

FY 2023-24 Budget Development Work Session

June 1, 2023



Community Partner Funding



FY 2023-24 Budget Development

Community Economic Development Partners Funding Request

Included in proposed budget

Agency	FY 22-23	Proposed FY 23-24
Piedmont Business Capital	\$400,000	\$200,000
Chamber of Commerce	\$130,500	\$200,000
Guilford County Economic Development Alliance (GCEDA)	\$100,000	\$100,000
Chamber of Commerce (Launch Lab)	\$100,000	\$100,000
East Greensboro NOW	\$75,000	\$100,000
Greensboro Sports Foundation	\$40,000	\$85,000
North Carolina Folk Festival	\$75,000	\$75,000
Greensboro Business League	\$75,000	\$75,000

FY 2023-24 Budget Development

Community Economic Development Partners Funding Request

Included in proposed budget

Agency	FY 22-23	Proposed FY 23-24
Magnolia House	\$75,000	\$75,000
Forge Greensboro: Community Makerspace	\$75,000	\$75,000
Downtown Greensboro Inc.	\$50,000	\$50,000
East Greensboro Now – Affordable Housing	\$0	\$44,420
Piedmont Film Commission	\$35,000	\$35,000
Triad Local First	\$25,000	\$25,000
Veterans United In Services	\$0	\$20,580
Chamber of Commerce (Campus Greensboro Program)	\$20,000	\$20,000
Downtown Ambassadors Program	\$195,000	\$195,000
Total	\$1,470,500	\$1,475,000

FY 2023-24 Budget Development

Other Partners – Highlights

Included in proposed budget

Agency	FY 22-23	Proposed FY 23-24
Violence Prevention	\$500,000	\$500,000
International Civil Rights Museum	\$250,000	\$250,000
Crime Stoppers	\$75,000	\$0
Total	\$825,000	\$750,000

Proposed FY 2023-24

Included in the Proposed Budget

Compensation

- 4% organization-wide increases from February 2023
- \$52,459 Police Starting Salary, 13% increase
- 10.6% increase for all sworn police
- 4% merits and Steps for all eligible employees
- \$17 hourly, \$35,360 annual minimums

Operations

- Development Services Improvements
- Debt Service
- Economic Incentives
- Fire Respiratory Equipment
- Police Take-home Vehicles
- Addressing Inflation and Maintaining Service Levels

**FY 2023-24
Proposed
Budget**

\$749.5 M

	FY 23-24 Proposed Tax Rate	Proposed Change in Tax Rate
General Fund	62.75	4.00
Nussbaum Fund	1.00	0.00
Transit Fund	3.50	0.00
	67.25	4.00

General Fund Expenditures

Primary Cost Drivers

Personnel

4% Base Wage Increases	\$5,250,000
Police 10.6% Adjustments	\$3,520,000
Fire 4% Adjustments	\$1,100,000
4% Average Merits	\$1,650,000
Retirement Contribution Increases	\$3,000,000
Mid-year Positions and Reclassifications	\$775,500
Development Services Positions	\$930,000

\$16.2 million

Maintenance & Operations and Transfers

Economic Development Incentives	\$1,860,000
Transfers to Other Funds	\$1,900,000
Debt Service Increase	\$1,500,000
IT Maintenance & Software	\$900,000
Inflation Related Increases	\$700,000
Landfill Tipping Fee Increase	\$500,000
Fire SCBA Replacement	\$400,000

\$7.7 million

FY 2023-24 Manager's Proposed Budget

Compensation Increases

- 10.6% adjustments for Police (Academy 2023)
 - Police starting salary increases 13% to \$52,459
- 4% adjustments for Fire (Academy 2023)
 - Fire starting salary increases 6% to \$47,812
- 4% average merits & steps for GM911 (December 2023)
 - GM911 starting salary increases 2.7% to \$42,985
- 4% average merits & steps for general employees (December 2023)
 - Minimum salary increases 7% to \$35,360 (\$17 per hour)

Salary Compression Adjustments \$1.8 million, 503 employees

- Time in position salary compression adjustments (June 16)
- FOD (124), WR (120), & Libraries (55)

User Fees Included in FY 23-24 Proposed Budget



FY 2023-24 Recommended Budget Development

User Fees

Development Services - Proposed Budget

Included in proposed budget

Cost Recovery Model for All Fees

- Implemented in FY 09-10 to ensure fees increased gradually with cost
- Overall goal to reach 80% cost recovery for services
 - \$69,680 increase from current year
- Increases are limited to a 25% cap

Development Services Positions

- 12 FTES – Planning (3), GDOT (2), Fire (4), E&I (3)
 - 3 Additional position added to Stormwater Fund

FY 2023-24 Recommended Budget Development

User Fees

Field Operations – Commercial Recycling Dumpster Collection Fee

Included in proposed budget

FY 23-24 Fee Proposal – Proposed Budget

- Increase service frequency fee by \$15 per cost category
- Most Common service
 - Dumpster pick up 3x per week
 - From \$85 to \$100
- Estimated Net Revenues
 - \$135,000

Fee Considerations

- Business voluntarily subscribe to the recycling dumpster service
 - 655 recycle customers
 - 1226 refuse customers

Revised Proposed Budget

Compensation



FY 2023-24 Budget Development

Compensation Considerations Summary

Estimated Cost Impacts

\$55,000 Police Starting Pay (Sept 23)	\$2.9 m
\$18 minimum wage (Sept 23)	\$1.8 m
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Estimated FY 23-24 Impact	\$4.7 m

\$57,000 Police Starting Pay (Apr 24)	
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Estimated FY 24-25 Impact	\$5.4 m

- FY 23-24 impact expected to be absorbed

Reductions and Revenue Enhancements

User Fee Increases	\$846 k
Community/ED Funding	\$200 k
Participatory Budgeting	\$600 k
General Fund GTA Support	\$2 m
ARPA Projects	\$1.1 m
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Total	\$4.7 m

FY 2023-24 Budget Development

Compensation Considerations

Police Salaries

FY 23-24 - \$55,000 (September 2023)

- \$2.9 million – FY 23-24 estimated impact

Minimum Wage to \$18 per hour (\$37,440)

- Annual estimate above proposed budget
 - \$1.8 million (salaries and benefits)
- \$4.7 million estimated impact

Competitive Strategy for Police Salaries Phase II

FY 23-24 - \$57,000 (April 2024)

- \$5.4 million – FY 24-25 estimated impact

FY 2023-24 Budget Development

Peer Compensation Information: Proposed FY 23-24

City	Minimum Police Starting Salary
Charlotte	\$57,192
Raleigh	\$50,301
Greensboro	\$55,000
Durham	\$43,445
Winston-Salem	\$52,500
High Point	\$49,325
Burlington	\$54,011

Police Salary Supplements

Annual supplements

- Bilingual Pay up to \$2,500
- LEO Certificate Pay up to \$1,250
- Clothing Allowance up to \$1,000
- Shift Differential up to \$3,600
- Police Training Officer \$28 per day
- Extra Duty Pay \$50 per hour
- Acting Pay 5% increase

One-time supplements

- Signing Bonus of \$2,864
- Military Incentive of \$2,500
- Education Incentive of up to \$5,000
- Recruitment Bonus of \$500

FY 2023-24 Budget Development

Proposed Minimum Wage Increases for Benefited Employees: First 3 Years

- 25.7% increase over 3 years

Minimum Wage to \$18 per hour (\$37,440) for 246 employees

- Annual estimate above proposed budget
 - \$1.8 million to implement and address compression for 550 employees (salaries and benefits)

February 2023	\$15.91	\$33,097
December 2023	\$18	\$37,440
December 2024	\$19	\$39,520
December 2025	\$20	\$41,600

Revised Proposed Budget

User Fees



FY 2023-24 Budget Development

User Fee Considerations

Development Services

Cost Recovery Model for All Fees

- Implemented in FY 09-10 to ensure fees increased gradually with cost
- Overall goal to reach 80% cost recovery for services
 - Recommended to increase cost recovery to 90%
 - From \$760,970 to \$793,220
 - \$32,250 net revenue increase
- Increases are limited to a 25% cap

Development Services Positions

- 12 FTES – Planning (3), GDOT (2), Fire (4), E&I (3)
 - 3 Additional position added to Stormwater Fund

FY 2023-24 Budget Development

User Fee Considerations

Field Operations – Commercial Recycling & Refuse Collection Fee

FY 23-24 Consideration

- Increase service frequency fee no more than 25% per cost category
 - Example of Fee Changes
 - Refuse: 4x per week from \$253 to \$288 (\$35 or 12% increase)
 - Recycle: 4x per week from \$95 to \$118 (\$23 or 24% increase)
- Increase dumpster rental by \$12 per dumpster
- Estimated Net Revenues
 - \$814,548

Current Year Budget	Proposed (Included in Budget)	For Consideration
\$5,024,082	\$5,159,082	\$5,973,630
Net Increase	+\$135,000	+814,548

FY 2023-24 Budget Development

Compensation Considerations Summary

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