 million - voter approved), Road Bond Improvement Program (\$35 million - voter approved), Long Creek Wastewater Treatment Plant Upgrade/Expansion (\$22 million - Revenue Bond), Police Headquarters (\$8 million - Council approved and dedicated a 2-cent tax increase to cover debt service), four Fire Stations, including a new Headquarters (\$8.2 million and raised taxes to cover debt service), Martha Rivers Youth Complex (\$4.5 million - Council approved and funded through existing 3-cent Capital Improvement Program), and renovations at the old Gaston County Courthouse. These renovations resulted in the opening of the Garland Municipal Business Center, a customer friendly, one-stop development center that coordinates all development initiatives throughout Gastonia's jurisdictional area.

There are currently four (4) citizen committees studying future plans for the City. They are as follows: The 2020 Comprehensive Plan Update Committee, Long Range Recreation Planning Committee, the Citizens Stormwater Committee and the Schiele Museum Board of Trustees. The Long Range Recreation Planning Committee has completed its work.

2025 Comprehensive Plan

City Council adopted Gastonia's first Comprehensive Plan, *CityVision 2010*, in July 1995. Since the adoption of the award-winning plan, the City has successfully implemented many of the goals and objectives, such as the sphere of influence agreement with Dallas, the new Avon and Catawba Creeks Greenway, and the Gateway Corridor Overlay. In January 2001, the City began the process to update the plan. The new plan, *Gastonia 2025: Our Place in the Future*, has two phases. The first phase was the formulation of 11 "key guiding principles" that have become the plan's foundation as it is being written. The second stage is writing the actual plan, which includes goals and objectives to achieve the key guiding principles and land use analysis by sector. A steering committee of 25 people from throughout the community has led the process, receiving technical support from the Planning Department. The final topic was reviewed summer 2005 with sector analysis starting immediately thereafter. On May 17, 2011, City Council adopted the 2025 Comprehensive Plan. The

plan is an evolving document that compiles information, community dialogue, and preferred public policy choices for the City, through the year 2025. The Plan establishes a vision for the City (as established by the citizens), and will guide policymakers as they make decisions about the physical, social, and economic development of the community.

Corridor and Transportation Plans

In 1999, the City Council adopted its third of a series of local “corridor” development plans. These comprehensive staff studies address problem areas around the City in an effort to spur development and stabilize neighborhoods. The most recently adopted plans include - the North US 321 Corridor Study, addressing long standing neglect to this major entrance to the City and the North New Hope Road Corridor Plan, identifying appropriate future land uses along the new five lane facility. Landscaped medians, decorative crosswalks and other improvements to this important US 321 gateway into the City are presently under construction. The Planning Department completed a major corridor study for Franklin Boulevard in 2007. The City completed a Multi-Modal Transportation Center and Development Plan in 2009, plus a preliminary cost study for a commuter rail system between Gastonia and Charlotte on the NCDOT P & N rail corridor. The City also completed a preliminary Rapid Transit to Charlotte study, in 2005. In conjunction with the Gaston Urban Area Metropolitan Planning Organization, the City maintains a long range Transportation Plan, updated every three years.

Parks and Recreation Facility Master Plan

In April 1996, the City’s Parks and Recreation Department, in conjunction with the Citizen’s Advisory Committee on Parks and Recreation, completed a first ever Parks and Recreation Facility Master Plan. This plan was a comprehensive analysis of current Parks and Recreation facilities and programs, current trends and issues in recreation demand, and goals and objectives for future recreational decision-making. It concluded with a facility-by-facility needs analysis for development of a coordinated budgetary approach to meeting these needs. In late 2002 the City Council formed a committee to undertake the task of preparing a Long Range Plan for Parks, Recreation, and Open Spaces, with the assistance of city staff. The committee consisted of the Recreation Advisory Commission (RAC), plus additional members appointed by the City Council. Councilman and RAC Chair, Dave Kirlin chaired the planning group. The City’s Parks and Recreation and Planning Departments worked together to support the Committee. A completed plan was approved by the committee in the Spring of 2005 and was adopted by Council on November 15, 2005. It was given the title *GASTONIA- VISION FOR A HEALTHY COMMUNITY – A Plan for Parks, Recreation and Open Spaces, 2005-2020*. The implementation of the Facility Master Plan began with the Lineberger Park Renovation and Revitalization Project. The Council unanimously approved revisions to Phase I of the Lineberger Park Master Plan and a \$500,000 matching grant application to the North Carolina Parks and Recreation Trust Fund in January 2006. The PARTF Grant Awards was announced in June 2006 and the City is a grant recipient. Project planning and utility site work began in early 2007 and the Skate Park has been relocated to a permanent home at Phillips Center. Construction of the \$1.3 million project was completed in June 2009. Phases II and III at Lineberger Park were completed in June 2012. Phase II consisted of the renovation of the eastern node of the park and included an extension of the greenway trail connector of the park, relocation of the Vietnam War Memorial, new playground area, shelter renovations, new restrooms and open space. Phase III was the total renovation of

the swimming pool and bathhouse. The new zero-depth entry pool has a 2-story slide, lazy river, dumping buckets, and spray features. The Rankin Lake renovation construction project was completed in August 2012 and opened to the public on August 30, 2012. The renovations at Rankin Lake Park consisted of adding fixed piers and floating docks on the lake, providing electric boats for lake access, 1.8 miles of walking trails, picnic shelters, playground equipment and some minor renovations such as repainting and new commercial appliances to the existing clubhouse. When the park reopened, visitors were able to rent paddle boats, canoes and kayaks.

Sidewalks, Bikeways and Greenways Plan

In late 1996, City Council approved a Citizens Study Committee on Sidewalks, Bikeways and Greenways. This Citizen's Committee effort culminated in April 1998, with a completed Strategic Plan presented to City Council for their acceptance. As a result of the planning process, the City has subsequently been awarded a 1998 North Carolina Clean Water Trust Fund Grant of \$347,000 to establish the City's first greenway, a 1999 DOT Grant of \$548,320 for construction of the greenway and a 2000 Community Foundation of Gaston County grant of \$130,000 for development of access points for the greenways. The 2-½ mile Greenway was dedicated in 2002. Using funds from a small NCDENR grant, the City paved an additional 625' of trail in 2004. This summer, using some additional grant money and assistance from city crews, the City will bring the trail through the Union Road culvert. A greenway system is a never-ending project with trails weaving together all parts of the city. In 2009, the City updated its Greenway Plan, as part of the region wide Carolina Thread Trail Planning process.

Economic Development

In 1997, The Partnership for Economic Growth, a Council Citizens Committee proposed that the City purchase and develop a new 300+ acre industrial park to ensure sufficient industrial growth for the City into the 21st century and the City is identifying suitable parcels for purchase. The Council secured three-year options on almost 400 acres of land surrounding Gaston College for the site. Early in 1998, the City transferred their options to Gaston County for development of the Park through their Economic Development Office. The City and County jointly funded the entrance road to the Park. The first major tenant, Pass and Seymour LeGrand, opened a \$30 million facility in July 1999. A new electric substation to serve the park was completed in fiscal year 2002. Today the economic development plans for the City are coordinated with the Gaston County Economic Development Commission, the Gaston County Chamber of Commerce and all Gaston County Municipals through the Gaston 2012 Economic Development Plan. In the past, the Gastonia Technology Park (GTP) has become home to 2 international businesses. LANXESS Corporation, a German company, manufactures a wide range of specialty chemicals and polymers. The Gaston County project will manufacture high-tech compounds that enable engineers to design, as an example, lighter and safer parts for automobiles. Increased efficiency standards are driving demand for these advanced materials. The \$15 million investment will create 55 new jobs. REPI is the second firm to locate at the GTP.recently. The Italian company develops and produces high performance liquid colors, additives, and dosing systems for applications in the polyurethane sectors (automobile, footwear, furniture) and the thermoplastic sectors (soft drink bottles, cosmetics). The company plans to create 27 new jobs and invest \$5.8 million. Two additional facilities are currently being constructed in the GTP, CTL Packaging USA will construct a state-of-the-art

consumer products manufacturing facility. The facility will house the divisional corporate office, manufacturing, research & development, customer service and distribution. The investment will be \$58.5 million and at full operations the company will employ 131 people. The second facility is Dixon Quick Coupling, which is a subsidiary of Dixon Valve & Coupling of Chestertown, MD, is currently constructing a 100,000 square foot building which is a \$5 million investment in Gaston County. Dixon makes metal couplings for hydraulic and pneumatic systems. Its biggest customers are in the oil and natural gas, agricultural, chemical and industrial sectors.

Utility Strategies

In addition to the traditional budgetary planning tools used by the City's Water/Sewer and Electric utilities, both systems have implemented forward looking programs to address long term issues.

Water and Sewer Combined Utility

The City currently provides water service to the Town of Ranlo, the City of Lowell, the Town of McAdenville, the Town of Cramerton, the Town of Clover and portions of the Town of Dallas (Spencer Mountain Village). The City also provides sewer service to the City of Bessemer City, The Town of Ranlo, The City of High Shoals, The Town of Clover, portions of the Town of Lowell, portions of the Town of Dallas (Spencer Mountain Village) and portions of the City of Kings Mountain. The water and sewer services are provided through municipal agreements. With the loss of many textile customers since the early 1990's, the City has excess capacity at the Water Treatment Plant and at three Wastewater Treatment Plants. In an effort to increase the economy of scale for the water and sewer utility operations for the City of Gastonia, discussions concerning regionalization of utility systems continue with some of the municipalities in the County.

The City consolidated systems with the Town of Cramerton, creating Two Rivers Utility (TRU) and also has been approached by the Town of Dallas, the Town of McAdenville, and the Town of Ranlo concerning utility consolidations. Utility consolidation studies with the Town of Dallas and the Town of Ranlo have been completed. TRU has entered into an agreement with the Town of McAdenville to operate their water and sewer system. TRU is working on a regional sewer system project with the Town of McAdenville and Pharr Yarns, LLC to connect their sewer systems to the Duhart Creek Pump Station. This will allow the Town of McAdenville and Pharr Yarns, LLC to decommission their wastewater treatment plants and remove two wastewater discharges from the South Fork River. TRU is currently partnering with the Town of Stanley on a wastewater project that will connect the Town of Stanley to the High Shoals sewer line and allow Stanley to decommission their wastewater plant.

TRU is currently completing a study and preliminary engineering reports for an upgrade of the water treatment plant. The improvements will be constructed in a multi-phase project to allow the water plant to remain in operation while the upgrades are completed. The improvements will provide treatment capacity to take the City of Gastonia into the future.

The City continues to complete improvements to the water and wastewater treatment plants that were identified in the 2004 water and sewer master plans.

Electric Utility

The Electric System faces some of the same challenges as the water and sewer utility, and in addition, it faces problems specific to the electric industry. In 2007, City Council adopted a policy to address emerging issues that will be facing all electric utilities.

Over a period of 15 years, the City has met its goal of reducing transfers to the General Fund to less than 3% of gross fixed assets as recommended by the State Treasurers Office. Increases in wholesale electric costs, as well as, projected increases through the next 10 years, have led City Council to adopt a policy passing on these wholesale increases through to retail customers. This policy addresses the concern of possible rate shock by delaying increases, and ensuring operation and maintenance funding are not compromised.

In 2007, City Council adopted a policy to place 1.2% of retail revenue in fund balance. In addition, City Council adopted a 2.2% of retail revenue to be allocated to capital projects.

Gastonia is fortunate that it is essentially a residential-based system – of its 26,000 customers, 90 are industrial. Of the top ten users, only three are industrial customers totaling less than 5% of total system revenue.

The City continues to adopt innovative economic rates that better serve our customers. Recent additions include: Generation riders, On-Peak rates, a restructuring of both commercial and industrial rates to better correlate to wholesale costs and maintaining minimum demand charges.

The City continues to market and promote its fiber optic network. This network is also used to promote its economic development efforts by offering alternatives for both voice and data services.

City Council implemented several programs developed by ElectriCities to encourage energy conservation. Programs include; residential heat pump and solar-thermal rebates, as well as, a commercial and industrial site-specific rebate program. In addition to energy conservation programs, Council elected to participate and promote NC GreenPower to offer customers the choice to purchase green alternative energy.

The City has also worked in conjunction with ElectriCities and Gaston County Economic Development Commission to promote development of our Gastonia Technology Park, which has received “Prime Power Park” status by providing backup generation.

Electric rates and the State Sales Tax charged to individual customers changed on July 1, 2014. Many customers will see and increase in State Sales Tax from 3% to 7% but they will also benefit from the elimination of the State Utility Franchise Tax. The net effect of ending the State Utility Franchise Tax and substituting it with an increased Sales Tax is expected to be revenue neutral.

