



*City of* **GREENSBORO** *North Carolina*

# **FY 2015-2016 Manager's Recommended Budget**

**May 5, 2015**



# FY 15-16 Budget Goals

- City Manager's Budget Development Goals:
  - Maintain current property tax rate (63.25 cents)
  - Continued focus on budget and expense management and sustainability
  - Reflect Council and community priorities
  - Meet core service needs and requirements
  - Protect City's AAA bond rating
  - Value and recognize City employee contributions





# FY 15-16 Budget Process

- Council Inputs:
  - February priority session
  - April preliminary budget preview
- Staff Actions:
  - Strategic work to solve \$3.5 to \$3.6M budget gap
  - Focused efforts on programs and Result Areas
  - Identified sustainable reductions and fee adjustments to meet budget goals
  - Council Spending Reduction Plan (Nov. 2014)

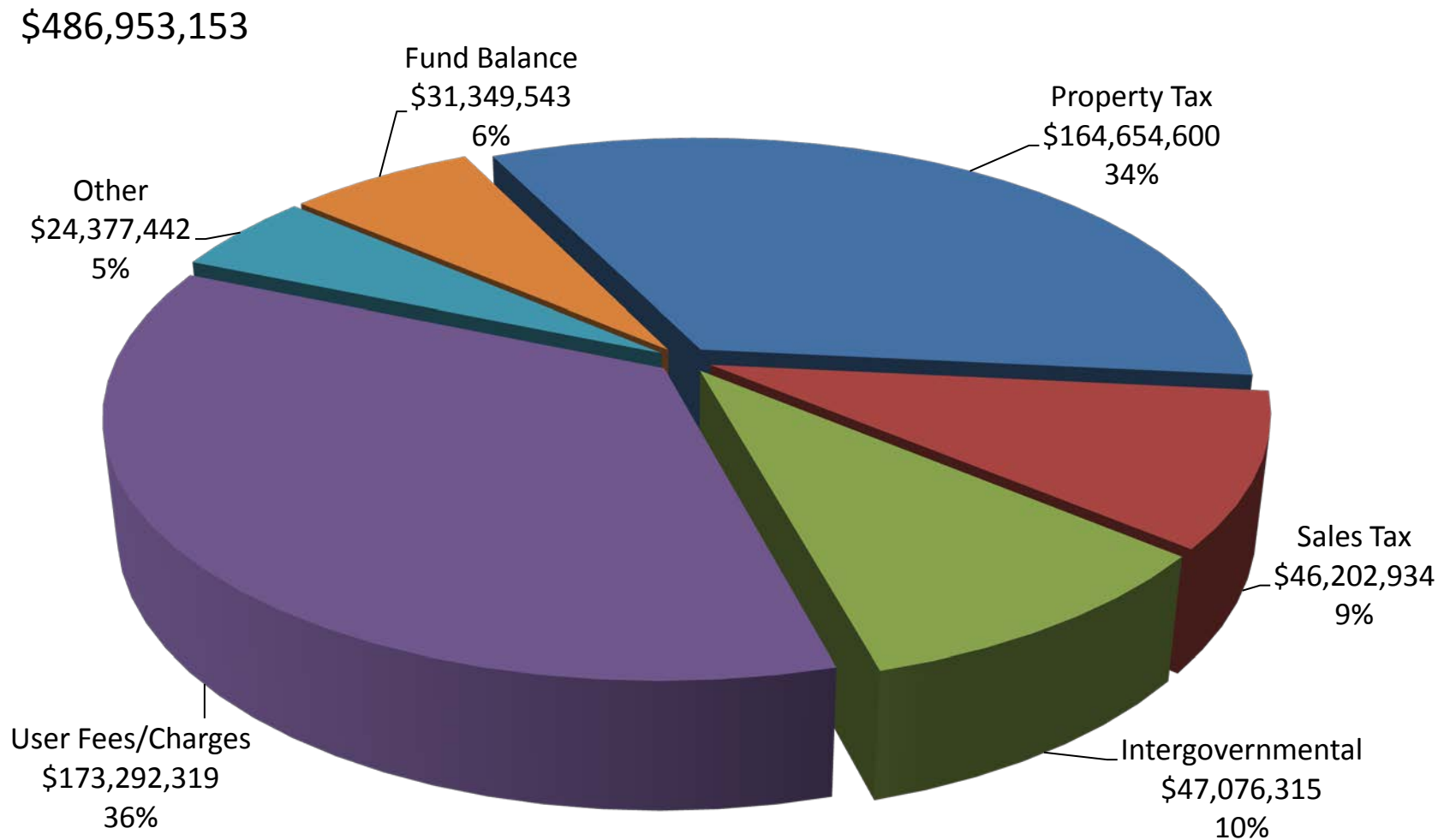


# FY 15-16 Recommended Budget

- Recommended Budget = \$486,953,153 (All Funds)
- Recommended Budget is 2.7% higher than FY 14-15 budget
- Maintains current tax rate of 63.25 cents per \$100
- Proposes \$1.3 million in net reductions and revenue enhancements (All Funds)
- Proposes \$582,000 in service enhancements (\$470,000 - General Fund)
- Proposes elimination of 14.3 FTEs (General Fund)
- Proposes a 5.5% inside and 8% outside water rate increase
- All funds balanced



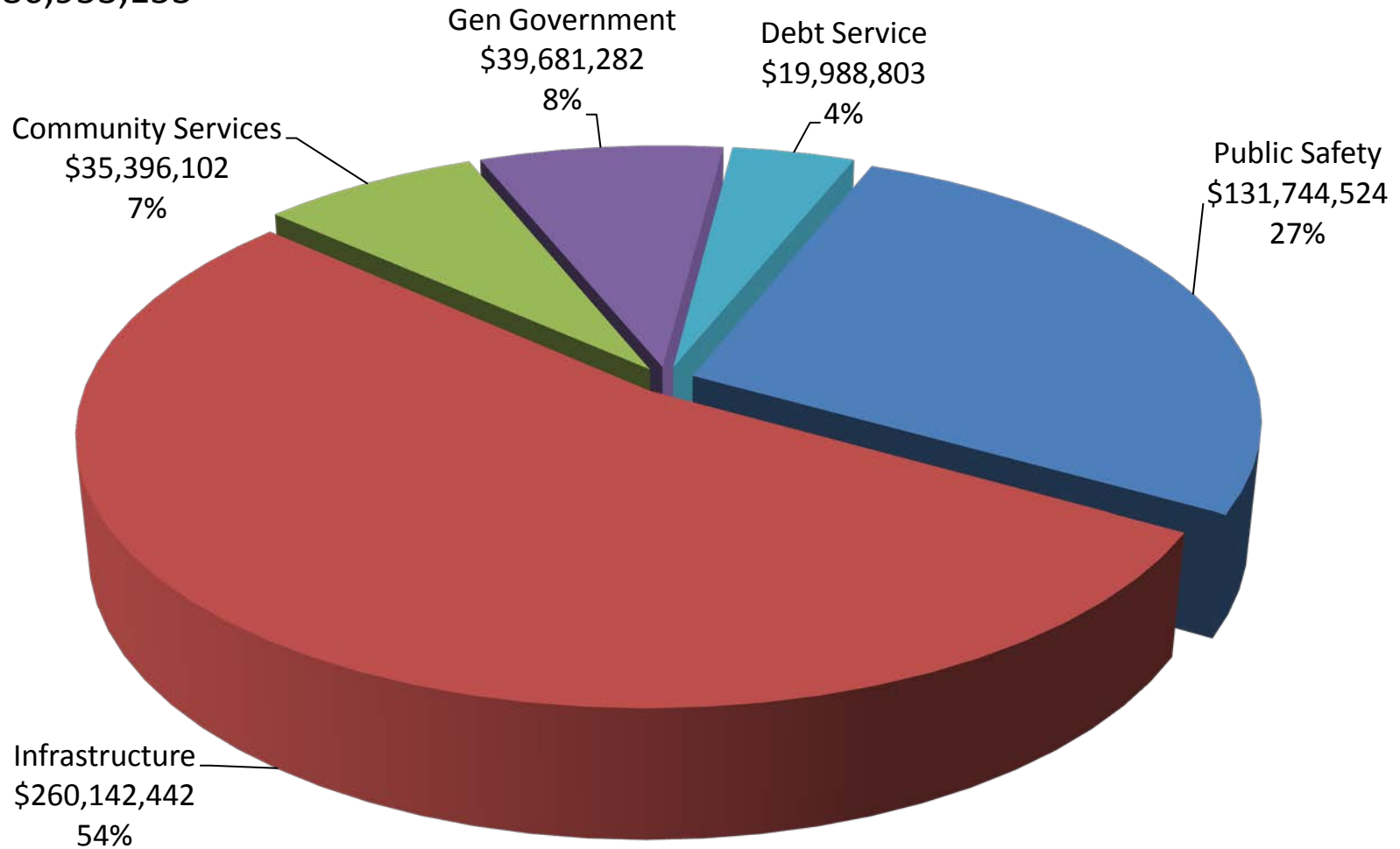
# FY 15-16 Recommended Budget All Funds Revenues





# FY 15-16 Recommended Budget All Funds Expenditures

\$486,953,153





# FY 15-16 General Fund Revenue Assumption

## Property Tax

- Property Tax Estimate = \$152,400,000
- General Fund Property Tax Rate - 58.72 cents (same as current year)
- Property tax assessed valuation growth assumption of 1.58%

## Sales Tax

- General Sales Tax Budget = \$46,073,934
- Sales tax growth assumption of 4% to 5% over current year estimates

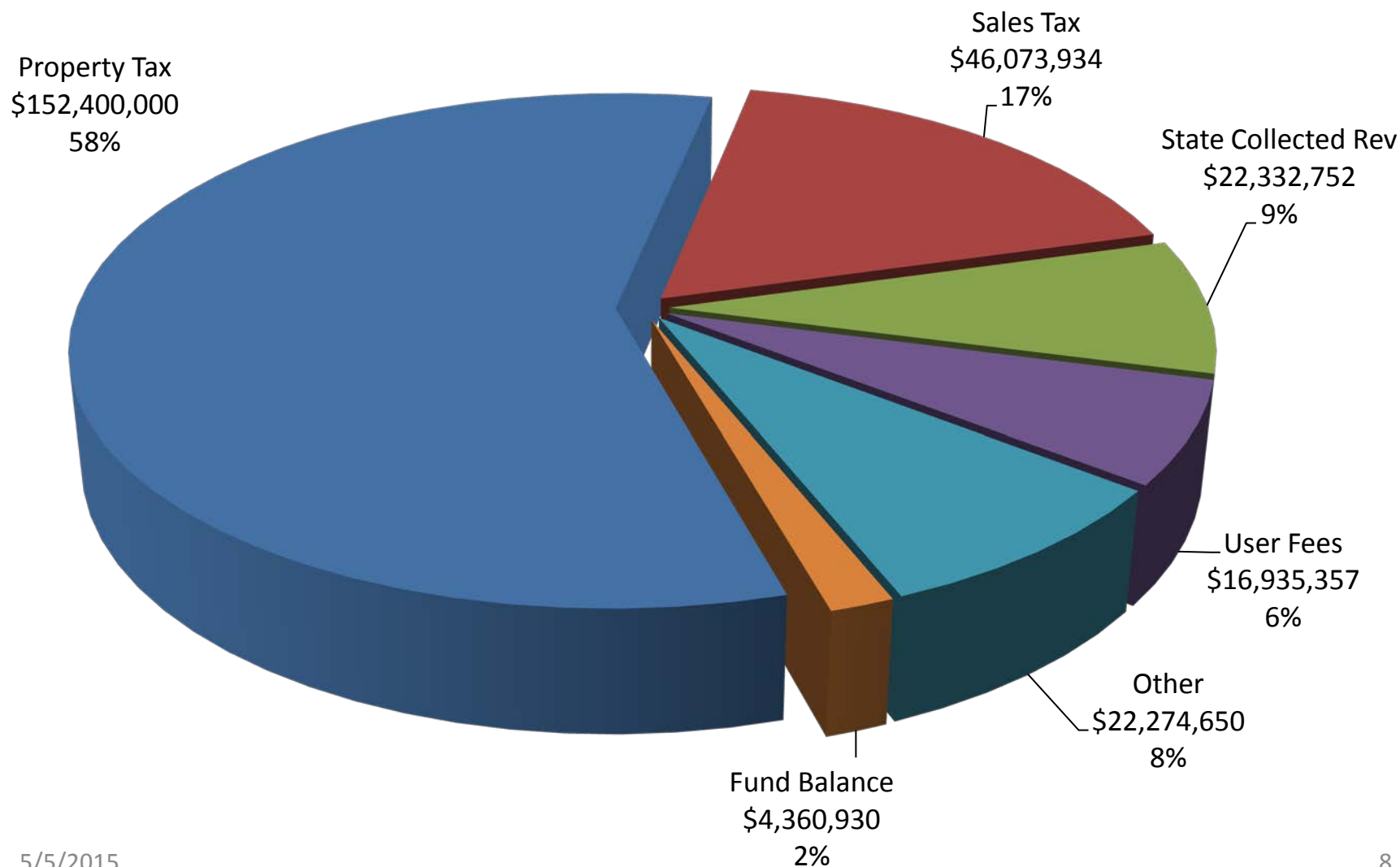
## State Shared Revenue

- Utility Sales Tax Budget= \$20,983,000
- 3.5% growth over current year estimates for Electricity Sales Tax (formerly Franchise Tax); 0% growth over current year estimates for Piped Natural Gas Sales Tax; 2.5% decrease in Telecommunications Sales Tax over current year



# FY 15-16 Recommended Budget General Fund Revenue

\$264,377,623

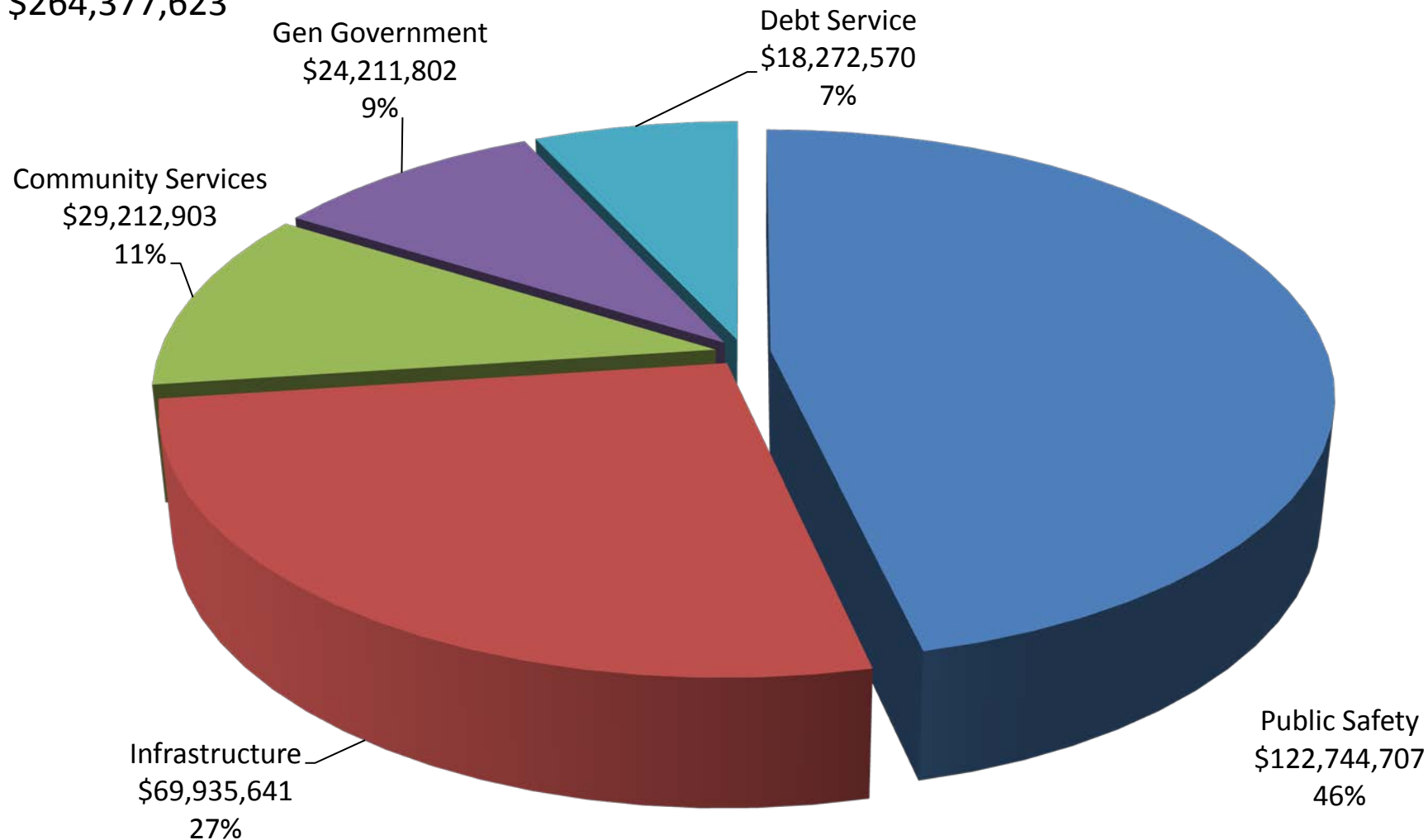






# FY 15-16 Recommended Budget General Fund Expenditures

\$264,377,623





## FY 15-16 General Fund Service Reduction Highlights

### **Total Net Reductions = \$758,131 (14.3 FTE positions)**

- Energy Budget Savings
- Workers Comp Changes
- Contracting of Seasonal Landscape Maintenance
- Service delivery changes to arts programs
- Final Year of Transition of Smith High School Pool
- Positions from Parks and Recreation, Field Operations, Libraries and Museums, and Executive

### **Total Revenue Increases (user fees) = \$36,779**

- Fire Department Plan Review user fee adjustment
- Planning Fee increases (year 3 of 4)



# FY 15-16 Service Enhancements

## Year One Enhancements

- Fire - \$ 312,896 (6 FTE)
  - Additional Firefighter ladder position per shift for Stations 10 & 52
- Transportation - \$78,500
  - Increased funding to maintain appropriate pavement marking maintenance cycle (\$30,000) and to support technology costs associated with 2014 traffic signal system upgrade (\$48,500)
- Water Resources - \$70,185
  - Additional Treatment Plant Superintendent position to improve management of Water Reclamation maintenance staffs

## Year Two Enhancements

- Fire - \$ 325,857 (6 FTE)
  - Additional Firefighter ladder position per shift for Stations 14 & 20



# Additional Capital / Maintenance Enhancements

## Police Headquarters- \$2.5 million

- Basement, 1<sup>st</sup> & 3<sup>rd</sup> Floor renovation is complete

## Street Resurfacing & Bridge Repair- \$3.0 million

- Primary maintenance needs are resurfacing and patching
- FY 14-15- \$2.0 million allocation

## Building Repair & Maintenance- \$400,000

- Repair of MMOB Elevators
- Funding Identified for FY 14-15 & 15-16

## Parking Operations - \$700,000

- Structural & Elevator Repairs/ Upgrades
- Increases for on-street, surface lot, and monthly parking rates to fund portion of increase (\$440,500)



# Employee Compensation/Benefits

- 2.5% average merit for eligible employees
- Funds Public Safety Sworn Step Increases
- Continuation of health, dental and retirement benefits



# FY 15-16 Recommended Budget: Outside Agency Funding

Agency	FY 15-16 Recommended
<b>General Fund-101</b>	
Architectural Salvage of Greensboro	\$ 14,850
Blandwood Mansion	\$ 16,750
DGI: Operations	\$ 190,000
DGI: Downtown Development	\$ 100,000
East Market Street Development Corporation	\$ 32,400
Greensboro Children's Museum	\$ 75,000
Greensboro Sports Commission	\$ 67,500
Piedmont Triad Charitable Foundation: Wyndam Championship	\$ 10,000
Faith Action ID	\$ 15,000
Economic Development Support Services	\$ 200,000
<b>General Fund Total</b>	<b>\$ 721,500</b>
<b>ED FUND-208</b>	
Arts Greensboro: 17 Days	\$ 25,000
Arts Greensboro: National Folk Festival	\$ 75,000
Greensboro Community Development Fund	\$ 150,000
Piedmont Triad Film Commission	\$ 27,000
International Civil Rights Center and Museum	\$ 150,000
Triad Local First	\$ 25,000
NC A&T State Track Event	\$ 40,000
Economic Development Support Services	\$ 100,000
<b>Economic Development Fund Total</b>	<b>\$ 592,000</b>
<b>All Funds Total</b>	<b>\$ 1,313,500</b>



# Water Resources Fund

- Raise rate from 2.0X to 2.5X for outside customers, with gradual increase from FY 2011 through FY 2018; currently 2.3X
- Smaller rate increase for inside customers
- **FY 15-16 Increase= 5.5% inside & 8% outside**
- **Bill Increase\* = \$2.12 inside & \$7.33 outside**

\* Avg. residential bill is calculated at 6 units; 1 unit = 748 gallons

- FY 15-16 budget \$121 million
- 13% or \$13.9 million above current year revised budget
- Water Rate Drivers
  - Regulatory
  - Infrastructure Rehab and Replacement
  - CIP Investment
  - Financial Position



# War Memorial Coliseum Fund

- General Fund Transfer
  - FY 2014-15 Transfer - \$2,340,474
  - FY 2015-16 Transfer – \$2,500,000 (\$159,526 increase)
- Major Event Notes for FY 15-16
  - The Women's ACC Basketball Tournament and musicians James Taylor and Taylor Swift
  - Greensboro Aquatic Center: eSynchro National Championships, ACC Swimming and Diving Championships, and the DIII NCAA Swimming and Diving Championships





## FY 15-16 Next Steps

- Proposed Budget Work Sessions
  - May 14<sup>th</sup>
  - May 26<sup>th</sup>
- Community Budget Meetings
- Public Hearing- May 19<sup>th</sup>
- Budget Adoption- June 2<sup>nd</sup>