

# Organizational Financial Status Review



Tuesday, February 18, 2020

City Staff

# Financial Status

## Assessed Valuation Growth

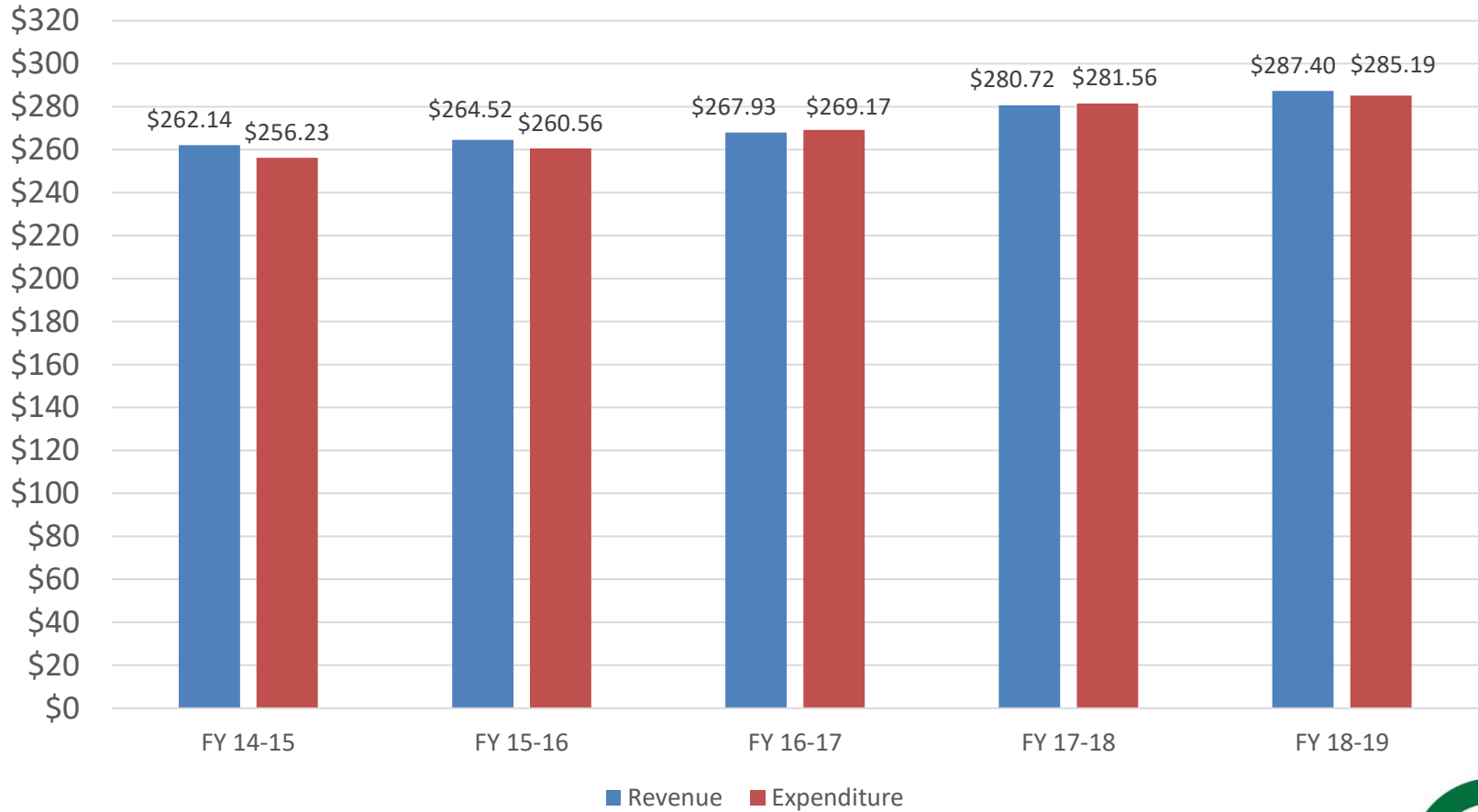
Fiscal Year	Assessed Valuation	% Change over Previous Year	Population
FY 14-15	\$25,272,730,744	-0.59%	282,558
FY 15-16	\$25,670,533,471	1.57%	285,344
FY 16-17	\$26,075,817,552	1.58%	287,019
FY 17-18*	\$27,506,258,623	5.49%	290,201
FY 18-19	\$27,942,839,631	1.59%	294,722

- AV growth has averaged 2.56% annual growth over the past four years, including revaluation during FY 17-18.
- Greensboro's population has increased 4.3% over this period (annual average of 1%)
- Consumer Price Index (excluding food and energy) has increased 2.1% annually on average since 2015.

\* revaluation

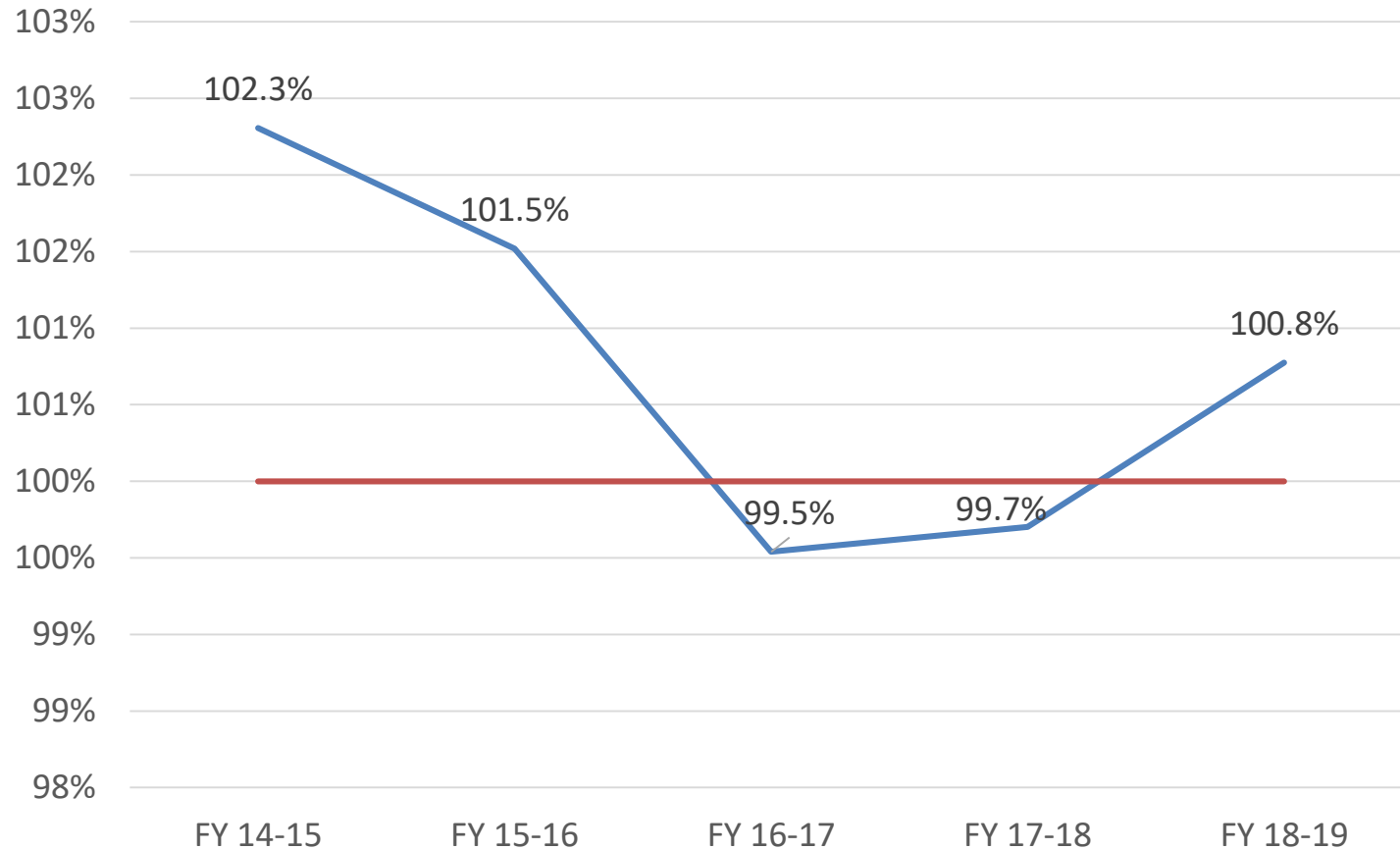
# Financial Status

General Fund Revenue and Expenditures (in millions)



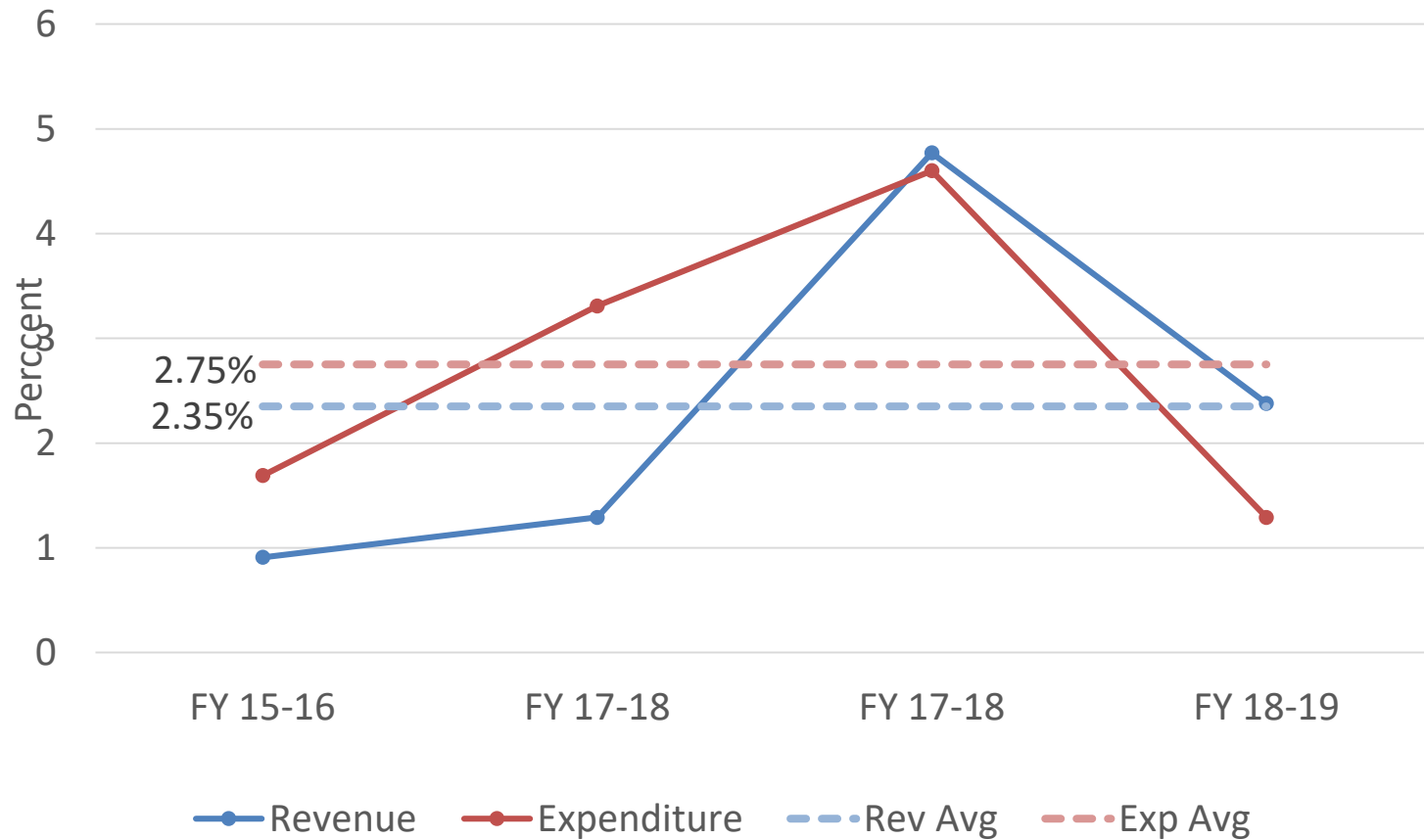
# Financial Status

Revenue to Expense Ratio



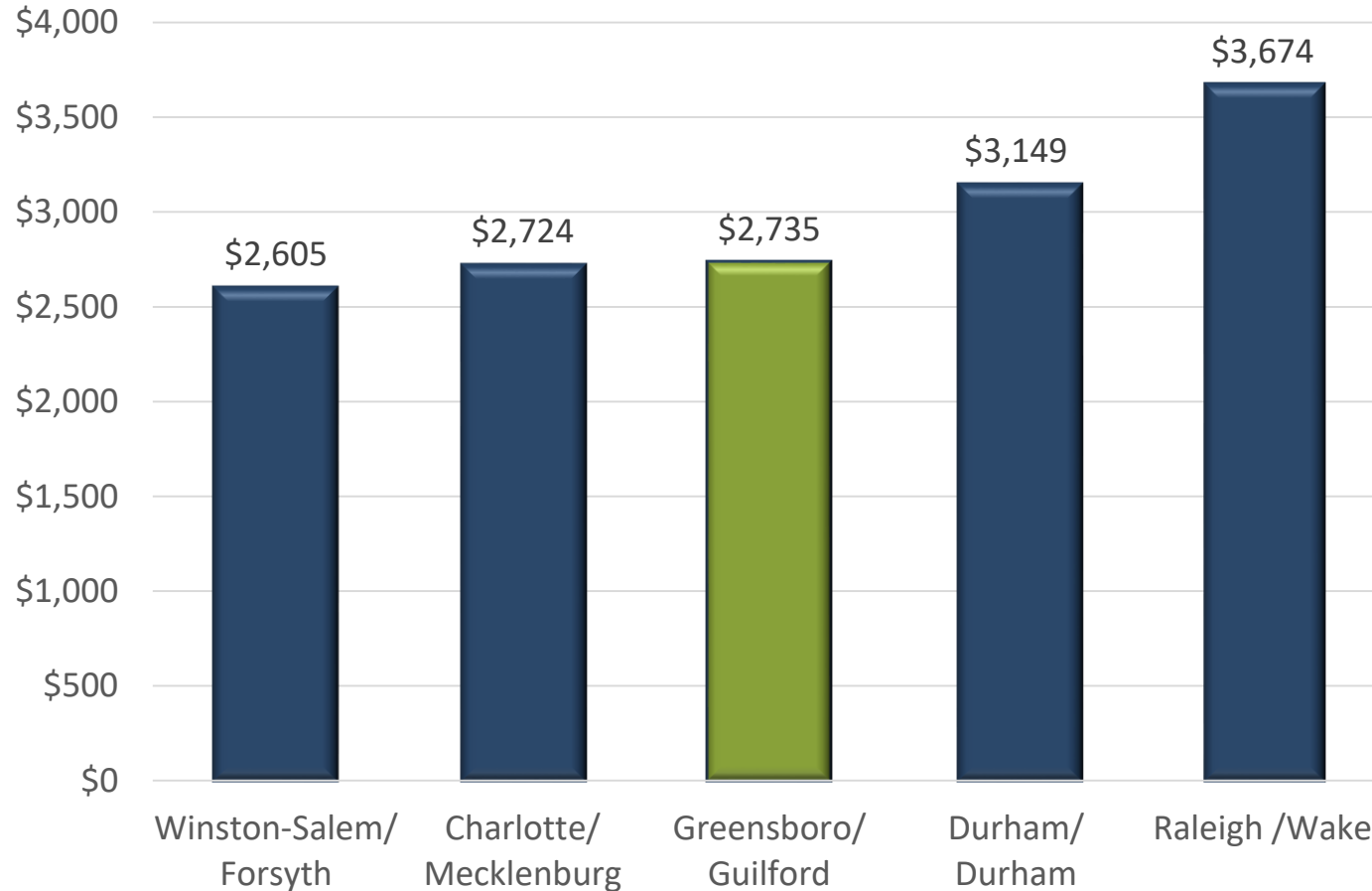
# Financial Status

General Fund: Annual Revenue  
and Expenditure Percentage Growth Rates



# Financial Status

## CITY/COUNTY COMBINED ANNUAL TAXES AND FEES, FY 19-20



Source: 2013-2017 ACS, US Census Bureau

Note: All calculations are based on median residential home values for their location



GREENSBORO

# Financial Status

## General Fund Expenditure Highlights:

Total FY 18-19: \$285.2 million

- 1.3% increase over FY 17-18
- Average annual increase of 3.1% since FY 15-16

<b>General Fund Expenditures (in millions)</b>	<b>FY 15-16</b>	<b>FY 18-19</b>	<b>+/- Change</b>
Police/Fire	\$115.7	\$127.9	+10.5%
Debt Service	\$18.3	\$23.4	+28.1%
All Other	\$126.6	\$133.9	+5.8%
Total	\$260.6	\$285.2	+9.5%

# Financial Status

<b>Full Time Positions (Operating Funds Only)</b>	<b>FY 15-16</b>	<b>FY 18-19</b>	<b>Change</b>
Water Resources	330.3	340.8	+10.5
War Memorial Coliseum	67	80	+13
All Other Departments/Funds	2,622.1	2,637.6	+15.5
Total	3,019.4	3,058.4	+39.0



# Financial Status

## Major General Fund Revenues (in millions)

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	Avg Annual % Change
<b>Total Revenues</b>	<b>\$264.52</b>	<b>\$267.93</b>	<b>\$280.72</b>	<b>\$287.40</b>	<b>2.81%</b>
Property Tax	\$151.22	\$152.70	\$160.69	\$163.36	2.62%
General Sales Tax	\$47.60	\$50.41	\$52.80	\$56.89	6.13%
Utility Sales Tax	\$24.02	\$23.37	\$23.48	\$24.03	0.04%
ABC Revenue/Beer and Wine	\$4.87	\$5.05	\$5.08	\$5.78	6.00%



# Financial Status

## General Fund Revenue Highlights:

- Total FY 18-19 Revenue: \$287.4 million
  - Revenue increased \$6.7 million compared to FY 17-18
  - Average annual revenue increase of 2.34% since FY 14-15 is below average annual expenditure increase of 2.72%
- Property Tax
  - Revenue increased by \$2.7 million, or 1.66% in FY 18-19
  - General Fund tax rate: 61.56 cents\*\* (increased 3 cents in FY19-20)
  - Tax base growth is projected to increase between 1.1% and 1.2% in FY 19-20
  - One cent of tax rate = \$2.8 million property tax revenue
- General Sales Tax
  - Revenue increased by \$4.1 million, or 7.74% in FY 18-19
  - FY 19-20 revenue projected to increase between 5-6%
- Utility Sales Tax
  - Revenue increased by \$555,738, or 2.37% in FY18-19
  - FY 19-20 revenue projected to increase between 0% and 1.0%
- ABC Revenue/Beer & Wine Tax
  - Distributions increased by \$693,899, or 13.65%

\*\* - Total tax rate: 63.25 cents



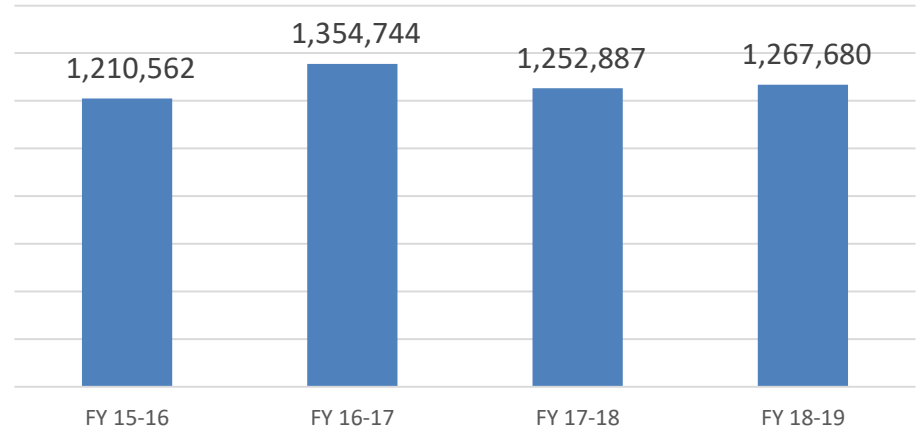
# Financial Status

## Other Fund Highlights:

### Coliseum Complex (all facilities)

- General Fund transfers
  - FY 15-16: \$2.50 million
  - FY 16-17: \$2.70 million
  - FY 17-18: \$2.98 million\*
  - FY 18-19: \$3.09 million\*

### Attendance



### FY 19-20 mid-year update

- AAU Junior Olympics July 19 – 28
- USA Swimming Futures Aug 1 – 3 on National TV
- Disney on Ice Dec 4 – 8
- US Figure Skating Championships Jan 21 – 26
- ACC Swimming & Diving Championships - Feb 19/March 1

\* - Included transfers for Tanger Center support

# Financial Status

## Other Fund Highlights:

Coliseum Complex (all facilities: continued)

- Coliseum Concerts continue to sell large numbers of tickets to all genres.
- Youth oriented indoor sport events continues to be a strong event category with 11 weekend events this fiscal year – specifically ACC and USSSA basketball, cheerleading, wrestling events drawing 100 teams or 1000 Wrestlers with 70% of participants and attendees from out of town
- GAC events follow suit with large percentage of attendees from out of town GAC hosted 2 major national swimming championships: USA Futures Meet in Aug, the TYR Pro Swim Series and NC State Invitational in November. The YMCA short-course championships return in April with a multi-year agreement.

Future sporting events (2020) include:

- NCAA Division III Swimming Championships : March 16 - 22
- ACC Women's Basketball Tournament : March 4 – 8
- ACC Men's Basketball Tournament : March 10 – 14
- NCAA Men's Basketball First & Second Round : March 19 – 22

Tanger Center is scheduled to open March 18, 2020

# Financial Status

## Other Fund Highlights:

### Hotel/Motel Occupancy Fund (3% City Tax Levy)

- Room tax revenue increased from \$3.91 million in FY 15-16 to \$4.68 million in FY 18-19, with annual average growth of 6.29%
- Tax proceeds increased 10.48% in FY 18-19, from \$4.24 million to \$4.68 million
- Revenue currently funds debt service on \$54 million bonds
  - \$5.2 million 2010 GAC bonds (refinanced 2018)
  - \$22.0 million arena and other complex improvement bonds (2014)
  - \$26.8 million bonds issued for G-League facilities, GAC fourth pool, SEC seating, roof replacements and other improvements (2018)

# Financial Status

## Other Fund Highlights:

### Greensboro Transit Agency

- Increased General Fund support in FY 18-19 of \$2.5m in sales taxes
- Adopted FY 19-20 budget included no appropriated fund balance
- FY 18-19 GTA lost significant State funding (\$1.6m)
  - recovered \$1.3m in FY 19- 20
- Proposed fare and operational changes recommended in for FY 19-20 have not been implemented
- There has been an average 5% decrease in bus fare revenue for the past 5 years and a 3% average increase in expenditures

### Future Funding Expiring

- FY 2023 the Congestion Mitigation Air Quality (CMAQ) grant will expire
  - This grant funded a new route (Route 13 – Randleman Road)
  - \$700,000 annual revenue loss (\$2.1m over three years)
- FY 2028 the Duke Power Installment Payment will expire
  - \$1.5m annual revenue loss

# Financial Status

## Other Topics (Current and Future)

### Compensation Initiatives

- All permanent positions now include minimum \$15.00 hourly wage.
- Minimum hourly wage rate for roster positions (excluding Coliseum) planned increase from \$13.50 to \$15.00 on September 1, 2020
  - Next annual adjustment will increase total General Fund by \$400,000.
- Merit increases of 3% FY 18-19 and FY 19-20
- Caregiver Leave implemented FY 19-20
- Retirement contribution increases
  - Projected FY 18-19 to FY 21-22 an additional \$8.3 million cost to the General Fund

### Health Insurance Fund

- 2% employee premium increase 2020
- Health Insurance Claims Costs totaled \$35.9 million in FY 18-19, increasing by 5.8% compared to FY 17-18
  - Average annual increase of 0.23% since FY 15-16



# Financial Status

## Other Topics (Current and Future)

### Capital Asset Needs

- Typically allocate \$1.0 million annually for General Fund facilities improvements
  - Identified annual maintenance needs exceed \$2.5 million
  - FY 20-21 scheduled projects include Depot & Science Center elevators (\$400,000), Cultural Center Roof (\$550,000)
  - Other Identified Needs include:
    - Central Library (Roof, Cooling Towers, Carpets ~ \$1.9 million)
    - Bryan Park Enrichment Center (Skylight - \$750,000)