

FY2017 Recommended Budget



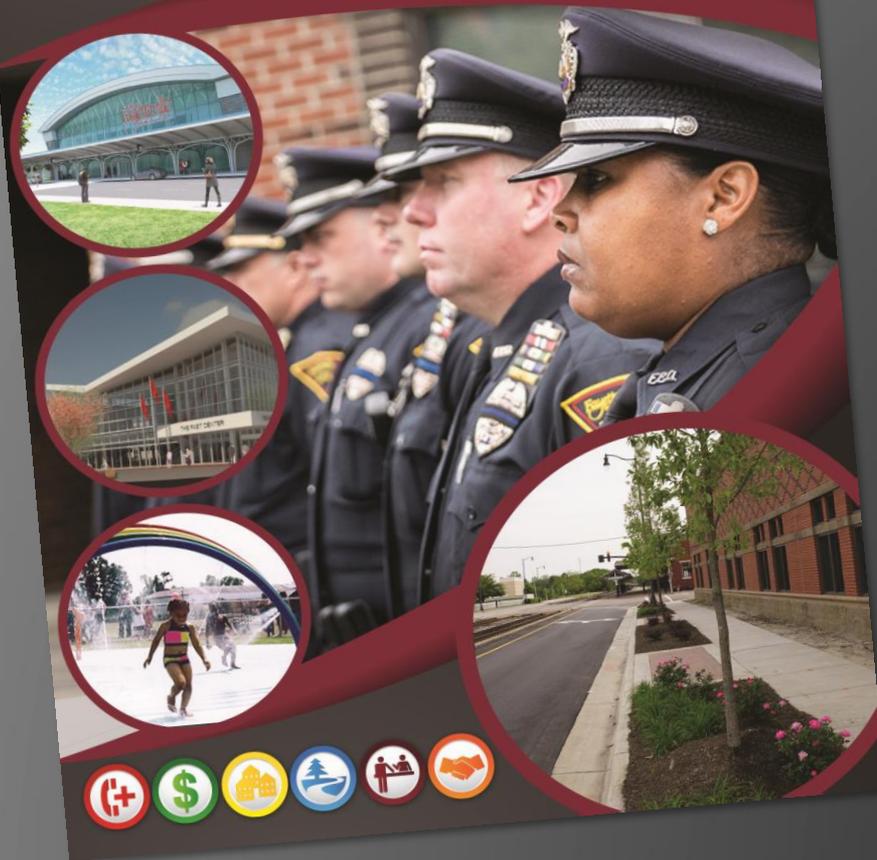
City of
Fayetteville
North Carolina

Budget Message

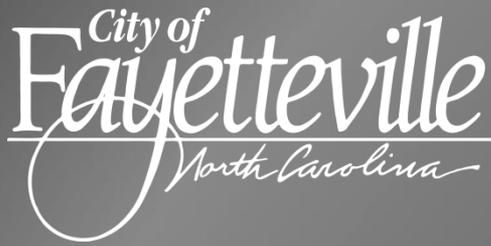


**FY 2017
Annual Budget**
Recommended

City of
Fayetteville
North Carolina



- \$225,843,701 total expenditures across all funds
- \$164,521,380 General Fund expenditures
- 2.8% increase in General Fund
- Recommended tax rate 49.95 cents per \$100 valuation



Top Council Priorities

Economic and Business Development

Public Safety

Beautification and Maintenance

Infrastructure Investment

Intergovernmental and Stakeholder
Collaboration

Parks and Recreation

Expenditure and Service Highlights



Goal 1: Safe & 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

Expenditure and Service Highlights



Goal 1: Safe & Secure Community

- Finance \$2.875 million to relocate Fire Station 12
- Add five locations to the red light camera system
- \$25,000 for neighborhood traffic calming measures
- \$315,000 to establish the Police Central District Office
- Add 50 corridor cameras using \$32,500 of local funds and \$150,000 in grant/forfeiture funds
- Partner with ResCare Workforce Services and the Downtown Alliance to initiate a Police Cadet Program

Expenditure and Service Highlights



Goal 2: Diverse and Viable Economy

- \$415,000 to contract with the FCEDC
- \$100,000 funding for the Redevelopment Project Fund
- \$50,000 for the FSU Farmers' Market initiative
- \$250,000 for the CEED business incubator project
- \$400,000 for the North Carolina Civil War Center
- \$25,000 to leverage the implementation of a neighborhood commercial study
- Implement the LSDBE program
- Work with project partners to move the redevelopment plan forward for the downtown Prince Charles Hotel and surrounding area

Expenditure and Service Highlights



Goal 3: High Quality Built Environment

- \$4.0 million in annual street resurfacing funding
- \$190,000 local share to partner with NC DOT for \$6 M upgrade of the computerized traffic signal system
- \$2.4 million for stormwater drainage projects
- Funding to continue multi-year projects to replace the Anne and Louise Street bridges
- \$442,000 to repair McGilvary Road
- \$425,000 in sidewalk funding
- \$125,000 for improvements at the intersection of Purdue Drive and Breezewood Drive

Expenditure and Service Highlights



Goal 4: Desirable Place to Live, Work and Recreate

- Keith A. Bates Sr. Aquatics Center opening June, 2016
- Initiate parks and recreation capital improvements to be supported by the \$35 million in bonds
- FAST Multimodal Center opening, fall/winter 2016
- Extend regular service on bus route 7 to the new VA
- \$700,000 for gateway improvements, including \$500,000 for the Murchison/I-295 gateway
- Provide \$5.5 million of local funding for the construction phase of Airport terminal improvements
- \$100,000 to continue the partnership with Cumberland County to fund strategies to assist homeless citizens

Expenditure and Service Highlights



Goal 5: Sustainable Organizational Capacity

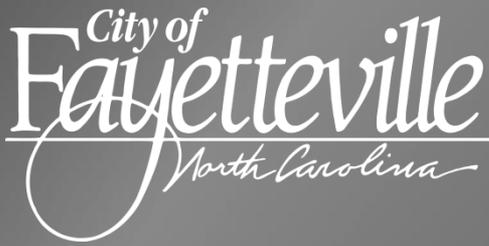
- \$1.1 million for a variety of technology projects
- Continuation of Police Officer, Fire Fighter, and Emergency Telecommunicator step pay plans
- Fund the Fire Department education incentive plan
- 2% merit pay for employees not on step plans
- Fund required increases for employer contributions for pension and medical benefits
- Funds the new City Purchasing division

Expenditure and Service Highlights



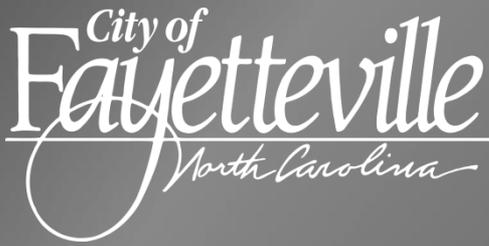
Goal 6: Resident Engagement and Partnerships

- Completes redesign of the City's website, www.FayettevilleNC.gov
- Continues rebranded Fayetteville OutFront community awareness meetings to be held every other month
- Continues Community Café Conversations
- Review of Human Relations Department mission, programs and structure underway



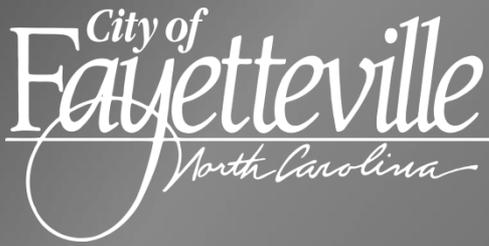
Revenue Highlights

- General property tax rate recommended at 49.95 cents per \$100 valuation
 - 1.35 cents dedicated for P&R bond projects and debt service
- Central Business Tax District tax rate recommended to remain at 10.0 cents
- Lake Valley Drive MSD tax rate recommended to remain at 33.6 cents
- Residential solid waste fee recommended to remain at \$44 per year
- Planned 25 cent per month stormwater fee increases recommended to be deferred until FY 2018, FY2019 and FY2020



Revenue Highlights

- FY 2017 estimated growth in real and personal property is 0.6%
 - 0.7% excluding late list taxes in FY 2016
- FY 2016 sales tax distributions projected to be 1.5% below budget
- FY 2017 sales tax growth projected to be 3.7%
- FY 2016 utility tax distributions projected to be 10.6% above budget (reflects transition of tax law change)
- FY 2017 utility tax distributions projected to increase 1.54%



Revenue Highlights

- Interfund transfer from PWC projected to be \$9.6 M, based on 5.2% of FY 2015 electric sales
- FY 2017 includes \$2.5 M in planned loan proceeds for vehicle and equipment purchases
- FY 2017 includes \$3.3 M appropriation from General Fund fund balance for non-recurring uses
- Projected available General Fund fund balance at end of FY 2016 is \$19.4 M or 12.2% of FY 2017 budgeted expenditures
 - Council policy is 10.0%
 - Goal is 12.0%

Next Steps

- Council budget work sessions are scheduled on:
 - Wednesday, May 11th
 - Wednesday, May 18th
 - Wednesday, May 25th
- Council is asked to set the public hearing on the budget for May 23rd
- 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 June 13th