

# City Manager's FY2017 Recommended Budget

Wilmington City Council  
May 3, 2016

# Objectives

- Present FY17 Recommend Budget
  - Revenues and Expenditures
- Provide Budget Highlights
  - Safe Community/Youth Violence Reduction
  - Infrastructure Maintenance
  - Affordable Housing
  - Economic Development Support

# Budget Calendar

- Formal Budget Submission to City Council May 3
- Public Hearing on Budget May 17
- City Council Budget Work Session May 27
- Budget Adoption at City Council Meeting Jun 7 & 21

# Balanced Budget

- Strategies
  - No property tax rate change
  - Moderate revenue estimates
  - One-time strategic use of fund balance
  - Continue core services with limited additions

# FY17 Budget Priorities

1. Strategic Plan Initiatives (examples below)
  - Community policing & teen violence reduction
  - Strategic Expansion of tax base
  - Workforce/Affordable housing
  - Core infrastructure maintenance
2. Maintaining current services at current levels
3. Transportation Bond projects
4. 5 Year 80/20 Capital Improvement Plan

# Budget References

- 1 cent on tax rate:

- 48.5 cent per \$100 assessed value
- 1 Cent = \$1,347,098

- Fund Balance:

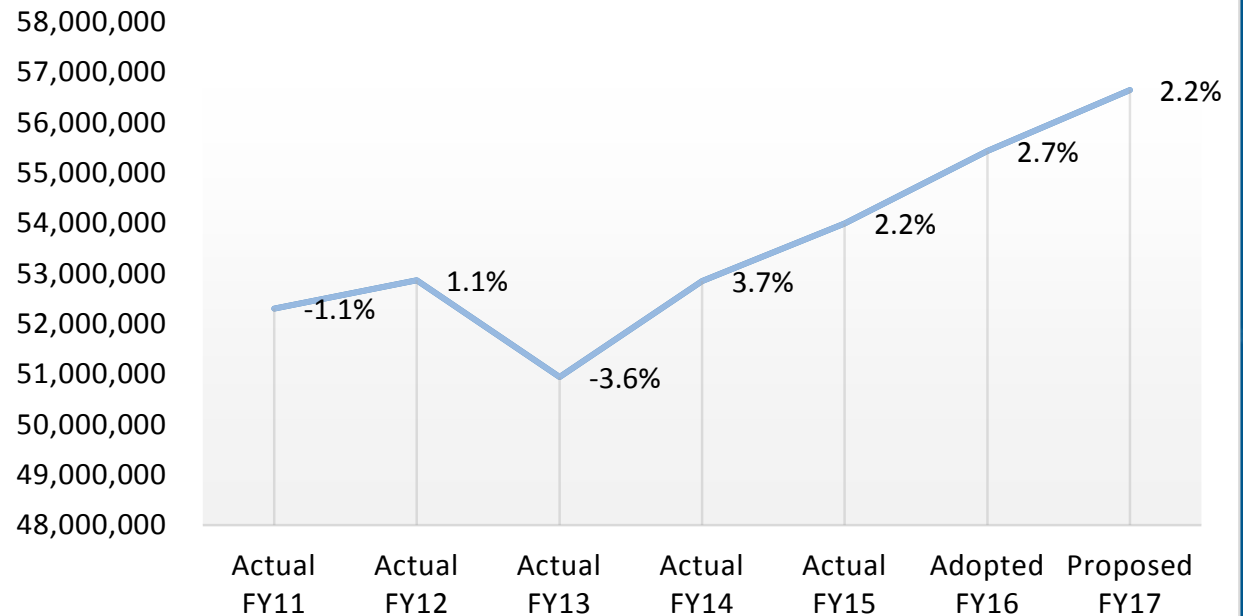
- Current = \$33,188,213
- 31.7% of operating

# General Fund Revenue/Expenditure Forecast

# FY17 Revenue Forecast Assumptions

- Property Tax:
  - 2.2% growth over FY16 Adopted
  - 4.9% over FY15 Actuals
  - 1.3% growth out-years

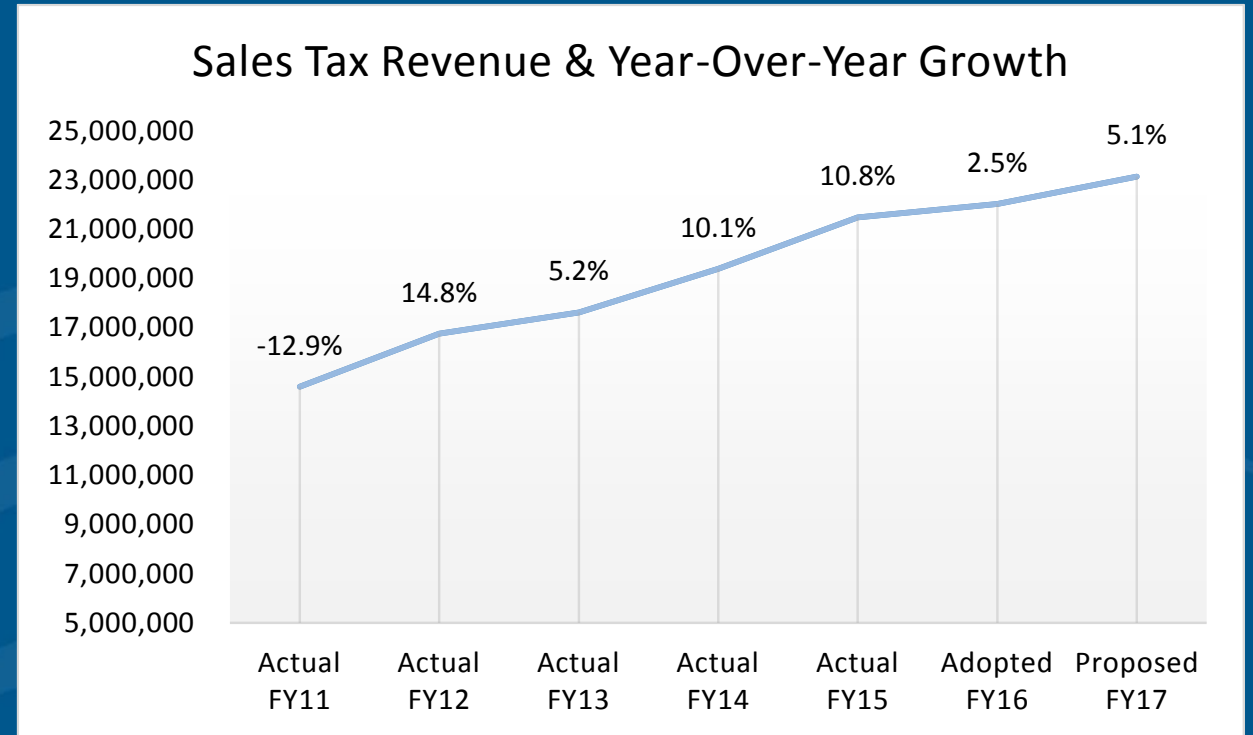
Property Tax Revenue & Year-Over-Year Growth





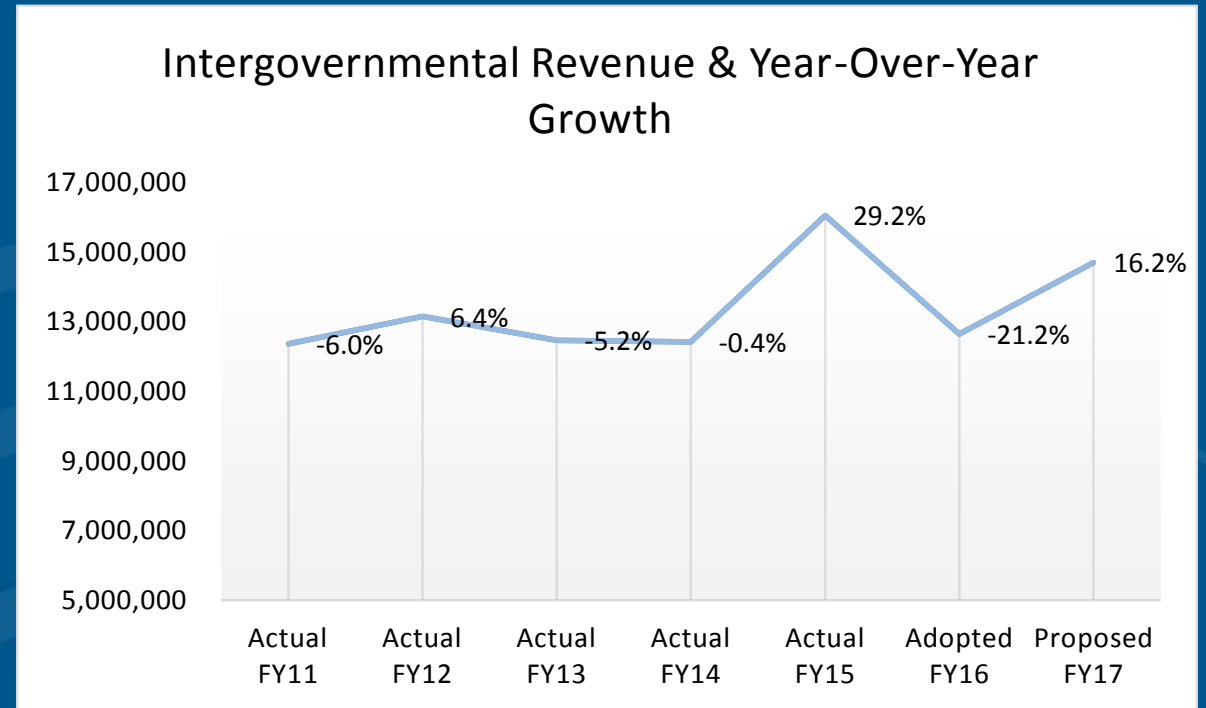
# FY17 Revenue Forecast Assumptions

- Sales Tax:
  - 5% growth over FY16 Adopted
  - 7% over FY15 Actuals
  - 3% growth out-years



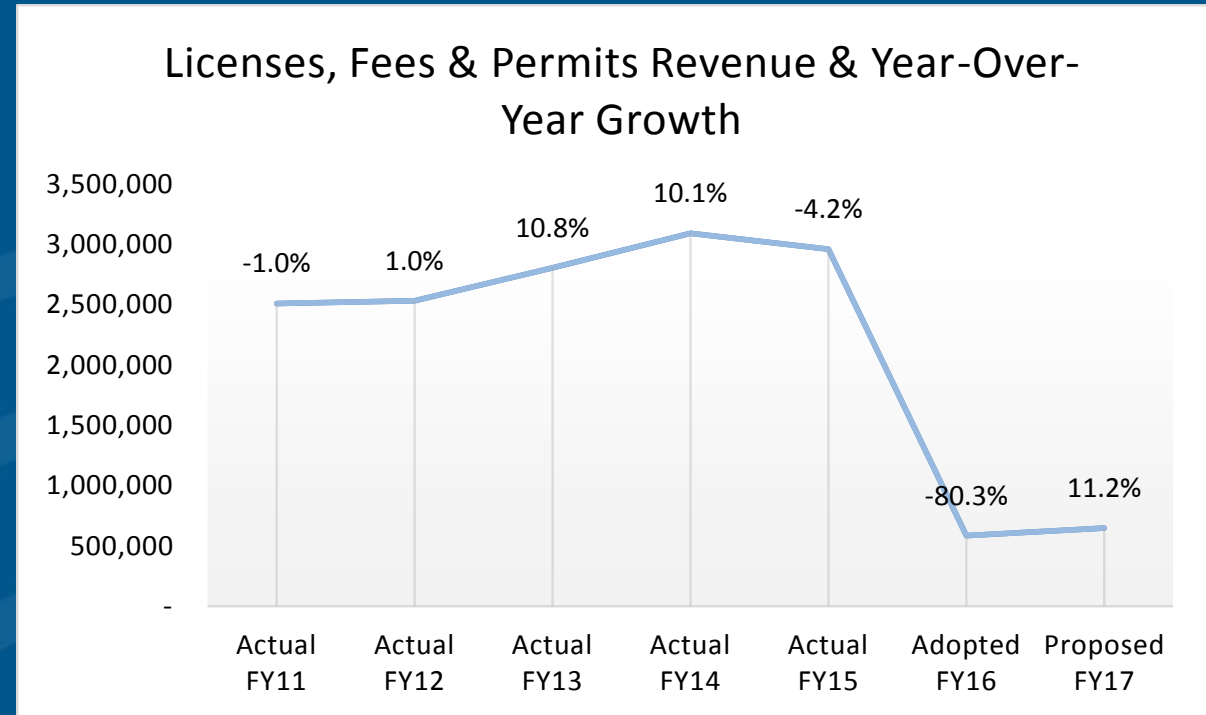
# FY17 Revenue Forecast Assumptions

- Intergovernmental revenues:
  - 16% growth over FY16 Adopted
  - 8% less than FY15's Actuals
  - 1.3% growth out-years



# FY17 Revenue Forecast Assumptions

- Licenses, Fees, Permits:
  - 11.2% growth over FY16 Adopted
  - 78% less than FY15's Actuals
  - 1.5% growth out-years



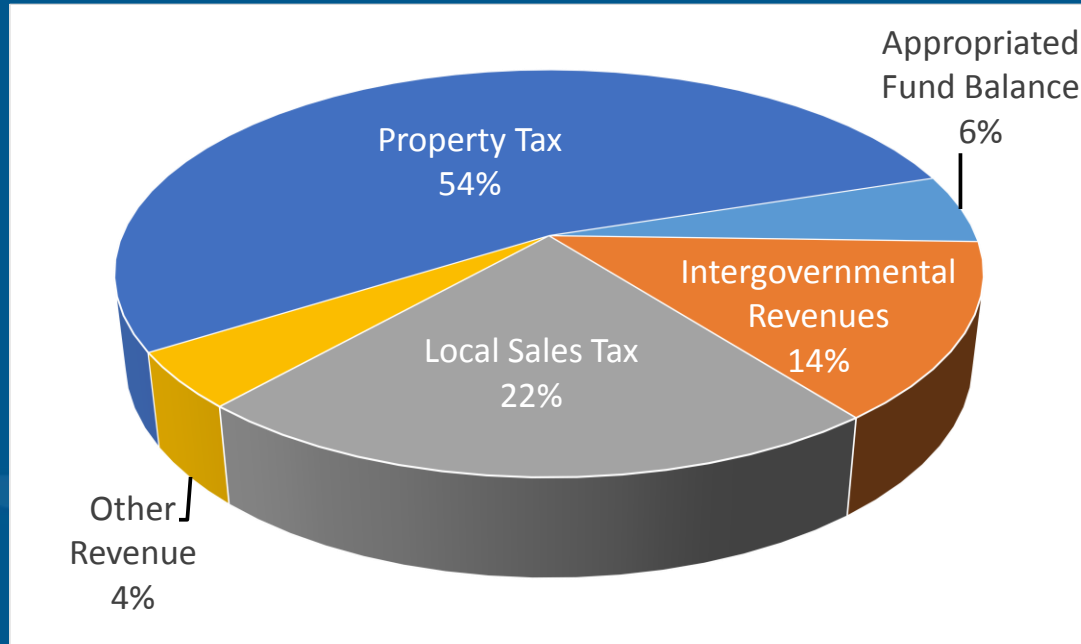
# Balanced FY17 Recommended Budget

- Balanced the budget
  - No property tax rate change
  - Provided a 3% compensation increase for our workforce
  - Continued core services with limited additions
  - Funded areas in the strategic plan

# FY17 General Fund Forecast

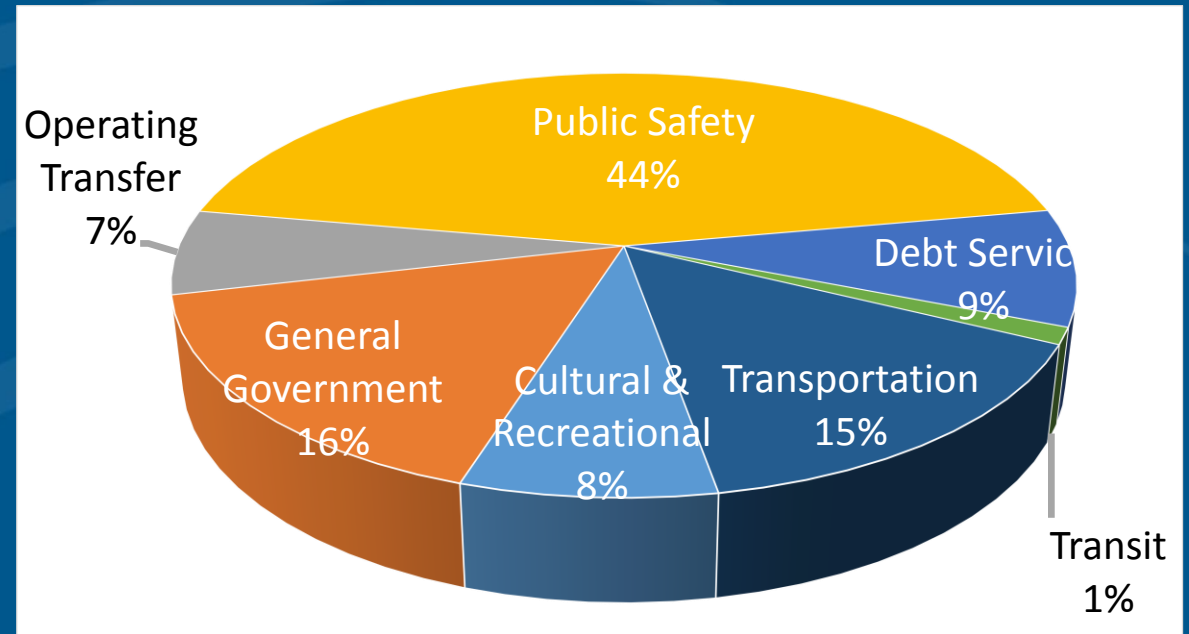
	Actual FY 2014-15	Adopted FY 2015-16	Recommended FY 2016-17	Estimated FY 2017-18	Estimated FY 2018-19	Estimated FY 2019-20	Estimated FY 2020-21
<b>REVENUES</b>							
Property Taxes	53,992,023	55,440,267	56,649,564	57,388,014	58,128,657	58,878,937	59,638,979
Sales Taxes	21,483,984	22,026,474	23,142,173	23,643,298	24,348,410	25,074,612	25,822,537
Licenses, Fees, and Permits	2,962,469	584,808	650,208	659,961	669,861	679,908	690,107
Intergovernmental Revenues	16,059,613	12,655,329	14,709,679	14,868,164	15,028,886	15,191,878	15,357,172
Charges for Current Services	2,450,721	2,329,887	2,396,604	2,403,519	2,420,979	2,438,876	2,457,221
Fines and Forfeitures	206,164	133,700	160,700	160,700	160,700	160,700	160,700
Interest Earnings	160,461	204,358	204,358	206,402	210,530	214,740	219,035
Miscellaneous & Financing Proceeds	529,388	227,553	388,553	388,553	388,553	388,553	388,553
Transfers From Other Funds	496,423	-	874,875	-	-	-	-
Appropriated Fund Balance	-	1,090,966	5,744,343	-	-	-	-
<b>TOTAL REVENUES</b>	<b>98,341,243</b>	<b>94,693,342</b>	<b>104,921,057</b>	<b>99,718,610</b>	<b>101,356,575</b>	<b>103,028,204</b>	<b>104,734,304</b>
<b>EXPENDITURES</b>							
TOTAL DEPARTMENTS	68,899,879	74,436,710	77,053,955	77,514,188	79,782,077	82,561,122	85,407,392
TOTAL NONDEPARTMENTAL	19,935,046	20,256,632	27,867,102	26,289,865	26,740,807	26,984,418	27,525,146
<b>TOTAL EXPENDITURES</b>	<b>88,834,927</b>	<b>94,693,342</b>	<b>104,921,057</b>	<b>103,804,053</b>	<b>106,522,884</b>	<b>109,545,540</b>	<b>112,932,539</b>
<b>SURPLUS / (SHORTFALL)</b>	<b>9,506,361</b>	<b>-</b>	<b>(0)</b>	<b>(4,085,443)</b>	<b>(5,166,309)</b>	<b>(6,517,335)</b>	<b>(8,198,235)</b>

# Funding Distributions



Where does the \$ come from?

## What the \$ pays for?



# Budget Highlights

# Safe Community/Youth Violence

- Prevention Efforts
  - Expanded support of agencies who provide job skills and youth programming (\$675,000; ↑ 13%)
    - Blue Ribbon Commission
    - Phoenix Hometown Hires
    - Boys and Girls Club
    - Dreams



# Safe Community/Youth Violence

- Recreation Programming
  - Continuing youth programming
    - City operated youth athletic programs (7)
    - City collaborative youth athletic programs (12)
  - Continue to maintain and operate recreation facilities (parks/centers)
    - Outsource Pool operations (\$16,000)
    - Part-time concessions staff (\$22,000)
    - Part-time skatepark employee (\$16,000)



# Safe Community/Youth Violence

- Community Policing Efforts
  - Sworn officers
    - 3 new sworn police officers (\$173,000)
    - 2 sworn officers from civilian posts to active role
  - Support Roles
    - 3 analysts for the Real Time Crime Center (\$117,000)
    - 1 Crime Prevention Specialist (\$54,000)
    - 1 Crime Scene Technician (\$50,000)

# Safe Community/Youth Violence

- Community Policing Efforts (continued)
  - Partnership with Solid Waste and WPD
    - Community outreach efforts and clean up debris in targeted neighborhoods (\$30,000)



# Safe Community/Youth Violence

- Community Policing Efforts (continued)
  - Code Enforcement
    - 1 code enforcement officer FTE aid in nuisance abatements/minimum housing throughout the City (\$84,000)
    - Complete asbestos surveys, abatement and demolition violation cases to aid in site clean ups (\$120,000)
    - Also partnering with WPD and Solid Waste

# Safe Community/Youth Violence

- Safe Community
  - Fire Department Medic program (\$127,000)
    - Reduce large apparatus response for EMS incident dispatch
    - Fire HQ Pilot: 3 FTEs, vehicle, 6 months funding
  - Additional oversight using internal resources for operations in Fire Department

# Safe Community/Youth Violence

- Youth Violence Reduction
  - Addition of an attorney (\$112,000)
    - Aiding the department's activities under Chapter 19 and Articles 13A and 13B of Chapter 14 of the N.C. General Statutes in support of Youth Violence Reduction initiative
    - Working collaboratively with Police Department

# Infrastructure Maintenance

- Continued parks and building maintenance
  - Facilities Technician increase preventative maintenance (\$44,000)
  - Building maintenance (\$325,000 via CIP)
  - Parks maintenance (\$380,000 via CIP)
- Continued streets and sidewalks upgrade (\$4M via CIP)

# Infrastructure Maintenance

- Tree Management
  - Expand tree contract to expedite stump removals throughout the City (\$33,000)
  - Standby program in Tree division (\$7,400)
  - Tree survey data to better manage urban forest (\$35,000)



# Inland Greens

- FY 17 Inland Greens Recommendations
  - Reevaluate Inland Greens as a Par 3 Golf Course
  - Identify resources to maintain Inland Green site with General Fund dollars
    - Community Services: 3 staff & equipment to maintain Inland Greens and city right-of-ways (\$239,000)
  - Reallocate the resources to include positions dedicated previously to maintain Inland Greens to Muni

# Affordable Housing

- Anticipated Ad Hoc Committee establishment FY16
- All sources of funding for Affordable Housing = \$1,320,000
- General Fund contribution = \$300,000

Program	Funding Sources				Total
	Suggested General	FY16.17 CDBG	FY16.17 HOME	Revolving Loan Bal Avail ( aka PI)	
1 Vacant MHC Property Acquisition					\$ -
2 HOP (Homeownership Opportunity Program)	\$ 50,000	\$ 227,398		\$ 297,950	\$ 575,348
3a Owner-Occupied Housing Rehab 80% AMI			\$ 127,161	\$ 218,248	\$ 345,409
3b Minor Repairs 50% AMI	\$100,000				\$ 100,000
3c Owner-Occupied Housing Rehab 50% AMI	\$150,000		\$ 150,000		\$ 300,000
4 Housing Trust Fund					\$ -
<b>Total</b>	<b>\$300,000</b>	<b>\$ 227,398</b>	<b>\$ 277,161</b>	<b>\$ 516,198</b>	<b>\$1,320,757</b>

# Civic Development Partners

- Continue our partnerships
- 8.9% increase over FY16 contributions
- Total FY17 funding = \$446,000

<i>Partners</i>	<i>FY16 Adopted</i>	<i>FY17 Request</i>	<i>FY17 Amount Preliminary</i>	<i>Variance</i>
<i>Economic Development Partners</i>				
<b>1</b> Wilmington Business Development (WBD)	\$ 87,551	\$ 125,000	\$ 100,000	14.2%
<b>2</b> Wilmington Downtown Inc (WDI)	\$ 66,325	\$ 115,000	\$ 86,000	29.7%
<b>3</b> Wilmington Film Commission	\$ 119,500	\$ 119,500	\$ 121,890	2.0%
<i>Cultural and Recreational Partners</i>				
<b>4</b> Wilm Jewish Film Festival	\$ 2,000	\$ 5,000	\$ 2,000	0.0%
<b>5</b> Arts Council	\$ 25,000	\$ 35,000	\$ 25,000	0.0%
<b>6</b> Cucalourus	\$ 20,000	\$ 22,000	\$ 22,000	10.0%
<b>7</b> Cameron Art Museum	\$ -	\$ 10,000	\$ 10,000	100.0%
<b>8</b> UNCW Entrepreneur Center	\$ 70,000	\$ 70,000	\$ 70,000	0.0%
<b>9</b> Children's Museum	\$ -	\$ 10,000	\$ 10,000	100.0%
<b>10</b> Chamber (Cape Fear Future)	\$ 20,000	\$ -	\$ -	-100.0%
<b>Totals</b>	\$ 410,376	\$ 386,500	\$ 446,890	8.9%

# General Fund Undesignated Fund Balance

- Appropriated Fund Balance: \$5,744,343
  - Capital Improvement = \$5,142,370
  - One-Time General Fund Purchases = \$601,973
- Fund balance 31.7% of operating funds
- Financial Policy recommends 15-20%

# Enterprise

- Stormwater Fund:
  - Requested rate increase of 5.9%
    - Rate of \$7.23 to \$7.66 per ERU
- Solidwaste Fund:
  - \$291,000 funding for yard waste and electronic services
    - Yard waste contract being negotiated
- Parking Fund:
  - \$650,000 in CIP
  - Water Street Deck funded for 1st Quarter FY17

# Total Budget Summary

- Total net budget = \$168.8 million
  - General Fund & Enterprise Funds:
    - General Fund = \$104.9 million
    - Parking = \$4.2 million
    - Solid Waste = \$9.3 million
    - Stormwater = \$10.3 million
    - Golf Course = \$1.4 million

# Budget Document Locations

- Available for viewing at:
  - City of Wilmington's Web-site
  - City Manager's Office
  - City Clerk's Office
  - New Hanover Public Library
  - Highlights on GTV-8

# Next Steps

- Public Hearing: May 17
- City Council Worksession: May 27
- Public Adoption: June 7 & 21