



City of  
*Fayetteville*  
North Carolina

**ANNUAL  
BUDGET**

**2021**  
FY

# Presentation of the Recommended Budget

May 26, 2020





- \$233,159,310 total budget across all funds
  - 1.5% increase across all funds
- \$178,698,215 General Fund expenditures
  - 2.7% increase in General Fund
- Recommended tax rate remains at 49.95 cents per \$100 valuation



	FY2020 Original Adopted Budget	FY2021 Recommended Budget
General Fund	173,973,505	178,698,215
Environmental Services Fund	13,617,591	15,320,773
Transit Fund	10,750,770	11,521,673
Stormwater Fund	13,193,044	12,405,322
Airport Fund	11,525,233	8,003,097
PWC Assessment Fund	2,218,200	2,891,200
LEOSSA Fund	1,746,601	1,726,075
Emergency Telephone System Fund	1,082,195	994,752
Parking Fund	1,189,873	1,252,962
Central Business Tax District	290,097	312,693
Lake Valley MSD	82,500	32,548
<b>Total Budget All Funds</b>	<b>\$229,669,609</b>	<b>\$233,159,310</b>



# Budget Development Priorities

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- Contend with COVID-19 pandemic economic impacts
  - Revenue impacts expected in the range of \$8M to \$10M over fiscal years 2020 and 2021
  - Prudent use of federal CARES Act funding
- Maintain current tax rate
- Maintain current levels of service
- Fund Council strategic priorities
  - Including significant investment in public safety compensation to address recruitment and retention



# Funding Sources



**Ad Valorem Taxes**  
30%

**Sales Taxes**  
19%

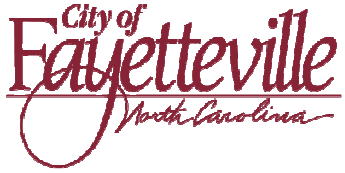
**Other Intergovernmental**  
21%

**Stormwater & Solid Waste Fees**  
11%

**Other Fees**  
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**Fund Balance**  
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**Other**  
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## Revenue Highlights

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- General tax rate proposed to remain at 49.95 cents per \$100 of property valuation
- Taxable property growth of 0.6% compared to values projected with FY 2020
  - Motor vehicle and personal property values anticipated to be impacted by COVID-19 economic pressures
- General Fund revenue projected \$70.7 million, just 0.1% over FY 2020 budget
  - Collection rates on real and personal property anticipated to decline from 99.475% to 99.1% due to COVID-19 economic pressures



# Revenue Highlights

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## General Fund Intergovernmental Revenues

- Projected Sales Tax Distributions
  - FY 2020 \$41.67 million 4.5% below FY 2019  
6.1% below budget
  - FY 2021 \$43.21 million 3.7% above FY 2020 projection  
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- Utility Tax Distributions
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# Revenue Highlights

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- General Fund Intergovernmental Revenues
  - Public Works Commission
    - Payment In Lieu of Tax (Based upon 2.45% of Electric Fund Net Assets)
      - FY 2020      \$ 11,098,087
      - FY 2021      \$ 11,450,867 (3.2% above FY 2020)
    - Economic Development Payments
      - FY 2020      \$1,200,000
      - FY 2021      \$1,200,000
      - Final transfer in FY 2021 for a total of \$6 million over 5 years
    - COVID-19 Supplemental Emergency Funding
      - \$2.0 million each year for FY 2020 and FY 2021

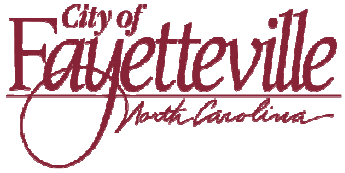




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- FY 2021 includes \$3.3 M in planned loan proceeds for vehicle and equipment purchases in the General Fund
- FY 2021 includes \$9.35 M appropriation from General Fund fund balance for non-recurring uses, including \$1.81 M of capital funding plan fund balance and \$156,000 of Recreation District fund balance
- Projected available General Fund fund balance at end of FY2021 is \$22.5 M or 12.87% of FY 2021 budgeted expenditures
  - Council policy is 10.0%. Balance beyond 10% is \$5.0 million.
  - Goal is 12.0%. Balance beyond 12% is \$1.5 million.



## Revenue Highlights

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- Residential Solid Waste Fee
  - FY 2020:
    - Current fee is \$190 per single family residential unit
  - FY 2021:
    - Proposed fee is \$225 per single family residential unit
    - Increase of \$35 per year, or \$2.92 per month, in order to return the fund self-sufficiency as in FY 2019
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  - Tax rate recommended to remain at 10.0 cents
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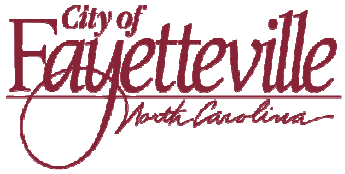
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-  **Goal 2:** Responsive City Government Supporting a Diverse and Viable Economy
-  **Goal 3:** Investment in Today and Tomorrow
-  **Goal 4:** Desirable Place to Live, Work and Recreate
-  **Goal 5:** Financially Sound City Providing Exemplary City Services
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## Goal 1: Safe and Secure Community

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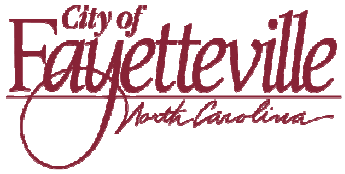
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## Goal 2: Responsive City Government Supporting a Diverse and Viable Economy

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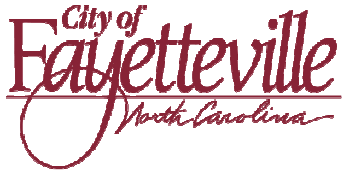
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- Continues \$100,000 annual support for FCEDC
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- Continues \$35,353 annual support for CEED
- Continues implementation and support of the LSBE program
- \$100,000 increased funding for advertising incentives for added flight destinations or services at the Fayetteville Regional Airport
- \$434,759 to continue infrastructure improvements at Hurley Plaza at the redevelopment and stadium site



## Goal 3: Investment in Today and Tomorrow

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- \$4.4 million for pavement preservation funding
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- \$150,000 for bridge and dam safety and preservation programs
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## Goal 4: Desirable Place to Live, Work and Recreate

- Funds operating costs for new community amenities, including the Lake Rim Pool and Rowan Skate Park
- Continues progress on Parks and Recreation bond projects
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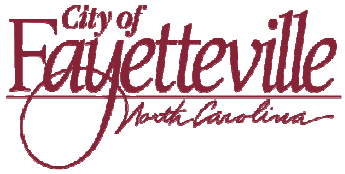
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## Next Steps

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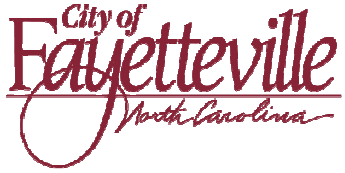
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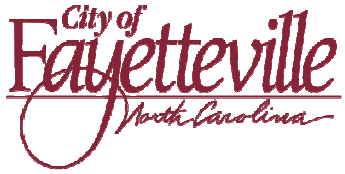
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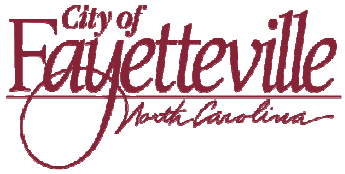
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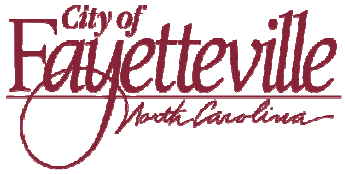
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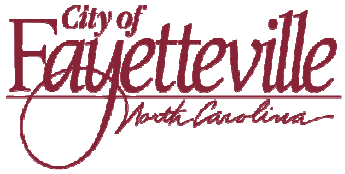
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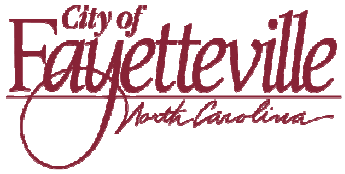
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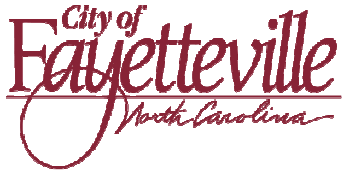
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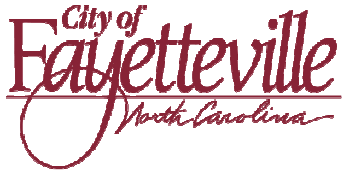
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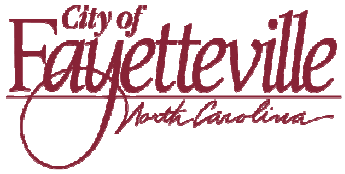




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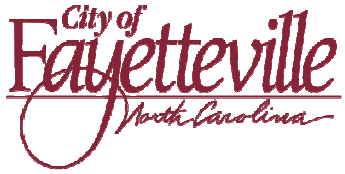
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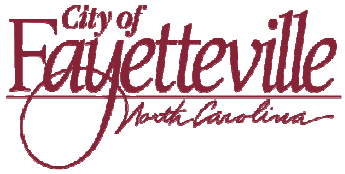
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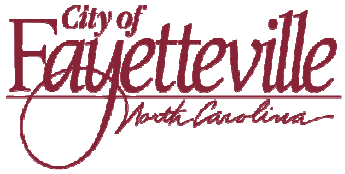
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**ANNUAL  
BUDGET**

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# Budget Development Priorities

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  - Revenue impacts expected in the range of \$8M to \$10M over fiscal years 2020 and 2021
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# Funding Sources





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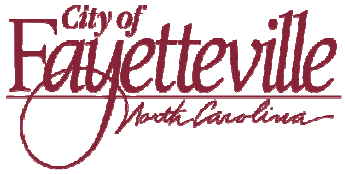
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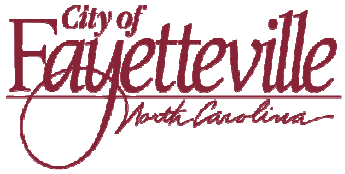
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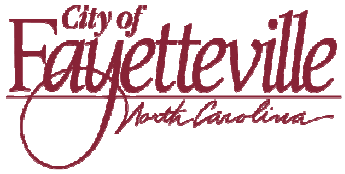
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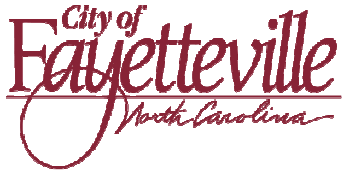
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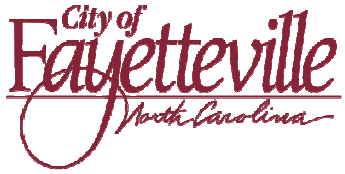
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**Ad Valorem Taxes**  
30%

**Sales Taxes**  
19%

**Other Intergovernmental**  
21%

**Stormwater & Solid Waste Fees**  
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**Other Fees**  
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**Fund Balance**  
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**Other**  
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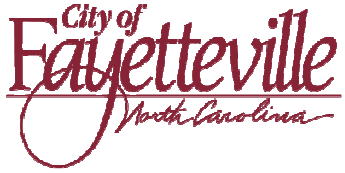
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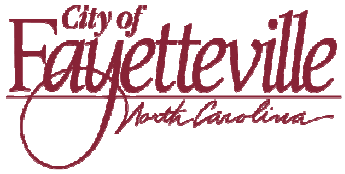




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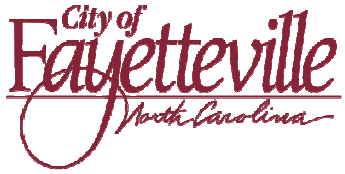
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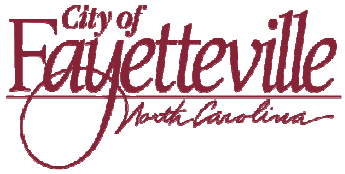
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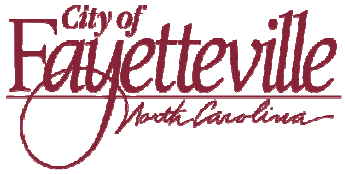
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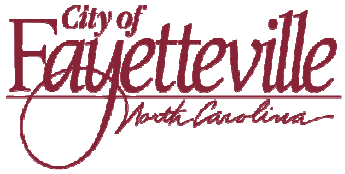
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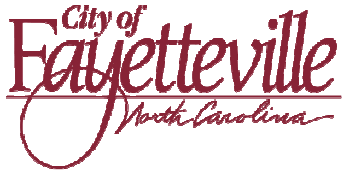
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