

August 16, 2018

City of Buckhannon – Revenue Review Committee

The past five years the expenses have been much the same as revenues.

City Council formed a Revenue Review Committee to review both expenses and revenues. Committee members are; Mayor McCauley, CJ Rylands, David Thomas, Amberle Jenkins and Barb Hinkle.

This is a brief summary of the observation and discussions by the committee.

**\*\*Police/ Fire/ Safety Complex budget this year is 1.9 million dollars. We receive \$319,000 in police, fire, and public safety complex fees from residents and businesses.**

Three additional firemen were added in 2015 and one additional police officer was added this year. There are currently 12 full time police officers and 7 full time fire fighters. Equipment for these departments are constantly changing or improving. We need a reserve account to set aside funds to purchase equipment for these departments. We purchased a used fire truck in 2015 with payments until 2025. The Fire Chief also reports that a rescue truck is needed at this time. Rescue trucks are about \$500,000 and ladder trucks about \$1 million.

**\*\*Street Department budget this year is 1.4 million. There are 9 full time employees tasked to do a variety of jobs in maintenance and some construction. The City has 3.8 million sq ft of street surface; four hundred thousand sq ft of sidewalk; 7 parks and walk trails; 4 sections of cemetery grounds; all city facilities (City Hall, Safety Complex, Stockert Youth, Street garage, Theatre and Gibson Library); 4 city parking lots. They also are responsible to clean up, set barricades and various other things for all special events and festival held in town. Our PWD Jerry Arnold reports that \$300,000 should be budgeted for maintenance and \$200,000 for Street capital projects.**

**\*\*Stockert Youth & Community Center current budget is \$283 thousand. It provides both youth and adult programs. Youth have After School Activities, Camp Buccaneer, Tutoring, Drill Team, Cheerleading, Karate, and Basketball is a large program. A fitness center, kickboxing and yoga are available to adults. Throughout the year youth activities such as dances, children's festival and movie night, to name a few, are held. There are 2 full time employees to coordinate and manage these programs. The program fees take care of most of the material expenses for each, but do not cover building maintenance, upgrades or salaries. Plus with the added cost of future gym, we feel about \$70,000 should be allocated toward that department.**

**\*\*Storm water Maintenance- The General Fund contributes \$50 to \$70 thousand dollars each year toward repairs and upgrades to the system. The Sanitary crew was officially assigned the job of undertaking this system last year. The Sanitary Engineer has identified \$470,000 of projects to be addressed at this time. Over the years old drainage that was previously installed by residents are failing and often buildings were placed over them. These are sometimes very difficult to rectify. The Sanitary Department must keep the costs of the storm water work separate from the sewer operations.**

**\*\*Municipal Stabilization Fund currently has \$510,000. State allows that 30% of the most current budget can be set aside for "Rainy Day Fund". The City needs to place more in this fund to cushion for emergency and future needs.**

Human Resources costs in all departments increase each year.

It is apparent to the Committee that expenses will increase to a point that revenues will be less than expenses.

Summary of where additional funds are needed annual:

Parks/Parking Lots/Cemetery	\$100,000
Street/sidewalks maintenance	\$300,000
Street Projects	\$200,000
Fire/ Police equipment	\$100,000
Stockert Youth Center	\$71,000
Storm water system	\$200,000 then \$100,000
Municipal Stabilization	\$100,000

Possible annual revenue streams.

Picking up the first due area (outside city limits) at the current fire fee rates. Estimate \$150,000. \$36 per household

Police fee has not been addressed since 1983. If it were doubled, \$75,000. \$36 per household

Removing the \$1 million exemption from retail B&O and setting maximum rate at .50 per hundred, \$494,000.

Implement a storm water fee, about \$100 per household, \$150,000.

Total of \$869,000

Or

1% Sales tax estimated to be about \$1,000,000.

Committee does not want to add more fees to the residents and recommend sales tax.

A public forum will be held September 4<sup>th</sup> at 7:00 pm at the Public Safety Complex.