

OUTFRONT

Budget FY 2013-14 Recommended

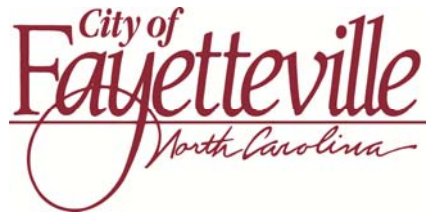
May 22, 2013



City of
Fayetteville
North Carolina



- Base Budget
- Last Meeting Recap
- PWC Expense/Revenue Adjustments
- New Initiatives
- General Fund Impact
- Proposed Changes to Solid Waste Fee
- Upcoming Calendar
- Questions

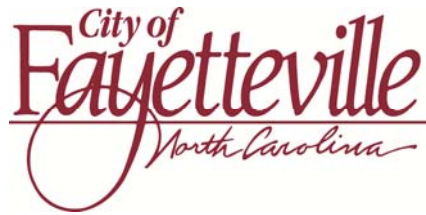


Review of Base Budget



Follows budget guidelines set forth by Council

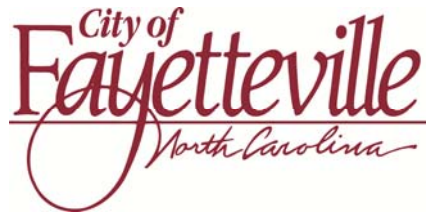
- Maintains the current tax rate of 45.6 cents per \$100 of assessed valuation
- Maintains the Downtown Municipal Services District current tax rate of 10 cents per \$100 of assessed valuation
- Aligns appropriations by portfolio (Support Services, Operations and Community Investment) to provide maximum flexibility in service delivery and accountability
- Proposes minor revenue enhancements in fees for stormwater and solid waste services
- Accommodates the Police Department's realignment and new organizational structure



Review of Base Budget



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- Transitions from Time-Warner Cable to the new FAY-TV7 government access channel to better communicate with our citizens
 - Reassigns the Stormwater Fund the street sweeping program
 - Transitions Environmental Services to an enterprise fund
 - Implements two minor FAST route adjustments with offsetting savings
 - Funds implementation of Phase II of the Classification and Compensation Study
 - Provides for a modest 2.5% merit pay increase opportunity
 - Funds the proposed Capital Improvement Program and Information Technology Plan
 - Establishes a \$1 million revolving fund for corridor improvement initiatives
 - Provides a \$1 million one-time boost to accelerate street resurfacing in response to feedback from citizens and City Council.



Last Meeting Recap (Included in Base Budget)

Street Maintenance Boost

One time \$1 million allocation from the General Fund Fund Balance

Community Investment Funding Proposal

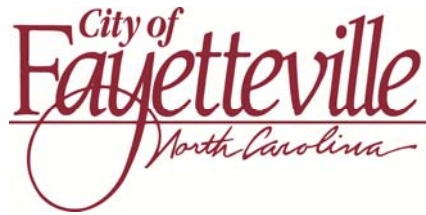
One time \$1 million allocation from the General Fund Fund Balance

Stormwater Fee Changes

\$12/year increase per household

Solid Waste Fee Changes

\$10/year increase per household



Budget Options (Outside Base Budget)

Parks & Recreation Project Proposals

Option 1: 1.5¢ x 15 years = \$35,000,000

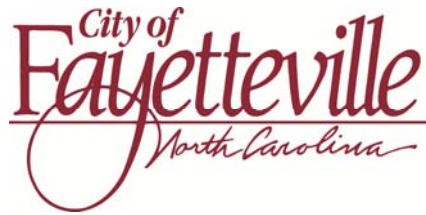
Option 2: 1¢ x 15 years = \$24,000,000

Option 3: .5¢ x 15 years = \$12,000,000

Police Deployment Budget Proposal

COPS Grant + 1 cent on tax rate = 15 officers + \$3 million for district office

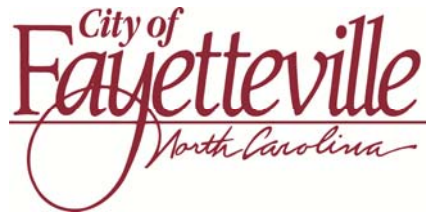
This is a new opportunity presented by the federal grant cycle within the last month



City PWC Expense/Revenue Adjustments

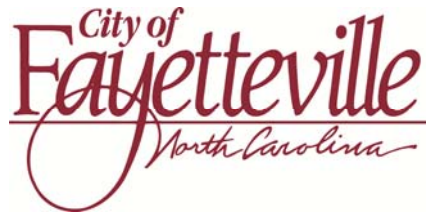
	Fiscal Year 2013	Fiscal Year 2014	Future Fiscal Years
<u>General Fund Expenditure Reductions</u>			
Electric Gross Receipts Tax/ Power Supply Agreement	(499,600)	(499,600)	(499,600)
Purchasing Services	-	(157,204)	TBD
Fleet Maintenance Indirect Cost Allocation	-	(85,500)	(85,500)
Additional Fleet Maintenance Cost Adjustments	-	-	TBD
Fiber Services	-	TBD	TBD
Exchange Server Services	-	TBD	TBD
Ft. Bragg Water Infrastructure Repayment	-	-	TBD
Total	(499,600)	(742,304)	(585,100)
<u>General Fund Revenues</u>			
PWC Government Access Channel Contribution	-	85,000	85,000
Total Benefit for General Fund	499,600	827,304*	670,100

*Adjust total fleet maintenance to 65% of budget estimate by PWC (\$391,350)



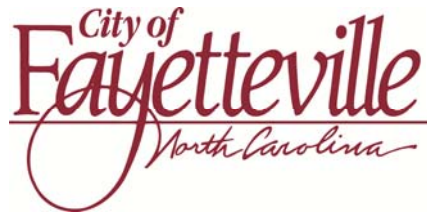
Recommended New Initiatives

Department	Expense	Revenue	Net Cost	Title
City Manager's Office	\$ 53,309		\$ 53,309	Secretary position
Development Services	\$ 136,661		\$ 136,661	Senior Planner
Information Technology	\$ 70,398		\$ 70,398	Desktop Support Technician #1
Community Development	\$ 78,183		\$ 78,183	Community Development Planner
Human Resources Development	\$ 12,600		\$ 12,600	Kenexa - Compensation Software Tool - PWC
City Clerk	\$ 22,652		\$ 22,652	PT Records Tech (OAI) - One Time - Contract
Parks & Recreation	\$ 44,228		\$ 44,228	Trash Pickup
Development Services	\$ 66,255		\$ 66,255	Planning and Zoning Administrator
Eng. & Infrastructure/Stormwater	\$ 96,120		\$ 96,120	Unfreeze Engineer II - 1/2 cost in Stormwater
Corporate Communications	\$ 81,791		\$ 81,791	Gov. Access Channel 1 FT coordinator - PWC
Parks & Recreation	\$ 2,000		\$ 2,000	New Century Circle School/Park



Recommended New Initiatives

Department	Expense	Revenue	Net Cost	Title
Transit	\$ 271,385	\$ 183,213	\$ 88,172	Add new route - Strickland Bridge Road
Human Resource Development	\$ 23,800		\$ 23,800	High Density Filing System (Pers. Rec.) - One Time
Transit	\$ 32,294	\$ 26,685	\$ 5,609	Ft. Bragg AM/PM Service
Development Services	\$ 307,131		\$ 307,131	Building Division - Vehicles
Police	\$ 132,151		\$ 132,151	Forensic Manager
Environmental Services	\$ 63,823		\$ 63,823	Code Enforcement Administrator
Transit	\$ 45,500	\$ 22,750	\$ 22,750	Transit Security
Transit	\$ 28,551		\$ 28,551	Increase Intermittent Base Pay to \$12.538
Human Relations	\$ 19,500		\$ 19,500	Study Circles
Fire	\$ 12,091		\$ 12,091	Honor Guard OT
Transit	\$ 62,837	\$ 43,331	\$ 19,506	Route 14 Express
TOTAL	\$ 1,663,260	\$ 275,979	\$ 1,387,281	



General Fund Impact

21 LEOs & Staff (COPS and JAG Grants)

+ **24** Firefighters (SAFER Grant)

45 Public Safety Positions

\$2.2 million

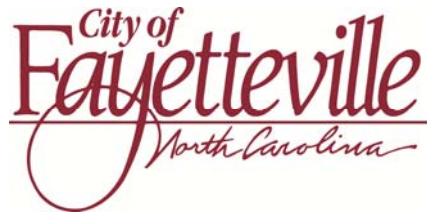
impact to General Fund in FY2014

Proposed Fee Changes Solid Waste Fee



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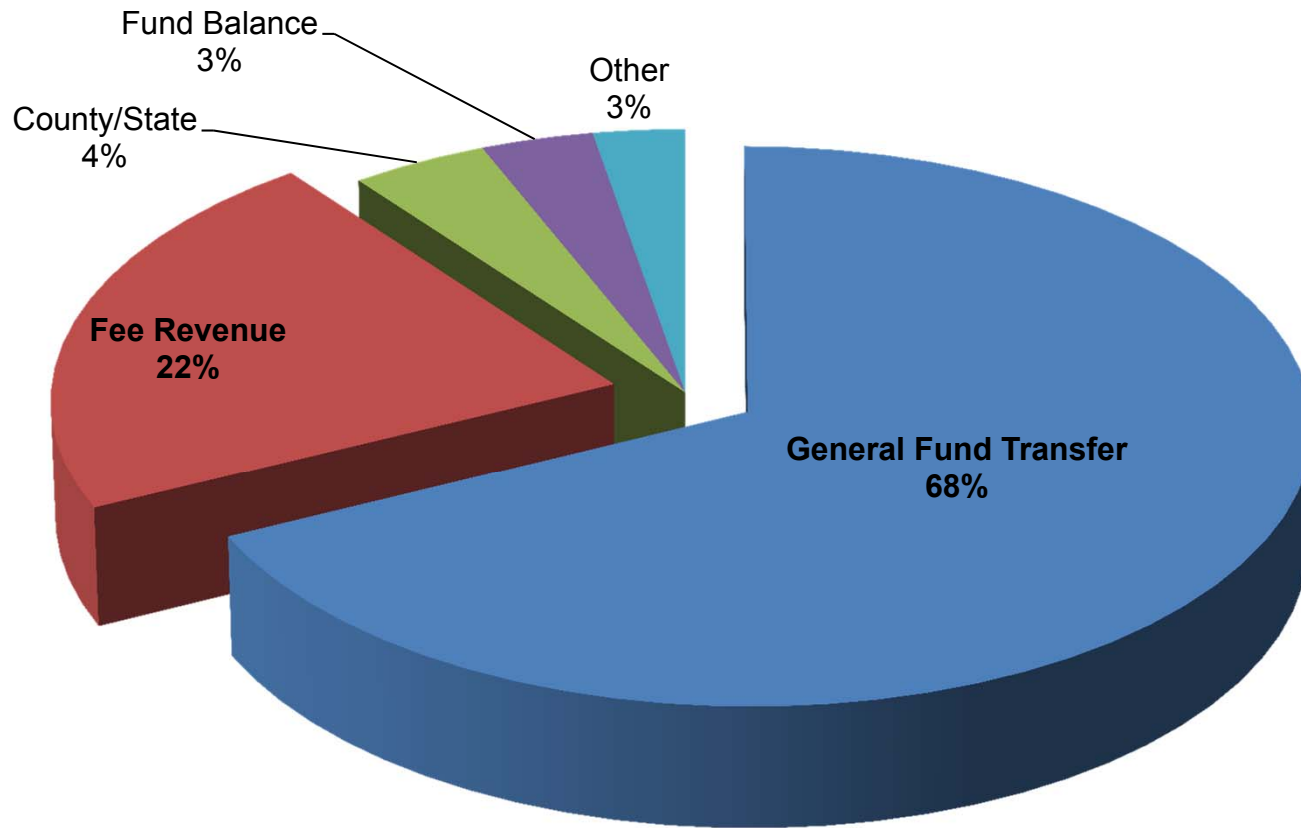
Outline

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- Enterprise Fund
 - Revenue Sources
 - Fee Change

- **Separate Accounting Entity**
 - Combines all collection activities (solid waste, yard waste, and recycling)
 - Improved revenue and expenditure tracking
 - City's cost allocation system is limited
 - General Fund Support
 - Best practice

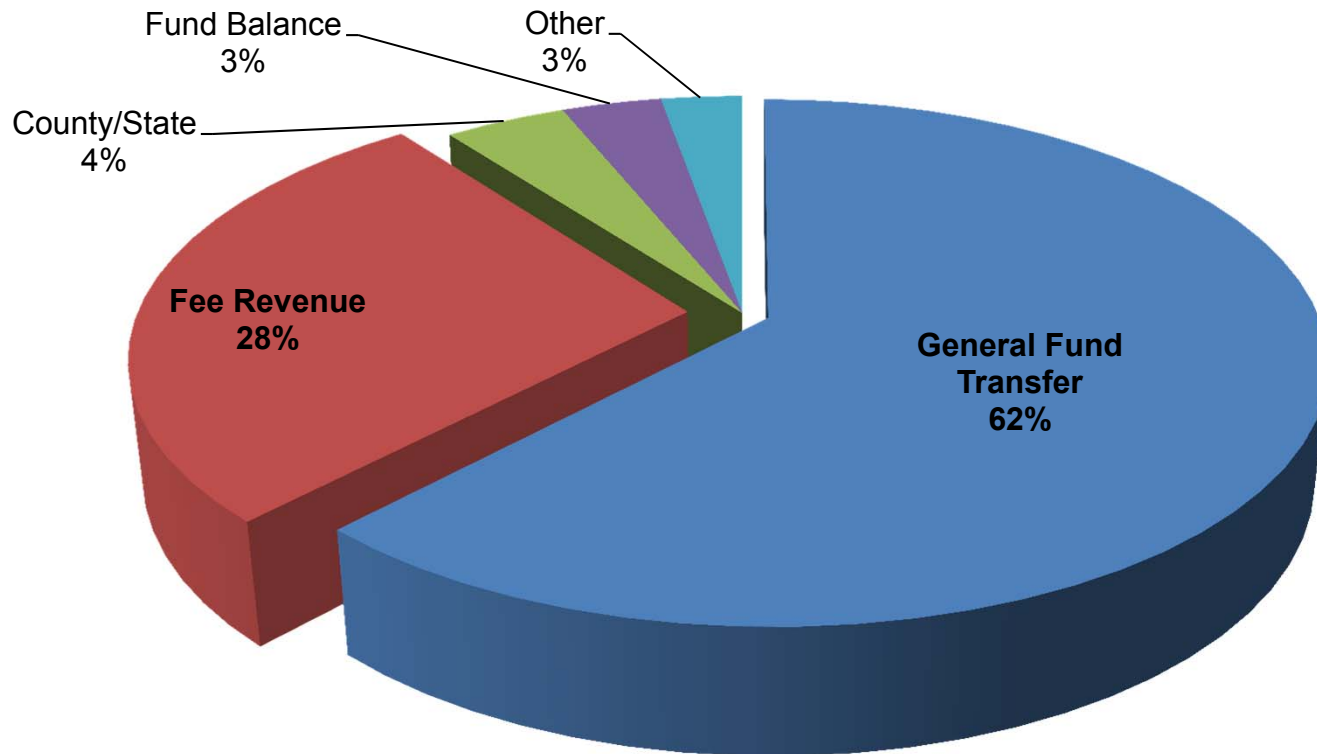
Revenue Sources

No Fee Change



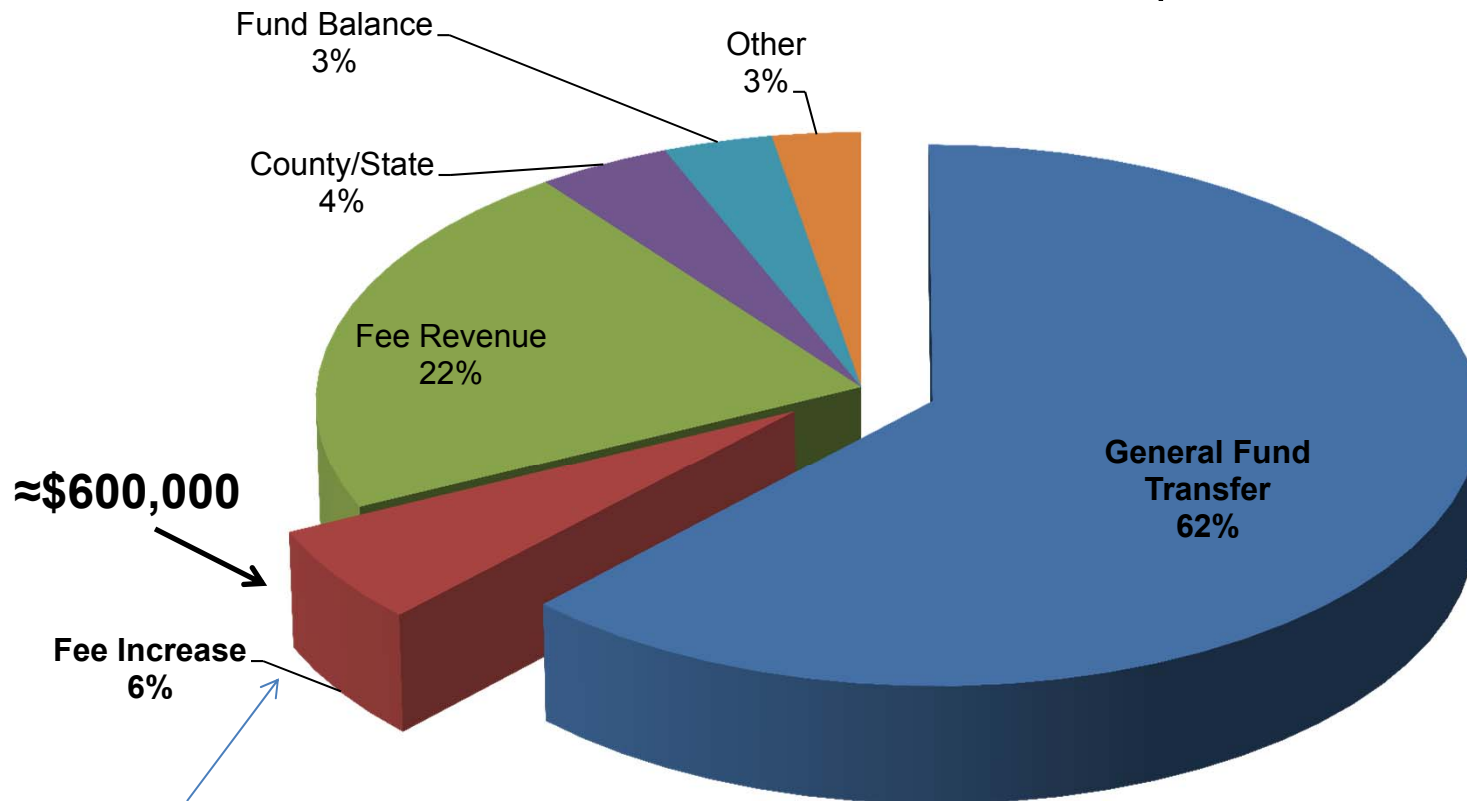
Revenue Sources

**Env. Services Revenues
\$10 Fee Increase
\$48/Month**

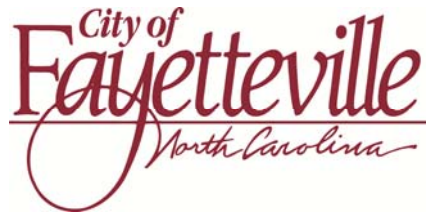


Revenue Sources

**\$10 Increase
\$48/Month**

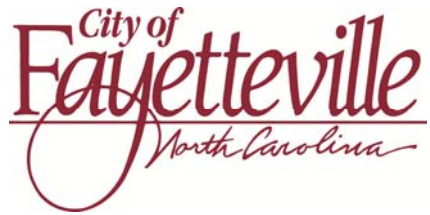


Reduction in COPS grant proceeds from
FY13 to FY14 \$575,469



Fee Change

- “Solid Waste” Fee
 - Increase from \$38 to \$48 per year
 - Provides 28% of est. revenue
 - Fee Revenue \$2.9 million
- No Change
 - ↑ Gen. Fund transfer by \$600,000
 - Gen. Fund will provide 68% of est. revenue
 - Gen. Fund ↑ ≈ \$7.2 million



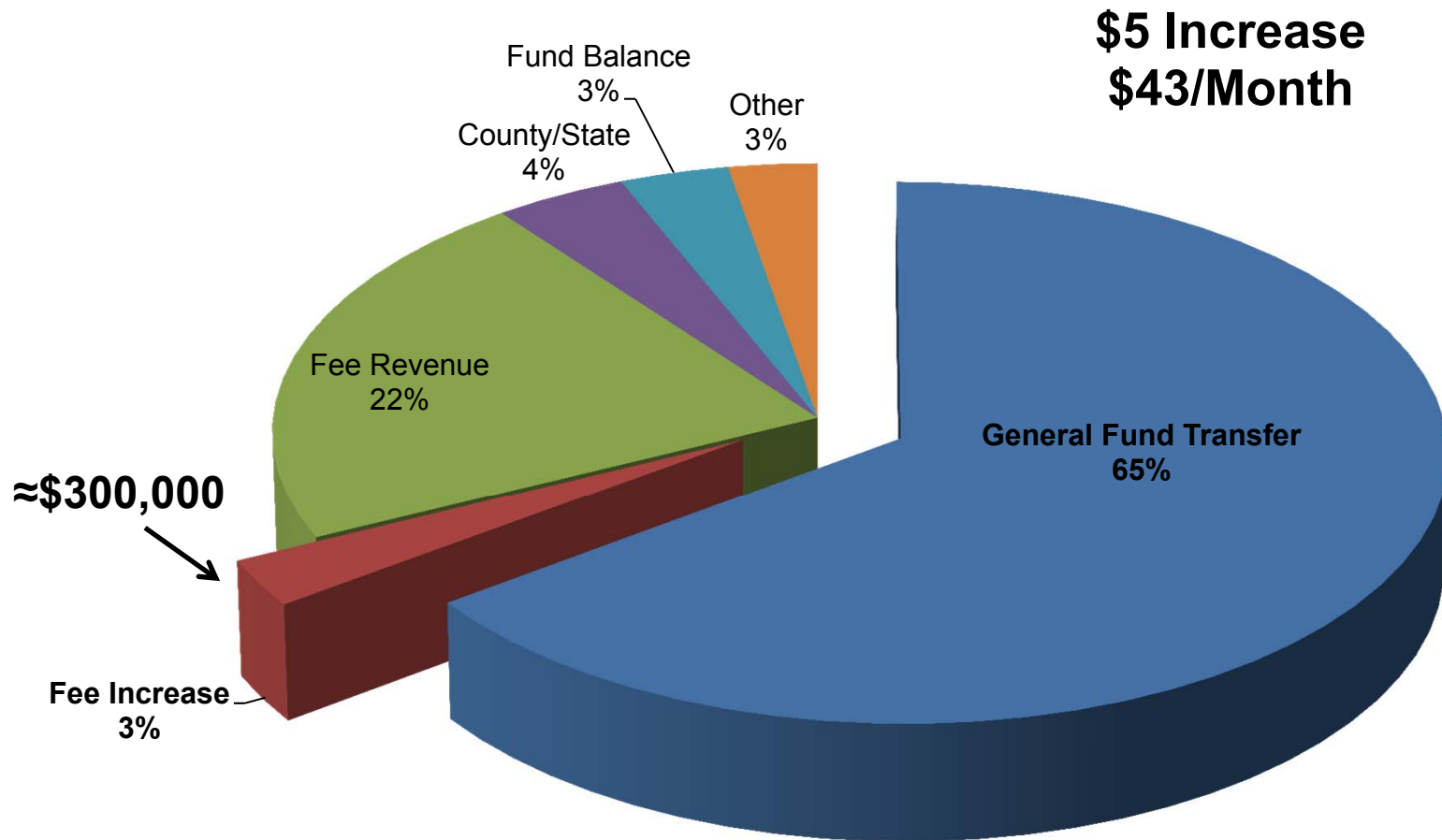
Env. Budget Change

- Env. Services Recommended Budget
 - Reduced \approx \$.3 million from FY 13 (\approx 3%)
- Budget Cost
 - \$156.10 per year per customer*
 - \$13.02 per month
- Fee Recommendation - **\$4 per month**

* Total General Fund & Solid Waste Fee Revenue Divided by FY14 est. # of Customers

Revenue Sources

- Alternative:





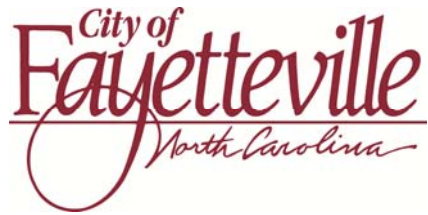
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Upcoming Calendar

- **May 28** – Regular Council Meeting
- **May 29** – Budget Work Session
(as directed)
- **June 3** – Council Work Session
- **June 10** – Regular Council Meeting
Public Hearing
(Budget Adoption)

Council Questions?

OUTFRONT