

5.11.15
City Council Meeting

Item 14: Presentation of the City's proposed Fiscal Year 2015-2016 operating budget

FY Proposed Budget Overview

	FY 15 Adopted	FY 16 Proposed	% Change
General Fund	\$78,550,087	\$77,173,835	1.75%
Debt Service Fund	5,025,316	4,882,683	(2.8%)
Transit Fund	4,546,204	3,084,505	(32.1%)
Fleet Service Fund	4,678,827	4,457,387	(4.7%)
Sanitation Fund	7,990,658	7,801,578	(2.4%)
Stormwater Fund	4,780,503	4,905,758	2.6%
Housing Fund	1,689,121	1,443,370	(14.5%)
Health Fund	13,105,469	14,037,440	7.1%
Capital Reserve Fund	43,369	50,000	1.5%
Vehicle Replacement Fund	4,357,967	3,811,283	(12.5%)
Facility Improvement Fund	<u>1,545,434</u>	<u>1,579,180</u>	<u>2.1%</u>
Total for All Funds	\$126,312,955	\$123,227,019	(2.44%)

FY 15-FY 16 Highlights

1) Taxes and Fees

- Property Tax Rate Decrease from 54¢ to 53¢ Per \$100 Valuation (\$588K)
- Sales Tax Increase - \$879,075
- Other Fees – Elimination of Privilege License Fees (\$1.2M)

2) Personnel

● Pay Plan Implementation – 2% Pay Adjustment (Market)	\$252,174
Compression	217,931
Internal Equity	<u>49,324</u>
Total Cost	\$519,429

Budget Highlights - continued

- Two “Unfrozen” Positions
 - Streets Coordinator
 - Cemetery Supervisor
- 3% Vacancy Factor - \$1,209,511
- Health Insurance Fund – General Fund Contribution Reduction - \$708,861

Operations

- Departmental Budgets Reduced by \$764,135

City Council Strategic Goals

- Dynamic and Inviting Community
- Economic Development
- Well Managed and Fiscally Sustainable City Organization
- Infrastructure
- Safer Community

Programs and Services

FY 16 Initiatives

- Implementation of Budget and Evaluation Office - Approved in FY 15 (Fiscal Sustainability)
- Hiring of Federal Lobbyist – Ferguson Group (Fiscal Sustainability)
- Neighborhood Plans Implementation - \$25,000 (Dynamic and Inviting Community)
- Summer Youth Employment Program (Workforce Development) – New Format (Economic Development)

Programs and Services, continued

- Energy Efficiency Program – City & GUC - \$100,000
Funding Provided by GUC (Dynamic Community)
- Bond Information/Education Support – TBD
(Fiscal Sustainability)
- Economic Development – “Site Ready” Program - Grant
Funded (Economic Development)
- Transit Customer Service – New Routes & Bus Shelters
(Infrastructure)

Programs and Services, continued

New Capital Projects

- Town Common \$ 250,000
- Tar River Legacy Plan 200,000
- "Good Roads" 1,000,000

Programs and Services, continued

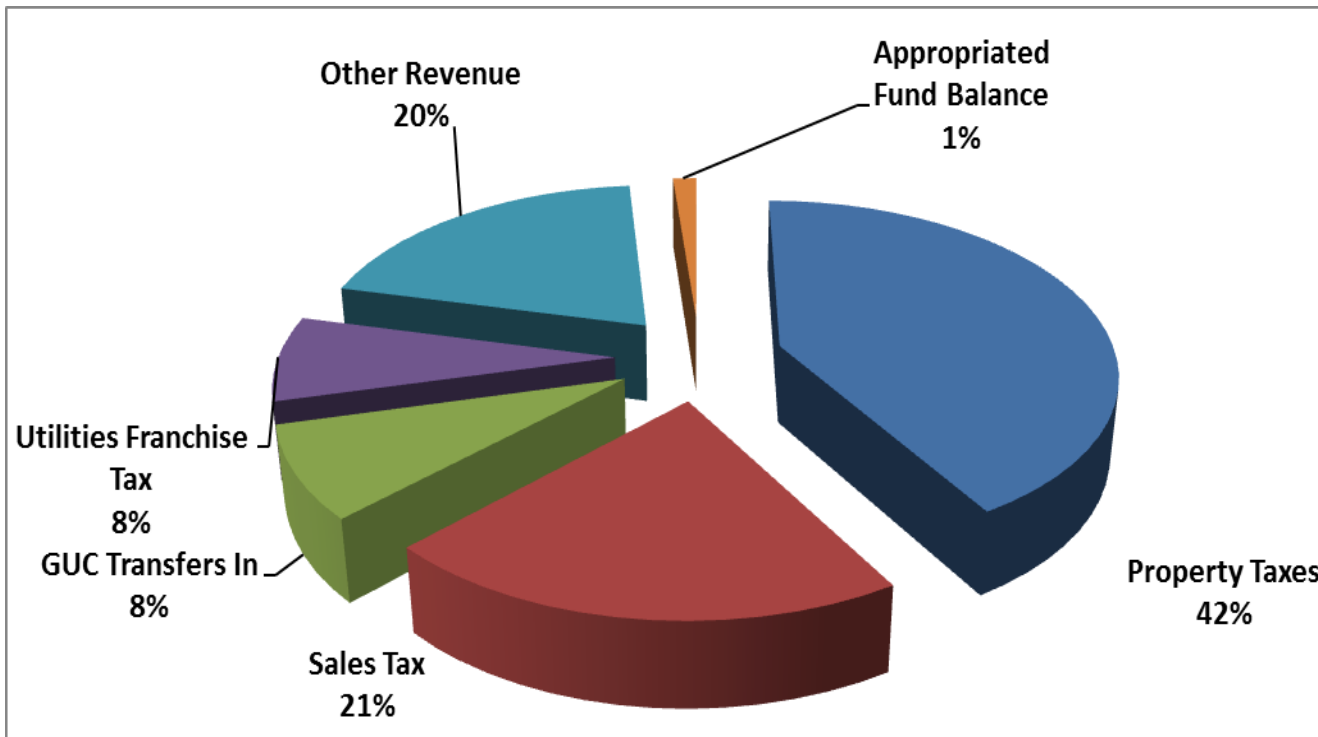
Continuation:

- Town Creek Culvert (60% Design) \$11.0M
- Facilities Improvement Plan 1.6M
- Convention Center Renovation & Expansion 4.6M
- GTAC 8.1M
- South Greenville Gymnasium Construction 2.0M
- Sidewalk Construction (Safe Routes to School) .5M
- Sanitation Automation
- Stormwater Basin Studies

General Fund

General Fund Revenues

FY 2016 Proposed Budget



Revenue	Amount
Property Tax	\$ 32.0M
Sales Tax	\$ 16.3M
GUC Transfer	\$ 6.5M
Utilities Franchise Tax	\$ 6.0M
Other Revenue	\$ 15.4M
Appropriated FB	\$ 1.0M
TOTAL	\$ 77.2M

General Fund High Level Overview

Appropriated Fund Balance includes General Fund (\$710,000) and Powell Bill (\$309,738)

	<u>2016 Plan</u>	<u>2016 Adjusted</u>	<u>2016 Plan vs. 2016 Adjusted</u>
Revenues	\$76,605,743	\$76,153,997	<1%
Appropriated Fund Balance	<u>473,585</u>	<u>1,019,838</u>	>100%
	\$77,079,328	\$77,173,835	<1%
Salaries and Benefits	\$51,706,835	\$50,281,456	-2.7%
Operations & Capital Outlay	15,902,004	16,002,939	<1%
Capital Improvements	1,420,657	1,952,947	37.46%
Transfers	<u>8,049,832</u>	<u>8,936,493</u>	<u>11%</u>
	\$77,079,328	\$77,173,835	<1%

High Level Overview

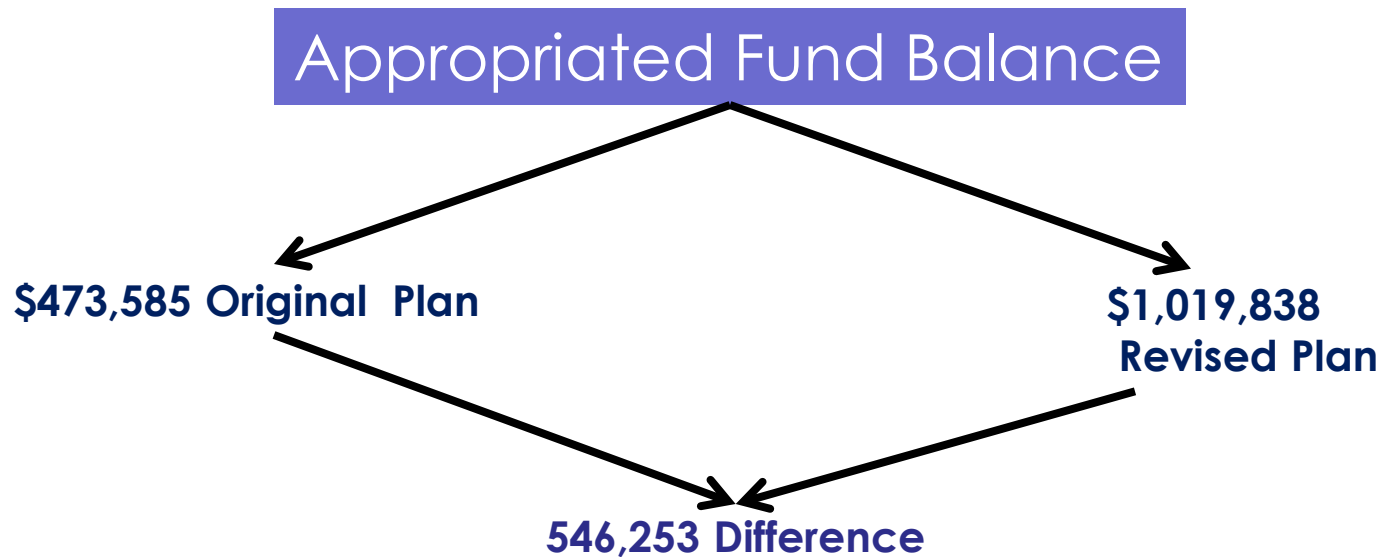
Summary of Changes (FY 16 Original vs. Proposed) Appropriated Fund Balance Includes General and Powell Bill

<u>Category</u>	<u>Amount of Change</u>
Property Tax	\$ 865,378(-)
Sales Tax	879,075(+)
Utilities Franchise Tax	172,919(+)
GUC Transfer (Include Lighting)	289,391(+)
Privilege License	1,138,770(-)
Other Revenues	211,017(+)
Appropriated Fund Balance	<u>546,253(+)</u>
Total	\$ 94,507(+)

General Fund – Budget and Plan Overview

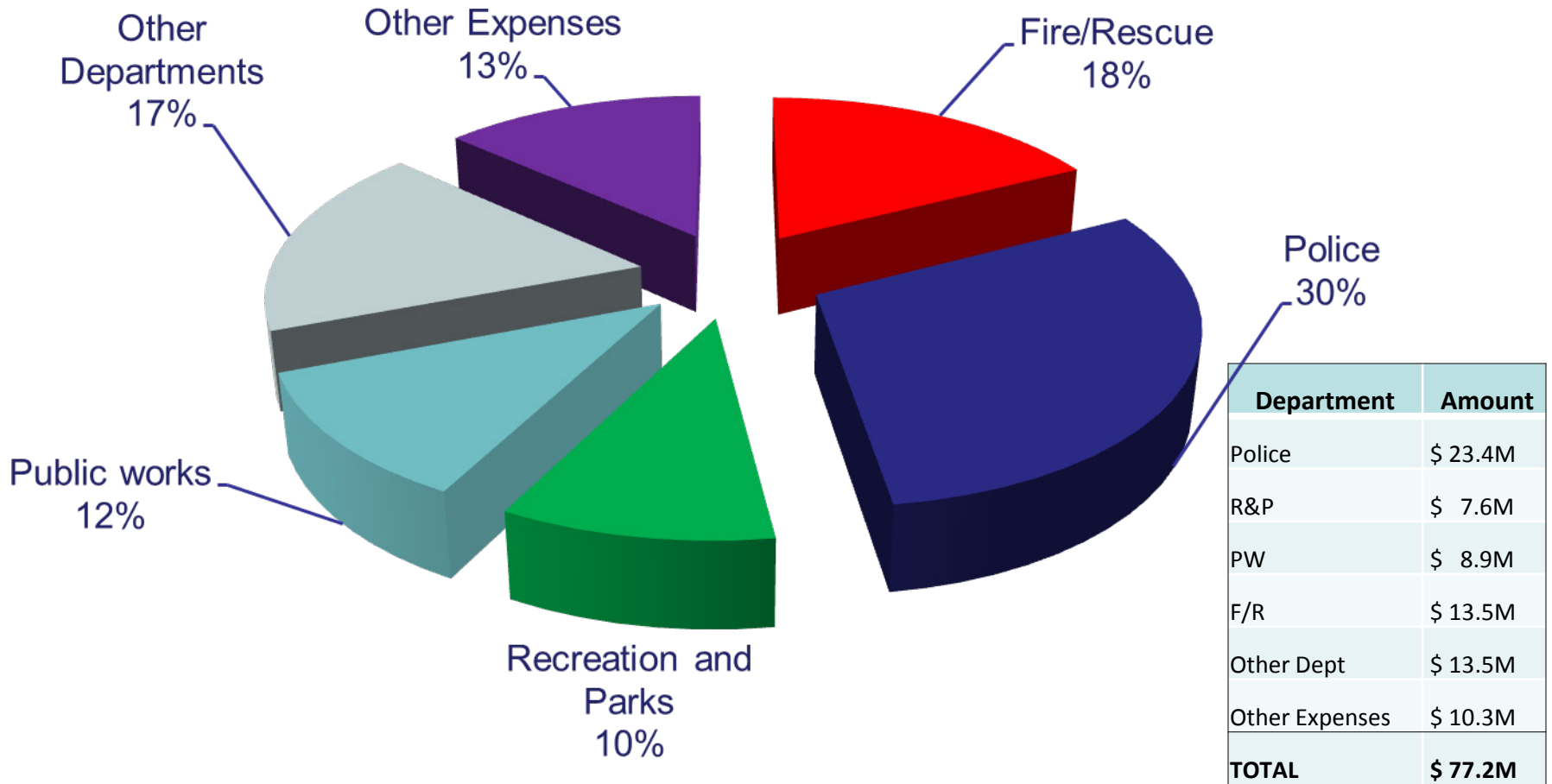
Appropriated Fund Balance \$710,000 (General Fund) \$309,738 Powell Bill
General Fund Includes \$200,000 Contingency

- Based on current revenues (\$.53 per \$100 tax rate)
 - Tax rate for Adjusted Plan 2016 was decreased by one cent

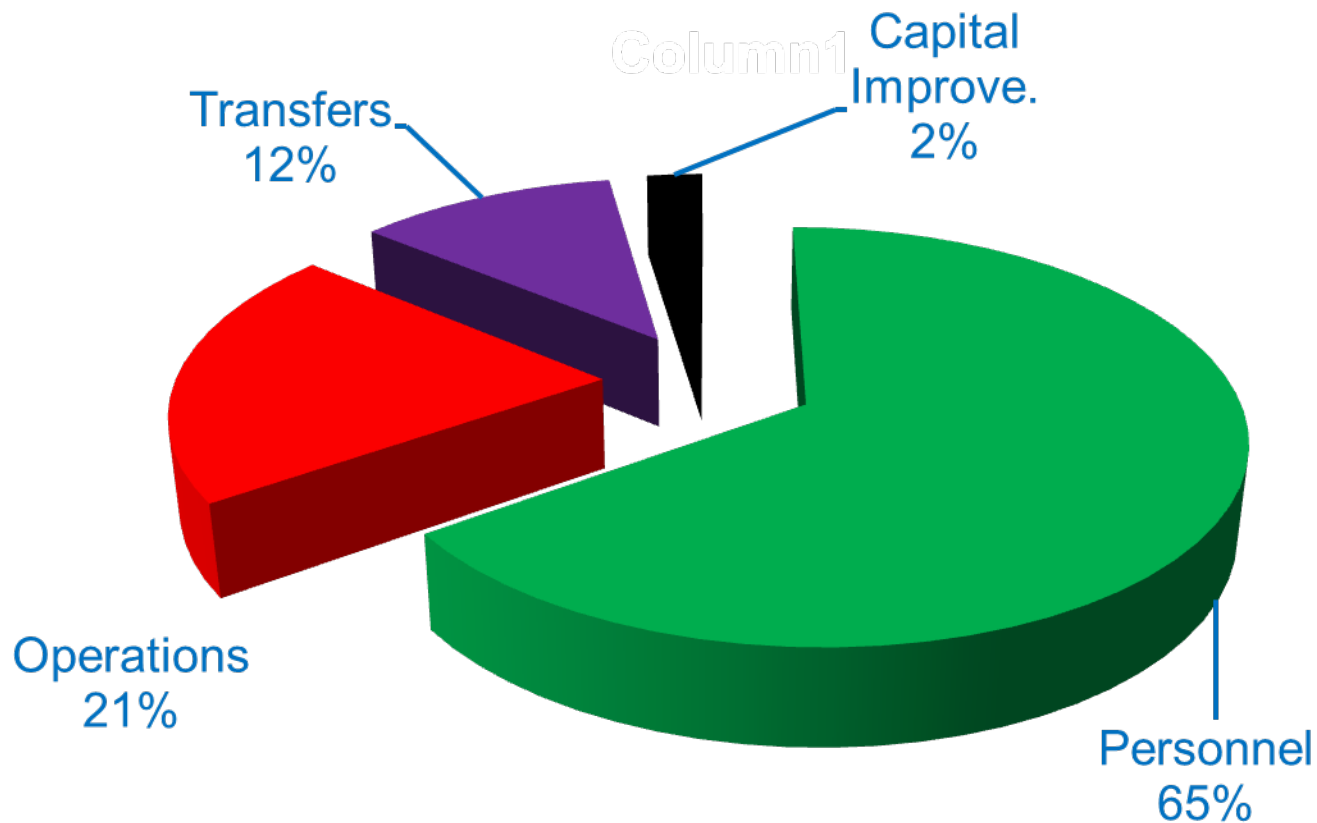


General Fund Expenses

FY16 Expenses by Department



Proposed FY 2016 Expense by Type



Expense	Amount
Personnel	\$ 50.3M
Operations	\$ 16.0M
Transfers	\$ 8.9M
Capital Imp.	\$ 2.0M
TOTAL	\$ 77.2M

Overview

Summary of Changes (FY 16 Original vs. Proposed)

<u>Category</u>	<u>Net Amount of Change</u>
Regular Salaries	\$ 340,138(-)
Health Insurance/Retiree Supp.	782,272(-)
Other Personnel	302,969(-)
Utilities	184,834(+)
Contracted Services	244,036(+)
Other Operations	327,935(-)
Capital Improvements	532,290(+)
Transfers to Other Funds	<u>886,661(+)</u>
Total	\$ 94,507(+)

Other Funds

Debt Service

Transit

Fleet

Sanitation

Stormwater

Housing

Health

Capital Reserve

Facilities
Improvement

Vehicle
Replacement

Debt Service

REVENUE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$24,337,758	\$3,735,764	\$5,025,316	\$4,900,805	\$4,882,683

EXPENSE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$24,374,294	\$4,235,786	\$5,025,316	\$4,900,805	\$4,882,683

The City currently has \$36M in outstanding debt.

Transit

REVENUE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$1,894,713	\$1,970,561	\$4,546,204	\$3,078,461	\$3,084,505

EXPENSE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$2,499,435	\$2,264,530	\$4,546,204	\$3,078,461	\$3,084,505

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Fleet

REVENUE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$3,951,250	\$3,935,987	\$4,678,827	\$4,457,387	\$4,457,387

EXPENSE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$3,941,338	\$4,326,894	\$4,678,827	\$4,457,387	\$4,457,387

Sanitation

REVENUE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$6,789,906	\$7,258,628	\$7,990,658	\$7,801,578	\$7,801,578

EXPENSE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$6,846,141	\$7,695,632	\$7,990,658	\$7,801,578	\$7,801,578

Includes \$.75 per month rate increase

Sanitation Fund

Multi-Year Fee Schedule

<u>Rate</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u> Final Year
Curbside/ Multifamily	\$14.50	\$15.25	\$15.75	\$16.00
Backyard	\$43.55	\$44.30	\$44.80	N/A

Stormwater

REVENUE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$4,480,383	\$3,671,256	\$4,780,503	\$4,905,758	\$4,905,758

EXPENSE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$3,276,279	\$6,469,851	\$4,780,503	\$4,905,758	\$4,905,758

Includes \$.50 per month rate increase

Stormwater Fund

Multi-Year Fee Schedule

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u> Final Year
Increase	\$.50	\$.50	\$.50	\$.50
Rate	\$3.85	\$4.35	\$4.85	\$5.35

Housing

REVENUE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$4,904,112	\$6,456,867	\$1,689,121	\$1,726,762	\$1,443,370

EXPENSE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$4,549,641	\$6,243,745	\$1,689,121	\$1,726,762	\$1,443,370

Decrease from 2016 original due to the change in the approved CDBG/HOME Plan

Health Insurance

REVENUE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$11,999,539	\$12,970,743	\$13,105,469	\$14,037,440	\$14,037,440

EXPENSE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$11,801,916	\$10,429,003	\$13,105,469	\$14,037,440	\$14,037,440

Contribution from General Fund has been reduced by \$700K. Health Insurance Fund Balance is used to cover the difference.

Capital Reserve

REVENUE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$12,759	\$415,488	\$43,369	\$50,000	\$50,000

EXPENSE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$320,000	\$1,779,000	\$43,369	\$50,000	\$50,000

Grant Funds for “The Boundary” Apartments and Parking Garage

Facility Improvement

REVENUE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$-	\$-	\$1,545,434	\$1,579,180	\$1,579,180

EXPENSE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$-	\$-	\$1,545,434	\$1,579,180	\$1,579,180

Vehicle Replacement

REVENUE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$3,684,803	\$3,883,203	\$4,357,967	\$2,847,283	\$3,811,283

EXPENSE				
<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>2015</u> <u>Adjusted</u>	<u>2016</u> <u>Original</u>	<u>2016</u> <u>Proposed</u>
\$3,019,129	\$4,924,343	\$4,357,967	\$2,847,283	\$3,811,283

This fund has been adjusted for additional vehicles that were approved in FY 15 but not being delivered until after June 30

Remaining Budget Schedule

May 11, 2015 Budget Presentation

May 14, 2015 Additional Presentations

June 9, 2015 Budget Public Hearing

June 11, 2015 Adoption of Budget

Item 15: Report and recommendations regarding Pay Study

3 Scenarios

- Scenario #1
 - Increases pay of only Refuse Collectors
- Scenarios #2 & #3
 - Establishes a new minimum starting salary threshold for pay plan

Scenario #1

Increase pay of Refuse Collectors by 5%

- Refuse Collector classification would move from PG 103 to 104
- All 21 Refuse Collectors impacted
- Total cost to implement: \$31,828.51

Scenario #1 (cont'd)

- Refuse Collector position included as benchmark position in 5-Year True-Up Market Study
- Analysis concluded that the average base salary for a City of Greenville Refuse Collector is 14% above market

Scenario #2

- Addresses positions in the 2 lowest pay grades (PGs 102 & 103)
- Collapses PGs 102 & 103 into PG 104
- Pay of current employees in PGs 102 and 103 would increase to at least \$12.66/hour (5% above minimum of PG 104)
- Employees making at least \$12.66/hour would see no change in pay
- 12 employees impacted
- Total cost to implement: \$5,137.60

Scenario #2 (cont'd)

- Some compression would occur because new hires who complete 6-month probationary period and longer tenured employees would be earning the same or very close to same hourly rate of pay
- City would be paying “above market” pay rates for positions moved to PG 104

Scenario #3

- Addresses positions in the 3 lowest pay grades (PGs 102 - 104)
- Collapses PGs 102 - 104 into PG 105
- Pay of current employees in PGs 102 - 104 would increase to at least \$13.29/hour (5% above minimum of PG 105)
- Employees making at least \$13.29/hour would see no change in pay
- 22 employees impacted
- Total cost to implement: \$26,893.15

Scenario #3 (cont'd)

- Some compression would occur because new hires who complete 6-month probationary period and longer tenured employees would be earning the same or very close to same hourly rate of pay
- City would be paying “above market” pay rates for positions moved to PG 105

Item 18: Monthly Update on Performance Management System

Project Timeline

- May 29th City Manager's approval of Performance Management Philosophy document
- June 8th City Manager's approval of job families and core competencies recommended by Human Resources

Project Timeline

- June 16-17th Consultant (Segal Waters) on-site to conduct stakeholder interviews
- July 13-14th Segal Waters back on-site to meet with SMEs to identify specific job competencies

Project Timeline

- July 31st HR and City Manager reviews/finalizes focus group results
- August 14th Development begins of performance appraisal process and pay for performance matrix

Project Timeline

- September 8th Start of training workshops for supervisors and orientation sessions for employees
- September 30th Final report and presentation to City Manager

5.11.15

City Council Meeting