

City Council – Action Request Form

Date: June 17, 2019

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Ben Rowe, Assistant City Manager
Patrice Y. Toney, Budget and Evaluation Director

Council Action Requested:

Consideration of Fiscal Year 2019-20 Budget-Related Items

Strategic Focus Area: Service Excellence

Strategic Objective: Maintain the City’s Financial Strength

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

On May 23, 2019, the City Manager distributed his budget proposal for fiscal year 2019-20 to the Mayor and City Council. The proposed budget totaled \$496.4 million, which included \$368.4 million for operations, \$46 million for debt service, and \$82 million for capital. The budget was balanced with no proposed property tax rate increase for operation. In November of 2018, voters approved five bond issues totaling \$122 million for 336 capital projects. In order to pay for the debt payments on the 2018 voter approved bonds, the current rate will increase by 4 cents from the current rate of 59.74 cents to 63.74 cents per \$100 of assessed value. The proposed budget aligned the City’s resources according to the Mayor and City Council’s strategic focus areas: Economic Vitality and Diversity, Safe and Secure Community, Livable Neighborhoods, Healthy Environment, Quality Transportation, and Service Excellence. The proposed budget also provided for investments in each of these areas, which are noted in the FY 2019-20 budget document.

Other highlights of the proposed budget included:

- No merit increase for employees.
- 2% public safety supplemental pay adjustment, effective January 1, 2020 (sworn police and certified fire personnel)

Committee	<u>Finance 6/6/19</u>	Action	<u>Approval</u>
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For	<u>Unanimous</u>	Against	<u></u>
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Remarks:

- Full-year implementation of the Market Pay Study
- Increase in minimum hourly rate from \$12.50 to \$13.00 (effective July 2019)
- Net reduction of ten (10) positions, including two (2) in City Link, one (1) in Police, four (4) in Sanitation, two (2) in Recreation, and one (1) in Property and Facilities Management.
- Increase in the Yard Cart fee by \$5, from \$60 to \$65.
- New community agencies added include: Authoring Action (\$5,000), LEAD Girls of NC, Inc. (\$5,000), IFB Solutions (\$5,000), Venture Café (\$20,000), The Wells Center Inc, (\$5,000), and Youth Achieving Moral Maturity (\$4,520).

The Finance Committee held three budget workshops and a public hearing on the City Manager's budget proposal in May and June.

At its final workshop on June 6, 2019, the Committee recommended approval of the proposed budget with the following change:

- adds a \$5,000 community agency seed grant for the Winston-Salem Ambassadors, offset by a reduction in operating expenses in the strategic focus area of Economic Vitality and Diversity.

Attachment 1 provides the Finance Committee's recommended funding for community agencies supported from general fund, occupancy tax, and housing finance assistance fund revenues.

On June 17, 2019, the Mayor and City Council will conduct a final public hearing (**item G-1**), as required by State law, and will consider the following budget-related items:

- **Item G-2:** Annual appropriation/tax levy ordinance for fiscal year 2019-20, authorizing the City's annual operating appropriations and adopting the property tax rate of 63.74¢ per \$100 of assessed valuation and a property tax rate of 9.0¢ per \$100 of assessed valuation on property in the Downtown Winston-Salem Business Improvement District, as recommended by the Finance Committee
- **Item G-3:** Project budget ordinance for fiscal year 2019-20, authorizing appropriations for certain special revenue funds, capital projects, enterprise capital projects, internal service capital projects, and capital equipment funds, as recommended by the Finance Committee
- **Item G-4:** Motion to Excuse Council Member Taylor from Items G-5 and G-6.
- **Item G-5:** Annual appropriation/tax levy ordinance for fiscal year 2019-20, authorizing the City's annual operating appropriations for anticipated revenues and expenditures for Marketing and Communications to include advertising, books, magazines, and periodicals by fund, together with a financial plan for internal service funds, as recommended by the Finance Committee
- **Item G-6:** Project budget ordinance for fiscal year 2019-20, authorizing appropriations for expenditures on advertising, books, magazines, and periodicals,

and revenues for fiscal year 2019-2020 and thereafter for select Special Revenue funds, as recommended by the Finance Committee

- **Item G-7:** Resolution approving the capital plan for fiscal years 2019-20 through 2024-2025 as a financial planning guide
- **Item G-8:** Resolution amending the personnel resolution of the City of Winston-Salem, making changes to the pay plan and other policies
- **Item G-9:** Resolution authorizing an interlocal agreement between the City of Winston-Salem and Forsyth County for grant funds to support the District Attorney's Domestic Violence Unit
- **Item G-10:** Adoption of an amendment to section 26-3 (g) of the Winston-Salem city code, Bulk Container and other receptacles, relating to Yard Waste collections, for the fiscal year 2019-2020.