



FY2020 Recommended Annual Budget

May 13, 2019

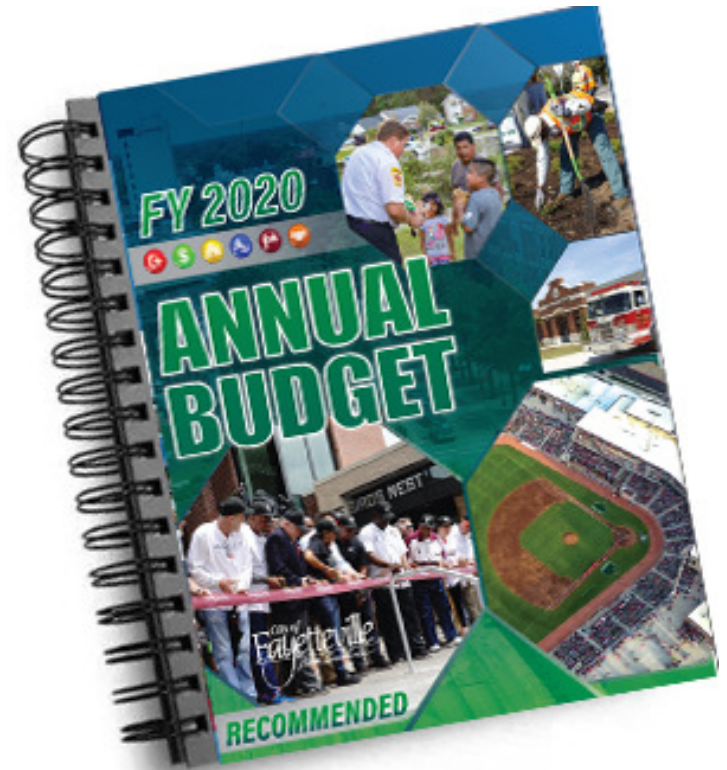


City of
Fayetteville
North Carolina





- \$228,814,977 total expenditures across all funds
- \$173,799,332 General Fund expenditures
- 2.8% increase in General Fund
- Recommended tax rate remains at 49.95 cents per \$100 valuation





Council Targets for Action

- Revitalization of the Murchison Road Corridor
- Community revitalization efforts, including residential and commercial properties
- Update of a comprehensive land use plan to manage future growth
- Development of a quality stormwater program
- Development of an internship program
- Development of Smart City capacity through the pursuit of broadband access
- Improvements in railroad crossing safety at at-grade crossings
- Elevation of conversations to combat poverty across the City
- Development of a young adult engagement program to promote collaboration and empowerment

Expenditure and Service Highlights



Goal 1: Safe and Secure Community



Goal 2: Diverse and Viable Economy



Goal 3: High Quality Built Environment



Goal 4: Desirable Place to Live, Work and Recreate



Goal 5: Sustainable Organizational Capacity



Goal 6: Resident Engagement and Partnerships



Goal 1: Safe and Secure Community

- Funds an additional Assistant Fire Chief to oversee the Emergency Management Division
- Funds \$1,454,457 to complete the final phase of enterprise wide radio replacements
- \$174,152 for replacement generators for Fire Station 1 and the emergency communications center
- \$25,000 for neighborhood traffic calming measures and \$50,000 for neighborhood multi-use lane markings
- \$133,912 for equipment enhancements for the Fire and Police Departments



Goal 2: Diverse and Viable Economy

- \$500,000 for revitalization initiatives to be determined by Council
- \$375,000 additional funding for land purchases at Murchison Road catalyst site and for studies to support redevelopment marketing
- \$75,000 for professional studies to support redevelopment marketing for the Hope VI business park
- \$100,000 increased funding for advertising incentives for added flight destinations or services at the Fayetteville Regional Airport
- Continues \$100,000 annual support for Fayetteville Cumberland Economic Development Corporation



Goal 2: Diverse and Viable Economy

- Continues \$220,000 for contracted management of the downtown Arts and Entertainment District services and programs
- \$264,000 additional funding to replace parking displaced by the downtown baseball stadium
- \$85,000 for contracted grant writing services
- Continues implementation and support of the Local Small and Disadvantaged Business Enterprise (LSDBE) program
- \$26,621 for continued partnership with Cumberland County Schools for the ICON youth internship program



Goal 3: High Quality Built Environment

- \$4.31 million for pavement preservation funding
- Funds a Pavement Preservation Manager to maximize cost effectiveness of program
- \$4.36 million for storm water drainage watershed studies and projects
- \$1 million to repair storm-damaged Sykes Pond Road
- \$652,000 for sidewalk improvements
- \$334,119 to repair Ray Avenue
- \$130,956 for intersection improvements
- \$150,000 for bridge and dam safety and preservation programs



Goal 3: High Quality Built Environment

- \$75,000 for downtown streetscape improvements
- \$50,000 for thoroughfare streetlights
- \$350,000 for projects in partnership NCDOT, including:
 - \$250,000 for pedestrian improvements at intersections along Morganton Road, between McPherson Church Rd. and Skibo Rd.
 - \$100,000 for sidewalk at Cliffdale Road
- \$250,000 for an infrastructure asset management plan
- Funds 6 positions for infrastructure and storm water reviews for new development, stormwater project management, and watershed modeling



Goal 4: Desirable Place to Live, Work and Recreate

- Funds an Assistant Economic and Community Development Director on a 50/50 basis with use of federal grant funds
- Funds operating costs for soon-to-be completed new amenities, including the Lake Rim Pool, Skate Park and Senior Center West
- Continues Parks and Recreation bond projects, including:
 - Sports Field Complex
 - Jordan Soccer Complex
 - Senior Center East
- Provides \$7.8 million of local funding to continue Fayetteville Regional Airport terminal renovations



Goal 4: Desirable Place to Live, Work and Recreate

- Funds an additional dispatcher for Fast*Trac!* paratransit services and a technician for specialized Transit equipment
- \$257,631 for continued construction of the Cape Fear River Trail
- \$215,000 for park and playground improvements
- \$20,000 for additional community signage
- \$100,000 to continue the partnership with Cumberland County to fund strategies to assist homeless citizens



Goal 5: Sustainable Organizational Capacity

- Funds Police Officer, Fire Fighter, and Emergency Telecommunicator step pay plans
- Funds 2% merit pay increases for employees not on step plans
- Funds market-based pay range adjustments for October, 2019
- Funds required increases for employer contributions for pension and medical benefits
- Transitions fleet maintenance services to a City internal service fund, with services provided by a contracted vendor in a leased facility



Goal 5: Sustainable Organizational Capacity

- \$4.2 million for the Enterprise Resource Planning (ERP) system replacement initiative, plus two related positions
- \$1.1 million for a variety of technology capital projects
- \$7.0 million for vehicle and equipment replacements
- \$230,000 for repairs at the Alexander Street maintenance facility
- \$150,000 to develop standard operating procedure manuals for solid waste and stormwater, and for organizational and management analysis of the Public Services Department
- \$75,000 to study the opportunity for an intergovernmental service agreement with Fort Bragg for solid waste collection



Goal 6: Resident Engagement and Partnerships

- \$48,000 to partner with Friends of the Park for the operations of the Fascinate-U Children's Museum
- \$56,250 for the Airborne and Special Operations Museum
- \$75,000 for the Arts Council of Fayetteville/Cumberland County to partner for community art programs
- \$50,000 for community rebranding efforts
- \$23,000 for the biennial citizen survey
- \$15,000 for the Dogwood Festival
- \$53,047 for a LEAD for NC Management Fellow in partnership with the University of North Carolina School of Government



Revenue Highlights

- General tax rate proposed to remain at 49.95 cents per \$100 of property valuation
- Taxable property growth moderately improved
 - Average annual percentage increase in the tax base from January 2009 to January 2017 was 1.73%
 - Estimated growth from FY 2019 original budget to FY 2020 recommended budget is 1.6%
 - Last fiscal year estimated growth between original budgets was 0.2%
- First year property tax collections projected to be \$69.99 million
 - 1.6% over FY 2019 budget, or 0.84% above FY 2019 projection



Projected Taxable Values



Projected Taxable Values	Fiscal Year 2019 Year End Projection	Fiscal Year 2020	Projected Variance
Real Property	\$11,779,766,489	\$11,877,421,854	0.83%
Personal Property	572,835,538	574,227,528	0.24%
Public Service Property	218,665,782	218,665,782	0.00%
Motor Vehicles	1,395,087,458	1,429,964,645	2.50%
Total Projected Valuation	\$13,966,355,267	\$14,100,279,809	0.96%



Revenue Highlights

General Fund Intergovernmental Revenues

- Projected Sales Tax Distributions
 - FY 2019 \$42,805,423 3.9% above FY 2018
0.4% above budget
 - FY 2020 \$44,372,275 3.7% above FY 2019 projection
4.1% above FY2019 budget
- Utility Tax Distributions
 - FY 2019 \$13,542,900 0.4% below FY 2018
2.2% above budget
 - FY 2020 \$13,565,900 0.2% above FY 2019 projection
2.3% above FY2019 Budget



Revenue Highlights

- General Fund Intergovernmental Revenues
 - Public Works Commission
 - Payment In Lieu of Tax
 - FY 2019 \$ 10,938,255
 - FY 2020 \$ 11,098,087 (1.5% above FY 2019)
 - Based upon 2.45% of Electric Fund Net Assets
 - Economic Development Payments
 - FY 2019 \$1,200,000
 - FY 2020 \$1,200,000
 - Payments to continue through FY 2021 for a total of \$6 million



Revenue Highlights

- FY 2020 includes \$2.8 M in planned loan proceeds for vehicle and equipment purchases in the General Fund
- FY 2020 includes \$4.1 M appropriation from General Fund fund balance for non-recurring uses
- Projected available General Fund fund balance at end of FY2020 is \$23.5 M or 13.87% of FY 2020 budgeted expenditures
 - Council policy is 10.0%. Balance beyond 10% is \$6.6 million.
 - Goal is 12.0%. Balance beyond 12% is \$3.2 million.



Revenue Highlights

- Residential Solid Waste Fee
 - FY 2019:
 - Current fee is \$190 per single family residential unit
 - In FY 2019, fund became a self-sufficient enterprise fund
 - FY 2020:
 - Proposed fee is \$205 per single family residential unit
 - Increase of \$15 per year, or \$1.25 per month, in order to maintain fund self-sufficiency



Revenue Highlights

- Stormwater fee
 - No change proposed to the current fee of \$6.00 per month per equivalent residential unit
- Central Business Tax District
 - Tax rate recommended to remain at 10.0 cents
- Lake Valley Drive MSD
 - Tax rate recommended to remain at 39.4 cents
- Transit Fares
 - No proposed changes, except implement of reduced cost semester passes for FSU, Methodist and FTCC students



Next Steps

- Council budget work sessions have been scheduled on:
 - Thursday, May 9th
 - Thursday, May 16th
 - Thursday, May 23th
- Council is asked to set the public hearing on the budget for Tuesday, May 28th
- The recommended budget is available for public inspection in the Office of the City Clerk and on the City's website at www.fayettevillenc.gov
- Council is scheduled to adopt the budget, CIP and TIP, strategic plan and fee schedule on Monday, June 10th



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