



Adoption of the FY 2022 Annual Budget

June 14, 2021



- The City Manager's Recommended Budget was released to City Council on May 6th and formally presented at the May 10th meeting
- The document has been available for public review in the Office of the City Clerk and on the City's website
- The required public hearing on the budget was conducted on Monday, May 24th
- Council has deliberated the recommended budget at two budget work sessions on May 20th and May 27th
- Council provided consensus direction on May 27th for changes to the recommended budget for which staff has incorporated the revisions that follow for adoption of the budget





Ad Valorem Property Tax Rates

- Ad Valorem Property Taxes
 - General Property Tax Rate
 - To remain at 49.95 cents per \$100 of property valuation
 - Central Business Tax District Tax Rate
 - To remain at 10.00 cents per \$100 of property valuation
 - Lake Valley Drive Municipal Service District
 - To be abolished effective June 30, 2021



- Residential Solid Waste Fee
 - FY 2022 fee to remain at \$225 per single family residential unit per year
- Stormwater fee
 - No change to the current fee of \$6.00 per month per equivalent residential unit
- Transit Fares
 - No changes





Proposed Changes to the General Fund Budget for FY 2022

Expenditure Item	Change Amount	Description
Splash Pad at Lake Rim Elementary School	\$500,000	Fund from General Fund as opposed to use of P&R Bond proceeds
Thoroughfare Street Lighting	\$100,000	Increase FY 2022 funding from \$50,000 to \$150,000
Workforce Development	\$250,000	Initiative to be determined
Fayetteville Cumberland Economic Development Corporation Contract	\$50,000	\$15,000 for recurring operating funding increased, plus \$35,000 for first of two years of enhanced funding for Innovation Center
Economic Development Marketing	\$50,000	To be coordinated between City staff and FCEDC staff
Illegal Dump Site Camera	\$7,885	Purchase of an additional camera system and data service

Proposed Changes to the General Fund Budget for FY 2022

- Total increases proposed for General Fund \$957,885
- Funded by increased Fund Balance appropriation
- Projected available Fund Balance* \$24.2 M
- As a percentage of proposed FY 2022 budget 13.1%
excluding the County Parks & Rec District
 - Beyond 12% target \$2.1 M
 - Beyond 10% policy minimum \$5.8 M

* Includes presumed adoption of additional appropriations for the General Fund for FY 2021 totaling \$1,043,000 on proposed Budget Ordinance Amendment 2021-13



Proposed Changes to the Stormwater Fund Budget for FY 2022

Expenditure Item	Change Amount	Description
Dam Stormwater Storage Assessments	\$500,000	Assessments of 27 dams for potential for stormwater storage, including preliminary design work for Roses Lake Dam
Stormwater Grant Assistance	\$100,000	Contracted assistance for pursuit of grant funds for stormwater projects
Miscellaneous Expenditures to Balance Budget	(\$600,000)	Reduce projected increase in fund balance from \$1.7M to \$1.1M

	City Manager's Recommended FY2022 Budget	FY2022 Budget Proposed for Adoption
General Fund	187,505,437	188,463,322
Solid Waste Fund	15,319,690	15,319,690
Transit Fund	12,415,571	12,415,571
Stormwater Fund	11,519,781	11,519,781
Airport Fund	5,045,544	5,045,544
PWC Assessment Fund	3,134,000	3,134,000
LEOSSA Fund	1,867,736	1,867,736
Emergency Telephone System Fund	1,001,723	1,001,723
Parking Fund	1,234,881	1,234,881
Central Business Tax District	302,707	302,707
Lake Valley MSD	0	0
Total Budget All Funds	\$239,347,070	\$240,304,955



Internal Service Fund Financial Plans for FY 2022

- Risk Management Fund
 - No changes have been proposed to the funding proposed for FY 2022
 - Budget Ordinance includes **\$26,284,081** for the financial plan for the Risk Management Fund
- Fleet Maintenance Fund
 - No changes have been proposed to the total funding proposed for FY 2022
 - Budget Ordinance includes **\$7,796,414** for the financial plan for the Fleet Maintenance Fund
 - Operating model for fleet maintenance to change from contracted services to services provided by City staff
 - Details still being finalized



Proposed Changes to the FY 2022-2026 CIP and TIP Summaries

- Parks and Recreation Projects
 - Increased funding for Lake Rim Splash Pad from \$455,448 to \$500,000 to allow for cost increase contingency, and to be funded from General Fund as opposed to P&R Bonds
- Stormwater Projects
 - Added \$500,000 for Dam Storage Assessments for 27 dams and for preliminary design phase for Roses Lake Dam
- Transportation Projects
 - Increased FY 2022 funding for Thoroughfare Street Lighting from \$50,000 to \$150,000

- Council is asked to adopt the following items:
 - Fiscal Year 2021-2022 Budget Ordinance
 - Fiscal Year 2021-2022 Fee Schedule
 - Fiscal Year 2021-2022 Strategic Plan
 - Fiscal Years 2022-2026 Capital and Technology Improvement Plans
 - Capital Project Ordinances 2022-1 through 2022-12
 - Capital Project Ordinance Amendments 2022-1 through 2022-27
 - Special Revenue Fund Project Ordinance Amendment 2022-1

