

FY 2019



RECOMMENDED

ANNUAL BUDGET



City of
Fayetteville
North Carolina

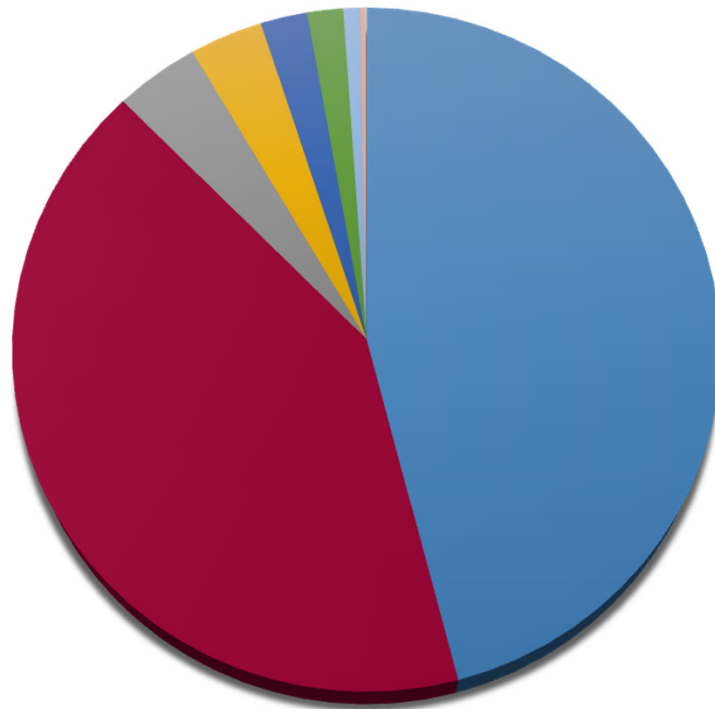


May 10th Worksession Agenda

- Overview of Major General Fund Revenue Trends
- Recommended Fee Adjustments
 - Solid Waste
 - Stormwater
 - Parks & Recreation
 - Transit
- Peer City Comparative Data



FY2018 General Fund Revenues and Other Financing Sources



- Intergovernmental Revenues 46.0%
- Ad Valorem Taxes 41.6%
- Functional Revenues 4.0%
- Fund Balance Appropriation 3.4%
- Other Financing Sources 2.2%
- Other Revenues 1.7%
- Other Taxes 0.8%
- Investment Income 0.2%
- Interfund Transfers 0.1%



Taxable Property Values

- Taxable property growth has slowed
 - Average annual percentage increase in the tax base from January 2009 to January 2017 was 1.73%
 - For Fiscal Year 2018, total taxable values are projected to be \$71.3 million or 0.5% below original budget estimates, primarily due to licensed motor vehicle valuations.
 - Estimated growth from FY 2018 year end projections to FY 2019 recommended budget is 0.71%
 - Estimated growth from FY 2018 original budget to FY 2019 recommended budget is 0.2%



Projected Taxable Values



Projected Taxable Values	Fiscal Year 2018 Year End Projection	Fiscal Year 2019	Projected Variance
Real Property	\$11,674,149,335	\$11,757,950,846	0.72%
Personal Property	561,343,000	562,465,686	0.20%
Public Service Property	196,690,912	196,690,912	0.00%
Motor Vehicles	1,348,467,394	1,361,952,068	1.00%
Total Projected Valuation	\$13,780,650,641	\$13,879,059,512	0.71%

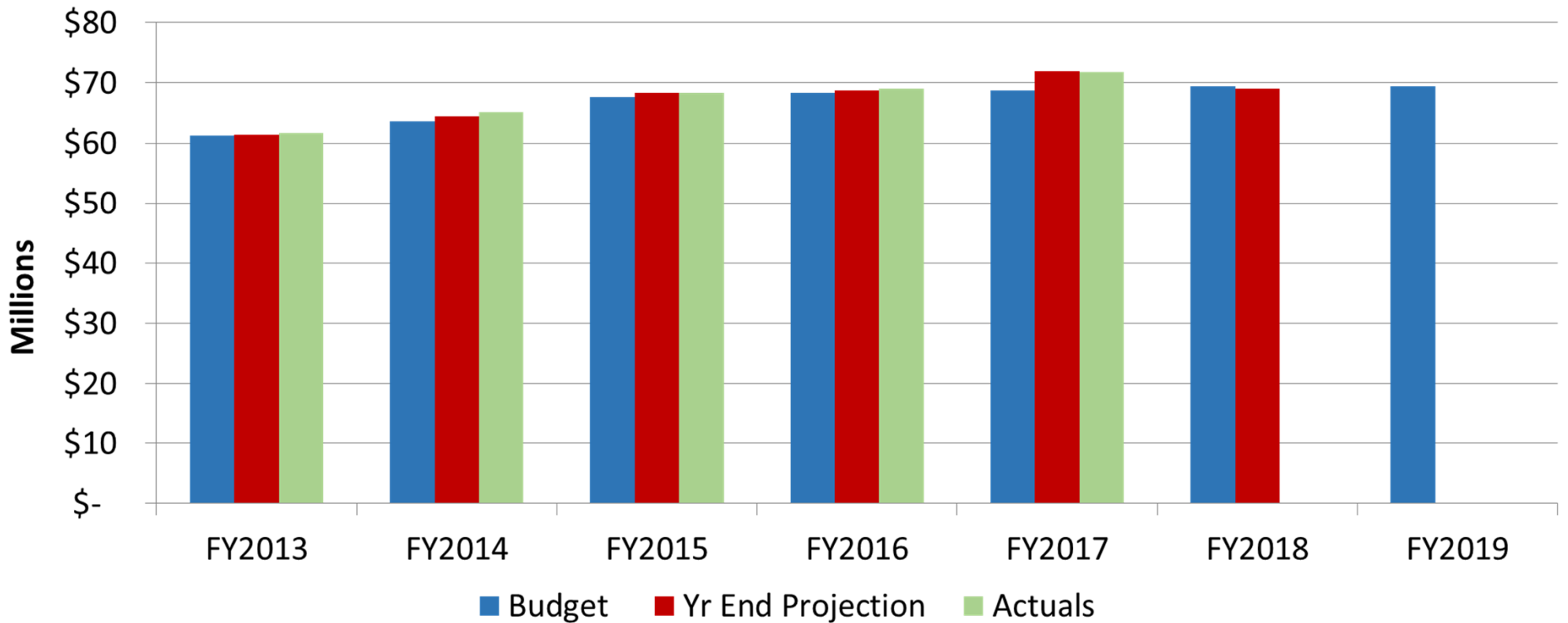


Property Tax Revenues

- FY 2018 year end revenue projections are \$323,000 below budget
- General tax rate proposed to remain at 49.95 cents per \$100 of property valuation for FY 2019
- First year property tax collections are projected to be \$68,864,043
 - Increase of 0.1% over FY 2018 budget
 - Increase of 0.6% above FY 2018 projection

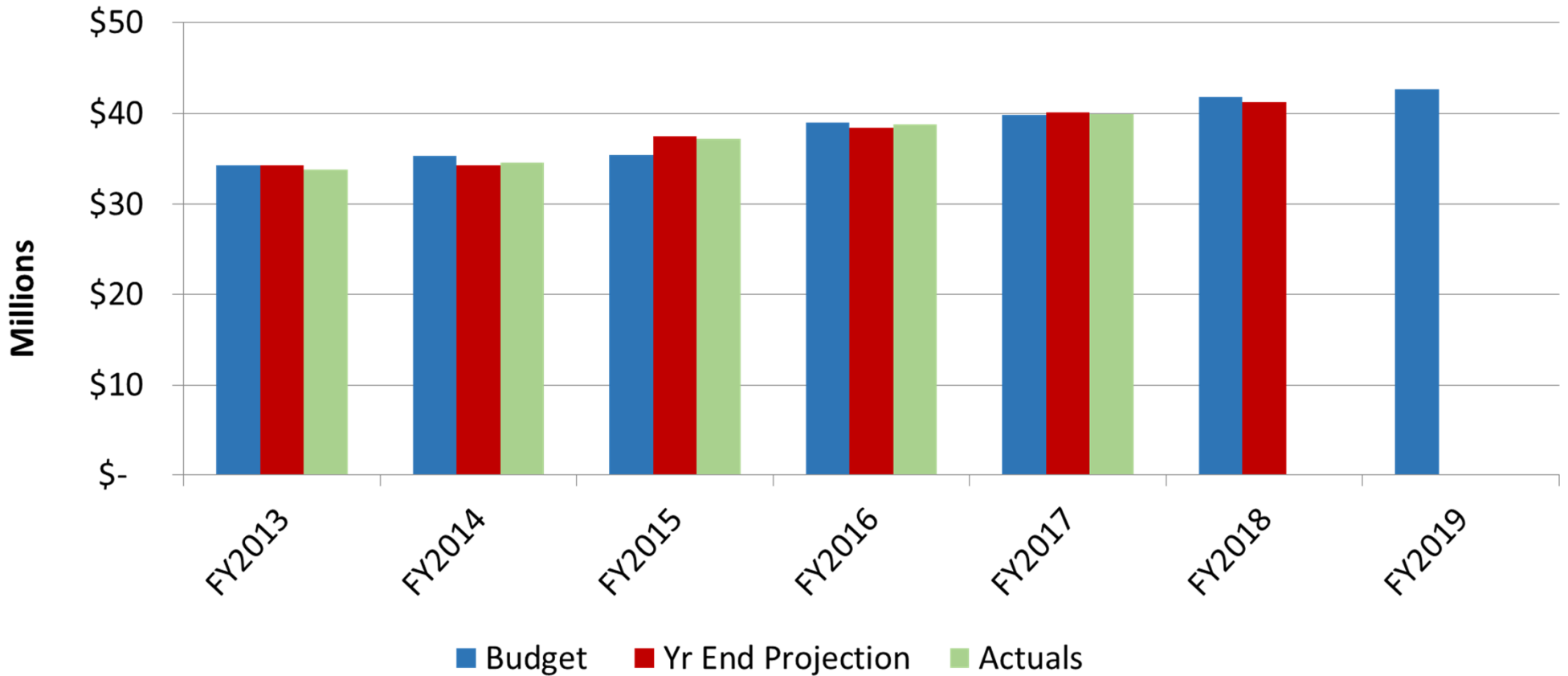


Property Tax Revenues



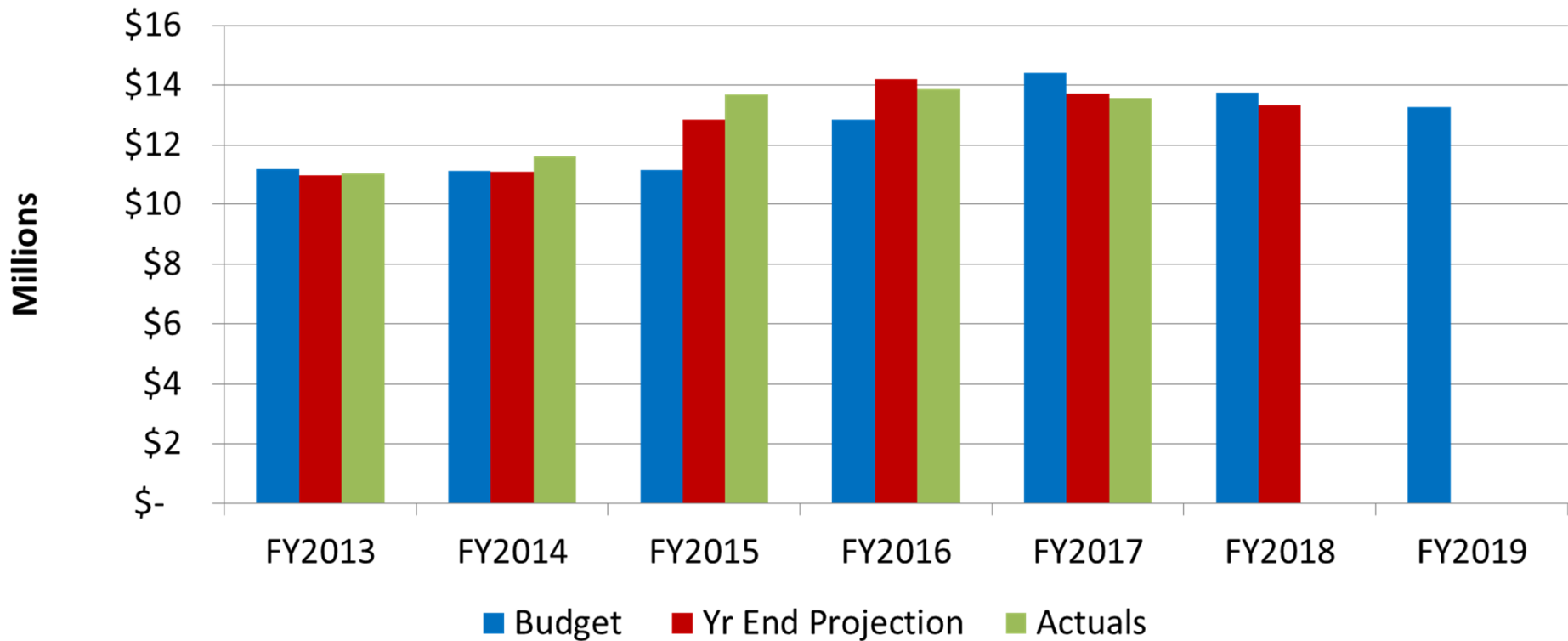


Sales Tax Distributions





Utility Tax Distributions





General Fund Fund Balance

- FY 2019 includes \$4.8 M appropriation from General Fund fund balance for non-recurring uses
 - \$1.3M for the regular Capital Funding Plan Fund Balance
 - \$652K for the stadium funding plan
 - \$896K is for planned CIP/TIP projects
 - \$1.9M is for other non-recurring expenditures
- Projected available General Fund fund balance at end of FY 2018 is \$21.3 M or 13.1% of FY 2019 budgeted expenditures
 - Council policy is 10.0%. Balance beyond 10% is \$4.9 million.
 - Goal is 12.0%. Balance beyond 12% is \$1.6 million.



Solid Waste Fee Proposal

- FY 2018:
 - Current fee is \$108 per single family residential unit
 - Requires \$4.6 million of operating support from the General Fund
- FY 2019:
 - Proposed fee is \$190 per single family residential unit
 - Increase of \$82 per year
 - Projected General Fund support for solid waste services is \$0.76 million, solely to fund debt service for prior loans



Stormwater Fee Proposal

- Recommended to increase by \$0.25 per month per equivalent residential unit to \$4.50 per month
- Annual equivalent is a \$3 increase to \$54 per year
- \$0.25 increase in the fee provides roughly \$460,000 per year in revenues
- Current CIP plan includes one additional \$0.25 fee increase in FY 2020



Peer City Comparisons – FY2018

Municipality	FY18 Tax Rate	FY18 Annual Stormwater Fee	FY18 Annual Vehicle License Tax	FY18 Annual Solid Waste Fee	Median Value of Owner Occupied Home	Annual Cost based on Median Value Home and 2 Vehicles	Rank (Low to High)	Annual Cost based on \$150,000 Home and 2 Vehicles	Rank (Low to High)
Charlotte	0.4787	123.36	30.00	39.00	178,000	1,180	4	1,046	5
Raleigh	0.4253	60.00	30.00	186.60	218,200	1,328	7	1,038	3
Greensboro	0.6325	32.40	30.00	0.00	148,500	1,171	3	1,180	7
Durham	0.5786	81.00	15.00	90.00	183,900	1,392	9	1,196	8
Winston-Salem	0.5974	54.00	15.00	60.00	142,400	1,126	2	1,172	6
Fayetteville	0.4995	51.00	10.00	108.00	127,500	926	1	1,038	4
Cary	0.3500	0.00	15.00	192.00	309,800	1,383	8	824	1
Wilmington	0.4834	97.32	15.00	315.48	224,300	1,633	10	1,274	9
High Point	0.6475	48.00	20.00	168.00	142,700	1,322	6	1,370	10
Asheville	0.4289	55.56	30.00	168.00	212,000	1,287	5	1,021	2
Average	0.5122	60.26	21.00	132.71	188,730	1,275		1,116	
Median	0.4915	54.78	17.50	138.00	180,950	1,305		1,109	



Parks & Recreation Fee Proposals

- Increases proposed for fees for use of facilities, youth athletics, summer camp and afterschool programs
- In total, fee increases projected to provide \$212,000
- Details of proposed fee increases provided in fee schedule
- Fee comparisons for youth athletics, after-school and summer camp fees follow



Athletic Program Fees

Municipality	Resident	Non-Resident
Asheville	\$25	\$30
Cary	\$50	\$75
Charlotte-Mecklenburg County	\$45	\$45
Durham	\$28	\$43
Fayetteville (Current)	\$20	\$40
Fayetteville (Proposed)	\$25	\$50
Greensboro	\$35	\$35
High Point	\$30	\$30
Raleigh	\$36	\$51
Wilmington	\$30	\$30
Winston-Salem	\$25	\$25

- For fiscal year 2017, staff estimates that current fees covered 24% of direct costs, including:
 - Full-time and temporary staff
 - Contracted Officials
 - Field Utilities
 - T-Shirts
 - Equipment



After-School and Summer Camp Fees

	After School	Summer Camp
City Current	\$25/wk	\$55/wk
City Proposed	\$35/wk	\$65/wk
CCS PrimeTime	\$55/wk	\$100/wk
YMCA of Sandhills	\$49/wk	\$129/wk
Snyder Memorial Baptist Church	\$245/mo	\$155/wk
FTCC Children's Center	\$245/mo	\$160/wk

- Staff has also proposed adding staffing for capacity expansion for after-school programs at 3 centers, and for summer camp at 11 centers based upon current enrollment data



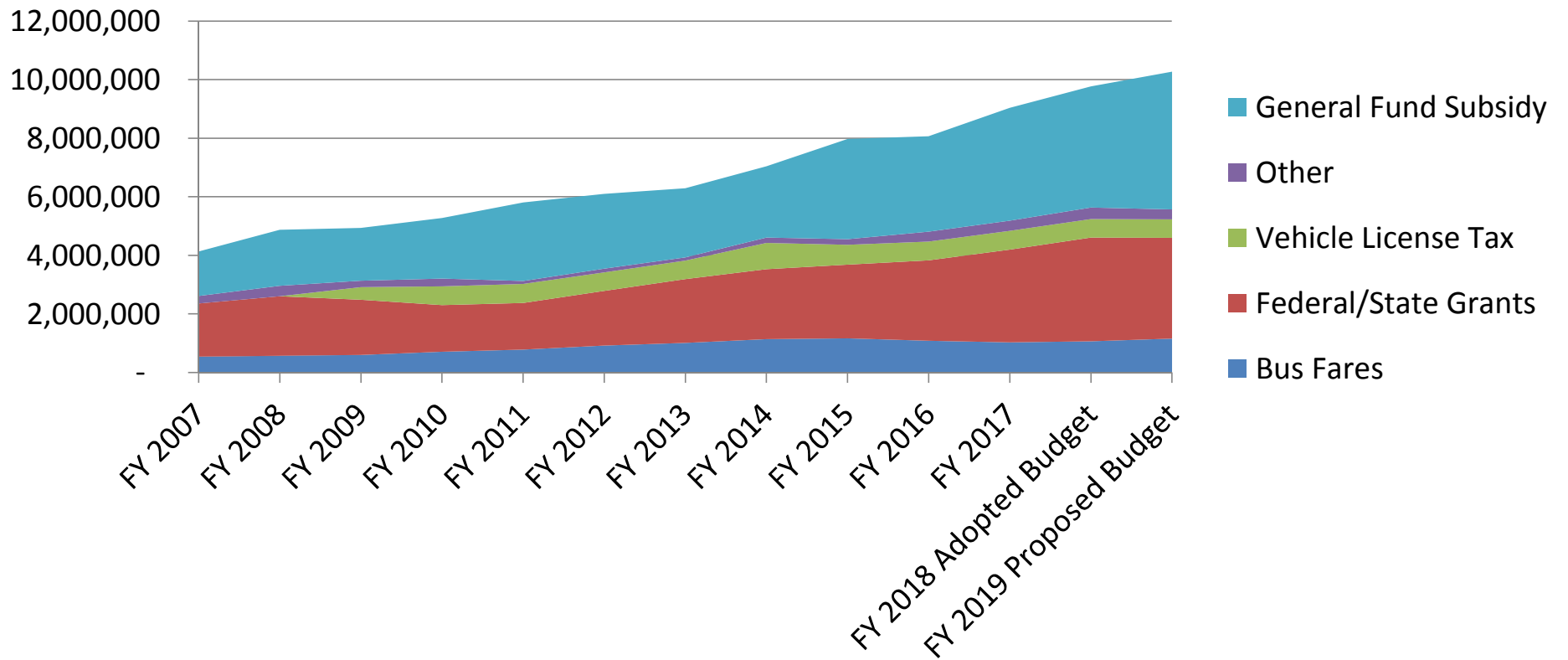
Transit Fee Proposals

- Staff has proposed an increase in the base adult fare from \$1.25 to \$1.50
- Other fares and pass fees are recommended to adjust commensurate with that increase
- Fare increase projected to provide \$134,000



History of Funding for Transit Operations

FY 2007 - FY2017 Actual, FY 2018 - FY2019 Budget





City of
Fayetteville
North Carolina



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