

**FY 2020-2021
City Council
Recommended Budget
Work Session**

Tuesday May 26, 2020



FY 20-21 Recommended Budget

City Manager's Budget Development Goals

Provide core services to our community

- Maintain the City's excellent levels of service, particularly core services

Preserve and support our community and workforce

- Protect our employees so they can provide services even as demand increases
- Our ability to provide good public service protects our community at large

Prepare for the future as we grapple with the present

- Sustainable investment and planning allow efforts to address goals to continue and be resilient

FY 20-21 Recommended Budget

Budget Highlights

Total Net Budget = \$612,525,681

- \$32.1 million, 5.5%, increase compared to amended FY 19-20 All Funds Budget
- Tanger Operations & Debt Service Bond Refinancing approximately \$34 million
- Absent those, total net budget decreases \$5.9 million, or 1.1%

General Fund Budget = \$306,856,360

- \$571,097, 0.2%, less than the amended FY 19-20 General Fund Budget

FY 20-21 Recommended Budget

Budget Highlights

Property Tax Rate = 66.25 cents

- Same rate as FY 19-20
- Assessed valuation estimated at \$28.7 billion
- Growth of 1.5% over current year revised estimates
- Economic Development Fund allocation has been consolidated with the General Fund

Sales Tax = \$52.38 million

- \$3.4 million, or 6% less than current year revised budget
 - 3% less than revised estimates

No Water Rate Increase

- No proposed rate increase
- Rate increase of 4.5% for FY 21-22
 - Necessary for debt coverage and maintenance

FY 20-21 Recommended Budget Peer Comparison

City/County Combined Annual Taxes and Fees FY 20-21*



* includes 20-21 proposed (available now) city and county taxes, water and sewer charges, stormwater charges, motor vehicle charges and solid waste charges; example property valued at median home value for each community

FY 20-21 Recommended Budget

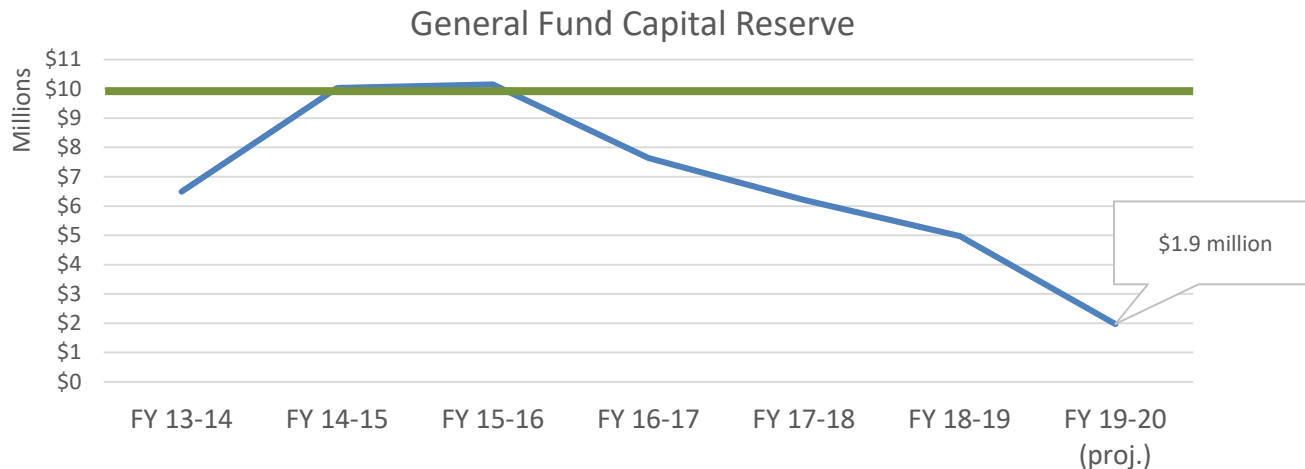
Budget Highlights

Fund Balance **\$4.67 million**

- Approximately 1.5% of total General Fund revenues
- Maintains sustainable fund balance use priority
- 9% Policy requires \$27.6 million in reserves

Capital Reserve

- Policy to have \$10 million available
- Projected Year End FY 19-20 = \$1.9 million



FY 20-21 Recommended Budget

Major General Fund Expenditure Increases

Compensation

- 1.5% COLAs for all eligible employees = \$1.3 million
- Funding for Police and Fire Step Program = \$1.04 million
- Increased retirement contributions to state pension = \$1.7 million
- \$15 minimum wage final phase = \$553,000

Maintenance and Operations

- ED incentives increase = \$475,000
- Fire reciprocal response = \$100,000
- Continued recycling costs increases = \$750,000
- Increased transfer to Coliseum = \$500,000

FY 20-21 Recommended Budget

Major General Fund Reductions and Delays

Overall Budget Reductions = \$7.8 million

Organizational

- Reduced Debt Service = \$1,850,000
- Maple Street Building Sale = \$1,700,000
- Delay Building Maintenance Projects = \$1,180,000
 - Cultural Center Roof - \$550,000
 - Greensboro Science Center Elevator - \$200,000
 - Depot Elevator - \$200,000
 - History Museum Building Automation/Retaining Wall - \$230,000
- Delay Participatory Budgeting = \$535,000
- Reduced internal insurance charges = \$625,000
- Lowered Compensation Projections = \$490,000
- Reduced Outside Agency Support = \$350,000

FY 20-21 Recommended Budget

Major General Fund Reductions and Delays

Partners Support

- Current Year General Fund Budget = \$400,000
- Reduced by \$350,000

What is Included in the Budget -

- Creative Greensboro Arts Grants (new) = \$50,000
- Downtown Greensboro, Inc. = \$75,000
- East Greensboro NOW = \$75,000
- GCEDA = \$50,000
- Piedmont Business Capital = \$400,000
- Greensboro Chamber of Commerce = \$130,500
- LaunchLab = \$100,000

FY 20-21 Recommended Budget

Major General Fund Reductions and Delays

Parks & Recreation reduced by \$240,000

- Limited pool/sprayground operations Summer 2020
- Show wagon rentals for residents and community groups suspended
- Administrative support for Greensboro Beautiful eliminated
- Reduced general park, garden, and lake maintenance

Libraries reduced by \$145,000

- Decreased purchase of books, e-books, audio books and other online resources and services
- Reduced facility hours and roster support

FY 20-21 Recommended Budget

Major General Fund Reductions and Delays

Greensboro Summer Online

- Collaboration of Parks & Rec, Libraries, Creative Greensboro , and others to continue and enhance services
- Continue meal distribution program at various parks and recreation facilities
- Develop and distribute in home summer activity kits
- Expanded online programming and virtual experiences such as virtual 5ks and fishing contest
- Offer curbside library book pickup
- Expand online programming and virtual experiences for children, teens, and adults through innovative and interactive programs such as online book clubs, storytimes, DIY demonstrations, and tutorials.

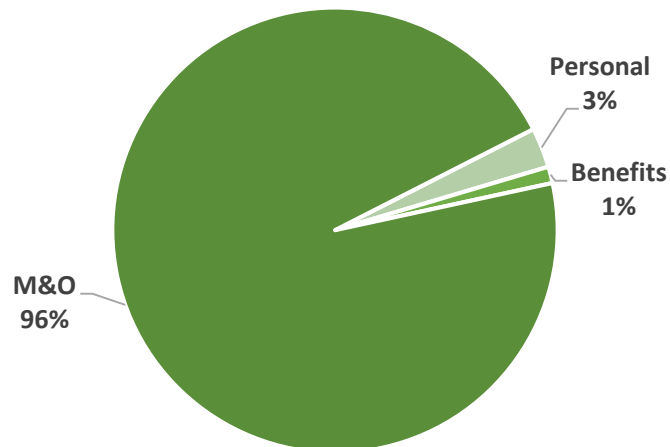
FY 20-21 Recommended Budget Other Funds

Transit Fund (GTA)

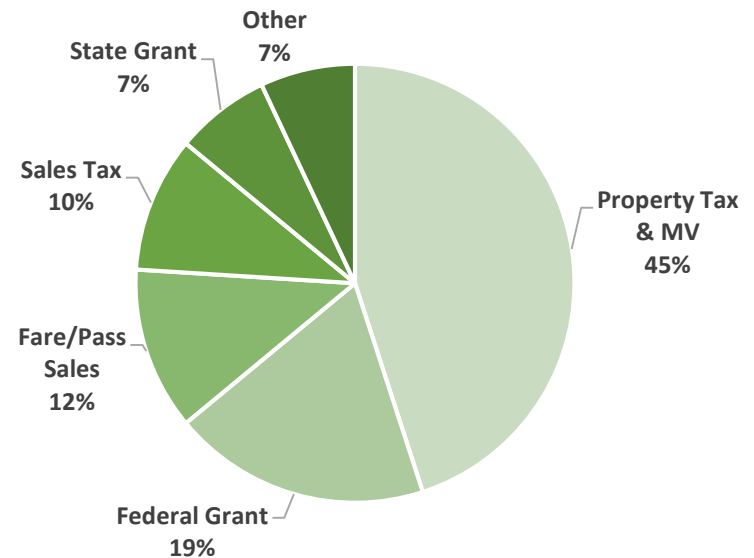
\$24,422,265

- \$363,935 increase, 1.5%
- Contract costs = \$19.3 million

Major Expenditures



Major Revenues



FY 20-21 Recommended Budget

Other Funds

Transit Fund (GTA)

- Focus on sustainable operations – approx. \$1.4 million operations deficit
- General Fund will continue to allocate a portion of sales tax revenue directly to the Transit Fund to support ongoing operations - \$2.5 million
- Service reductions avoid fare and rate increases
- Reduction considerations:
 - Eliminate last 2 service hours on weekday routes: \$531,000
 - 0.85% of fixed route ridership impacted, 0.89% for SCAT
 - Hourly service 10 am to 3 pm for non-core routes: \$759,000
 - 0.44% of ridership impacted
 - Eliminate free fixed-route passes for SCAT riders: \$40,000

FY 20-21 Recommended Budget Other Funds

Coliseum and Tanger Center Funds

\$48,412,374

- \$4.7 million increase, 10.8%

Coliseum \$3.8 million projected operating deficit

- Projected General Fund transfer increases \$500,000
- Increased Hotel/Motel Occupancy Tax support \$800,000

Tanger Center projected with no deficit

- First full year of operations budgeted

FY 20-21 Recommended Budget

FY 2021-2030 CIP Funding Highlights

Total CIP = \$1.5 billion

Authorized Bonds = \$126 million

- Approximately \$19 million in general obligation bonds authorized prior to 2016.
- Approximately \$126 million in general obligation bonds authorized in 2016.

Enterprise Bonds = \$320 million

Revenue Bonds = \$339 million

Unauthorized Bonds = \$466 million

- “Unauthorized Bonds” are a projection of the next generation of capital needs across the City that will need to be addressed in the coming fiscal years.

FY 20-21 Recommended Budget Project Updates

2016 Bond Project Implementation

- \$90 million available and various projects underway
 - Approximately \$63 million spent or committed
- Remaining \$36 million to be borrowed in 2022 or 2023

Infrastructure Maintenance

- Fire Stations \$15.21 million Limited Obligation Bonds
 - Station #7 and #56 replacements
- Public Safety Training Ctr
 - Tower and Burn Building (Summer 2020)
- Greensboro Science Center Carousel House (Spring 2020)
- Trotter and Lewis Center renovations

FY 20-21 Recommended Budget Bond Projects

2016 Bond Projects

Economic & Community Development

Downtown Streetscape Projects

- Construction expected in late 2020-2021

East Greensboro Focus Area

- \$700,000 site development and infrastructure at Gateway Research Park

Parks & Recreation

- Windsor/Chavis – design complete Fall 2020
- Land Acquisition, Community Centers, Neighborhood Parks
 - \$980,000 completed, \$1.3 million additional by 2021

Housing

Development and Repair

- \$9.13 million committed, 917 units, \$100+ million leveraged

Transportation

Resurfacing - \$10.5 spent through FY 19-20

GTA Buses, Shelters, and Depot - \$4.3 committed to date, including 6 new buses and new shelters

FY 20-21 Recommended Budget Bond Projects

2008 Bond Projects

Transportation

- Horse Pen Creek Rd Widening (New Garden to Battleground)
 - Under construction, anticipated completion Spring 2021
- Alamance Church Road (MLK Jr Drive to City Limits)
 - Final ROW Stages, Fall advertisement, construction in early 2021
- Vandalia Road Widening (S. Elm-Eugene to Pleasant Garden)
 - ROW starts this Summer, Spring advertisement, construction in Summer 2021

Parks & Recreation

- Barber Park Phase II
 - Under construction, anticipated completion Summer 2020
- Griffin Community Park/Dog Park - Summer 2020
- Hester Park Athletic Field Renovation
 - Construction completed, waiting on final close out

FY 20-21 Recommended Budget Next Steps

Budget Public Hearing : June 2 5:30 pm

Council Work Session : June 9 3:00 pm
(if needed)

Council Budget Adoption : June 16 5:30 pm

FY 20-21 Recommended Budget For More Information

Budget Available Online

www.greensboro-nc.gov/recommendedbudget

Budget Simulator

- Learn more about the budget
- You can prioritize the City's budget and provide feedback

www.greensboro-nc.gov/simulator