

FY 2016-2017 Council Budget Discussion



May 17, 2016

FY 16-17 Council Budget Discussion

- **Discussion Items:**

- Major Expense Increases in Manager's Recommended Budget
- City Street Conditions and Proposed Motor Vehicle License Fee Increase
- Outside Agency Funding Recommendations
- Economic Impacts of HB 2
- Others Items to Review?



FY 16-17 Recommended Budget

- All Funds Budget Major Expense Increases:**

	FY 15-16 Revised Budget	FY 16-17 Recommended Budget	Variance	Percent
All Funds Budget	\$497,656,008	\$520,146,585	\$22,490,577	4.5%
Coliseum Improvements (Hotel/Motel)		(\$7,519,196)		
Risk Retention (Health Insurance)		(\$4,933,882)		
Powell Bill Fund (Motor Vehicle License)		(\$3,575,000)		
Debt Service Fund (2006, 2008, 2009 Referenda)		(\$4,003,484)		
		\$500,115,023	\$2,459,015	0.5%



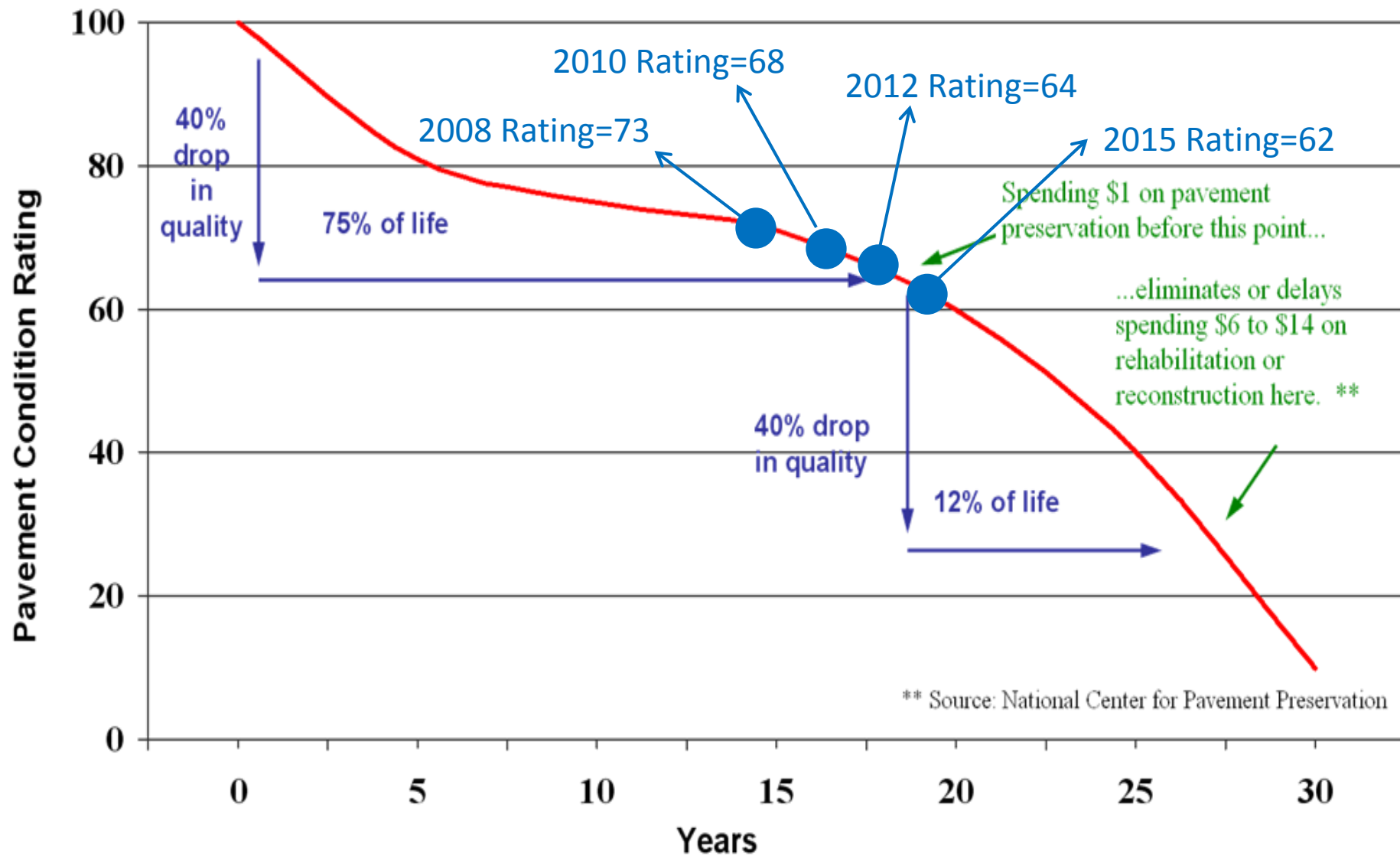
FY 16-17 Recommended Budget

- General Fund Budget Major Expense Increases:

	FY 15-16 Revised Budget	FY 16-17 Recommended Budget	Variance	Percent
General Fund Budget	\$266,723,763	\$275,049,553	\$8,325,790	3.1%
Transfer to Debt Service Increase		(\$2,965,540)		
Health Insurance Premiums		(\$2,607,964)		
Body Worn Camera Replacement		(\$307,911)		
		\$269,168,138	\$2,444,375	0.9%



Greensboro's Street System: 2008-2015



2015 Pavement Survey Results

- **Greensboro streets have an overall rating of 62 in 2015 (Poor Condition)**
- **75% of streets need some level of maintenance:**
 - **43% need significant patching and resurfacing**
 - **32% need preventive maintenance, such as crack sealing or surface patching**

Additional Funding Benefits

- **Current dedicated street resurfacing budget is about \$2.1 Million per year (Powell Bill and Water Resources)**
- **Cost for resurfacing one Greensboro lane-mile is about \$85,000, so current funding will resurface about 25 lane-miles**
- **Additional funding from the proposed vehicle registration fee would amount to \$3.9 Million per year, for a total of \$6.0 Million dedicated annually to street resurfacing, or 70 lane-miles**
- **Over 5 years, the additional funding applied to resurfacing would result in an additional 225 lane miles resurfaced (125 lane-miles vs. 350 lane-miles)**



FY 16-17 Recommended Budget

- **Proposed Annual Motor Vehicle License Fee Increase:**
 - City of Greensboro Current Rate
 - \$10 per vehicle
 - Last increased from \$5 to \$10 in FY 1991-92
 - Currently supports Field Operations and Transit
 - General Assembly provided cities with authority to increase rate up to \$30 per vehicle
 - Recommend \$20 increase (from \$10 to \$30 per vehicle)
 - Provides increased funding to address pressing street resurfacing and maintenance needs



FY 16-17 Recommended Budget

- Proposed Annual Motor Vehicle License Fee Increase:**

	Current Allocation	Current Dollars	Proposed Allocation	Proposed Dollars
General Purpose	\$3.50	\$735,000	\$5.00	\$1,050,000
Transit	\$6.50	\$1,365,000	\$6.50	\$1,365,000
Street Resurfacing *			\$18.50	\$3,885,000
Total	\$10.00	\$2,100,000	\$30.00	\$6,300,000

(*) Additional \$1 million supports 12 lane miles of resurfacing; city has approximately 2,300 lane miles of municipally-maintained streets; current pavement condition rating is poor



FY 16-17 Recommended Budget

• Outside Agency Funding:

Agency	FY 15-16 Funding	FY 16-17 Request	FY 16-17 Recommended
General Fund-101			
Architectural Salvage of Greensboro	\$14,850	\$26,500	\$14,850
Blandwood Mansion	\$16,750	\$40,000	\$20,000
Child Response Initiative *	-	\$261,536	\$150,000
Greensboro Children's Museum	\$100,000	\$100,000	\$100,000
Greensboro Sports Commission	\$67,500	\$85,000	\$85,000
Faith Action International House	\$15,000	\$25,000	\$15,000
General Fund Total	\$214,100	\$538,036	\$384,850
ED FUND-208			
Arts Greensboro: 17 Days	\$25,000	\$25,000	\$25,000
East Market Street Development Corporation **	\$50,000	\$50,000	\$50,000
Greensboro Community Development Fund *	\$150,000	\$250,000	\$200,000
Greensboro Partnership – Lab Accelerator Program	\$100,000	\$100,000	\$100,000
Piedmont Triad Film Commission	\$27,000	\$35,000	\$35,000
Triad Local First	\$25,000	\$31,000	\$31,000
Triad Stage	\$75,000	\$75,000	\$75,000
Economic Development Fund Total	\$452,000	\$566,000	\$516,000

(*) Manager's Recommendation

(**) FY 15-16 Budgeted in General Fund -101



Community Partners Board Recommendations

- Outside Agency Funding (Community Partners Board Recommendations):

Category	Agency	Program/Project	14-15 Amount	15-16 Budget	16-17 REQUEST	16-17 REC
Community Services	Big Brothers Big Sisters of the Central Piedmont	Big Brothers Big Sisters			\$15,000	\$15,000
	FaithAction International House	Immigrant Assistance and Resource Center		\$15,000	\$25,000	\$15,000
	Fellowship Hall	Outpatient Center			\$75,000	\$0
	The Queen's Foundation, Inc	Queen's Academy			\$150,000	\$150,000
	Welfare Reform Liaison Project	Commercial Driver License Training		\$0	\$125,000	\$0
	YWCA Greensboro	Family Shelter and White Flag Warming			\$65,000	\$34,150
Culture and Arts	Greensboro Children's Museum	Operating Support	\$75,000	\$100,000	\$100,000	\$100,000
	Greensboro Sports Commission	Operating Support	\$67,500	\$67,500	\$85,000	\$85,000
	Preservation Greensboro	Blandwood	\$16,750	\$16,750	\$40,000	\$20,000
	Triad Stage	2016-17 Main Stage Season	\$75,000	\$75,000	\$75,000	\$75,000
	ArtsGreensboro	ArtsFund			\$55,000	\$0
	ArtsGreensboro	17 Days	\$25,000	\$25,000	\$25,000	\$25,000
Economic Development	East Market Street Dev Corp	Economic & Community Dev. in East Greensboro	\$32,400	\$50,000	\$50,000	\$50,000
	Greensboro Community Dev. Fund	CDFI Loan Fund		\$150,000	\$250,000	\$150,000
	Greensboro Partnership	Triad Startup Lab Accelerator		\$100,000	\$100,000	\$100,000
	Piedmont Triad Film Commission	Piedmont Triad Film Commission	\$27,000	\$27,000	\$35,000	\$35,000
	Preservation Greensboro	Architectural Salvage of Greensboro	\$14,850	\$14,850	\$26,500	\$14,850
	Triad Local First	Marketing and Education, City Market	\$5,836	\$25,000	\$31,000	\$31,000
Requests not meeting financial compliance requirements						
*all new requests	Benefits Veterans Network Inc.	Veterans Helping Veterans			\$100,000	\$0
	Court Watch of NC	Process Server Program			\$10,000	\$0
	Kellin Foundation	Child Response Initiative (Existing partnership with GPD)			\$261,536	\$0
	Nussbaum Center for Entrepreneurship	Repair the Steelhouse location			\$45,000	\$0
New Request			Total Funding		\$1,744,036	\$900,000

Economic Impacts of HB2

- **Local Economic Impact**

- Conference/Meeting cancellations:
- CVB reports (5) large events cancelled to date with est. \$5 million revenue impact (hotel/motel rooms, restaurants & retail)
- Business income impacted by reduced business volume
- Employee (wage & tip) income impacted due to reduced work hours/business volume

- **City Revenue**

- Sales Tax Revenue
 - City's share of 2% local sales tax on cancelled meetings to date reduced approx. \$27,000
 - Sales tax on some future meetings is at risk
- Hotel/Motel Room Occupancy Tax Revenue
 - City's 3% room tax on cancelled meetings to date reduced approx. \$105,000
 - Room tax on some future meetings is at risk
- Coliseum Event Revenue
 - Event cancellations to date with est. loss of \$188,000 (Springsteen, Cirque du Soleil and Boston)
 - Part-time wages impacted due to cancelled events – over 1,800 scheduled workers
 - Event staffing including ushers, security, parking, housekeeping, stage hands, concessions/community organizations
 - Some future concert/meeting bookings are at risk
 - Loss of a major concert/meeting/entertainment event reduces net income by \$100,000 to \$200,000
 - Loss of a minor trade show/meeting/concert reduces net income by \$2,000 to \$30,000



FY 16-17 Recommended Budget

- **Next Steps:**

- **Council Special Meeting** - May 17, 3:30 pm
- **Public Hearing** – May 17, 5:30 pm
- **Council Special Meeting** – May 23, 1:30 pm
- **Budget Adoption** – June 7, 5:30 pm

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