

FY 2012-13 Budget Briefing

Enterprise Funds and Capital Improvement Program



Budget Process Calendar

- February 14: FY 12-13 Fees & Charges (*adopted*)
- March 20: Finance Committee (*reviewed*)
- March 27 Work Session: General Fund Briefing (*completed*)
- April 3: Finance Committee (*reviewed*)
- April 10 Work Session: Enterprise Funds & CIP
- April 24: FY 12-13 Budget Presentation
- May 22: Public Hearing
- June 12: Budget Adoption

General Fund Work Session Summary

- Maintain current property tax rate and City services
- Proceed with technical adjustments and expenditure obligations
- Include \$500,000 for employee compensation; revisit compensation mid-year
- Consider \$150,000 in Parking Fund revenues over expenditures for:
 - Transit service on holidays on main routes with limited hours: \$30,000
 - Phase I implementation of form-based planning policy: \$100,000
 - Increase EDC allocation from \$40,000 to \$60,000: \$20,000
- Look for opportunities to increase the Housing Trust Fund allocation

Water Fund Outlook

- Operating revenues are performing better than budget in current year – which means more revenue next year without a rate increase – partly due to improved meter accuracy with AMR's
- FY 12-13 operating budget will be adjusted downward to reflect actual expenses
- As a result, pay as you go contribution to capital will increase by \$1.3 million

Water Capital Improvements

FY 12-13 WATER FUND CAPITAL PROGRAM	
Revenue Sources:	
Transfer from water operating fund	\$ 7,438,564
Total Revenue	\$ 7,438,564
Program Areas	
	Costs
NCDOT Projects	\$ 50,000
Distribution System Projects	\$ 4,411,414
Neighborhood Water Line Replacement Projects	\$ 2,352,150
Water System Projects	\$ 625,000
TOTAL	\$7,438,564

Parking Fund Outlook

- Parking revenues are projected to exceed expenses by \$150,000 in FY 12-13
 - Includes increasing transfer to the Transit Fund from \$500,000 to \$590,000
 - Includes full year of expenses associated with operating Biltmore Avenue Parking Garage (including 2 FTEs) and debt service
 - Includes transfer of \$55,000 in operating funds to parking capital improvements for meter replacements.

Parking Capital Improvements

PARKING CAPITAL PROGRAM FY 12-13		
Revenue Sources:		
Pay-Go		\$ 55,000
TOTAL		\$ 55,000
Project Details:		
Project Name	Description	Project Cost
Meter Replacement	100 meters with credit card payment option	\$ 55,000
TOTAL		\$ 55,000

Transit Fund Outlook

- Loss of \$160,000 in State funding; partially off-set by increase in Transit revenue as a result of increased ridership
 - Increases Parking Fund transfer by \$90,000 for a total of \$590,000; General Fund transfer to remain at \$985,000
- Projecting decrease in fuel consumption will offset increase in fuel prices

Transit Capital Improvements

TRANSIT SYSTEM PROGRAM FY 12-13		
Revenue Sources:		
Pay-Go		\$ 50,000
Grants		\$ 200,000
TOTAL		\$ 250,000
Project Details:		
Project Name	Description	Project Cost
Transit Center	ADA features, lighting, painting, etc.	\$ 250,000
TOTAL		\$ 250,000

Golf Fund

- Right-sized revenue budget and included \$140,000 transfer from General Fund based on past performance.
- Staff continues to explore alternatives for management efficiencies.
- Responses to RFP were due March 23 (8 responses); pursuing any option will likely require funds for operating and capital budgets.

Stormwater Fund

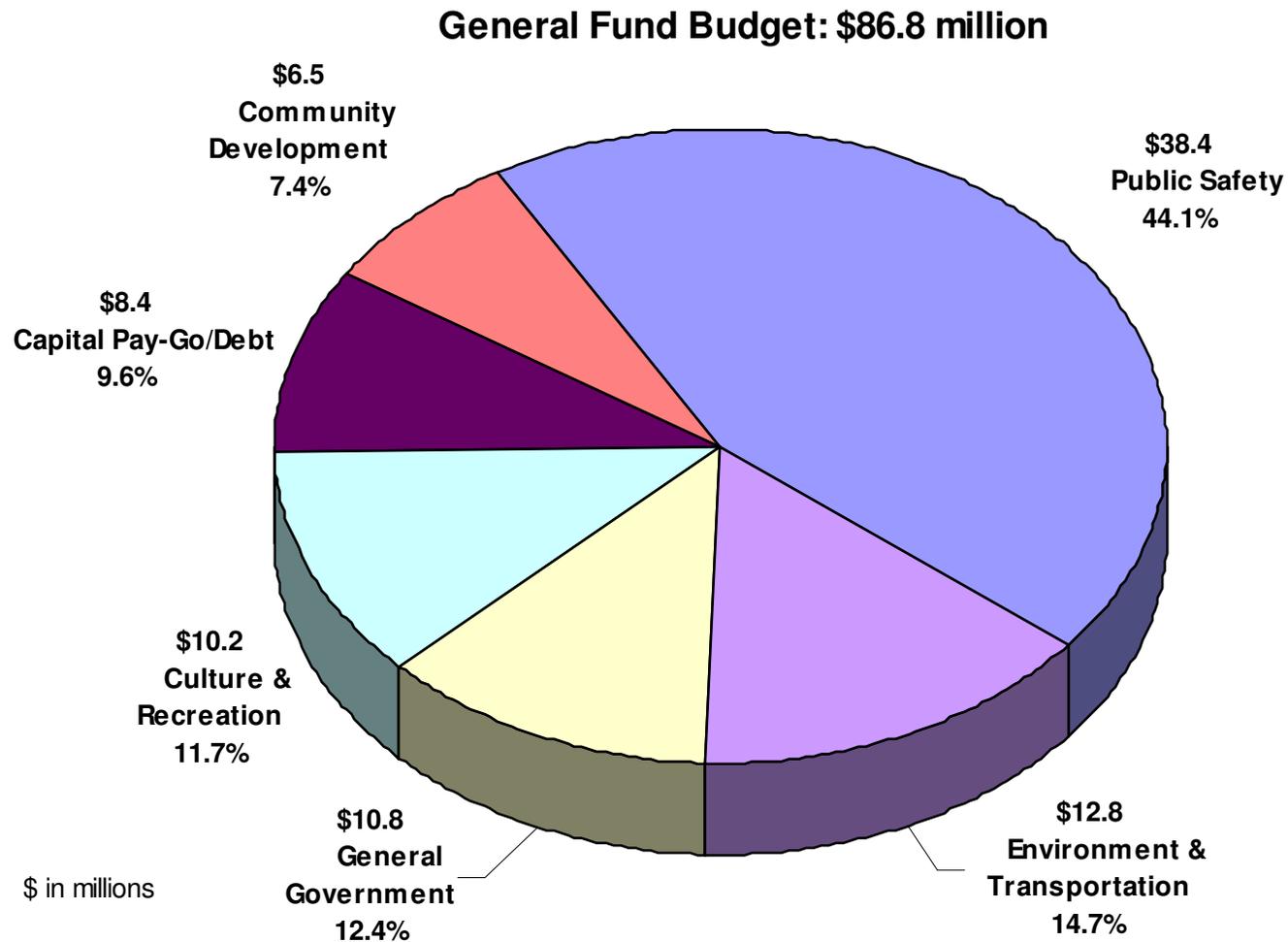
- Stormwater utility was created as a requirement of the Clean Water Act to (1) maintain/improve the public storm drain system, (2) enforce stormwater and erosion standards related to (re)construction activities, (3) prevent illegal dumping, and (4) educate the public about stormwater issues.
- Fee brings in approximately \$3.0 million annually in revenue.
- Fee collections have historically been better than budget projections.
 - FY12 Budget included \$700,000 fund balance appropriation for Victoria Road capital project
- Revenues in FY 13 budget are projected to equal expenditures.
 - FY13 Proposed Budget includes \$290,000 fund balance appropriation for Michigan Avenue capital project.

General Capital Improvement Program

Capital Improvement Planning Categories

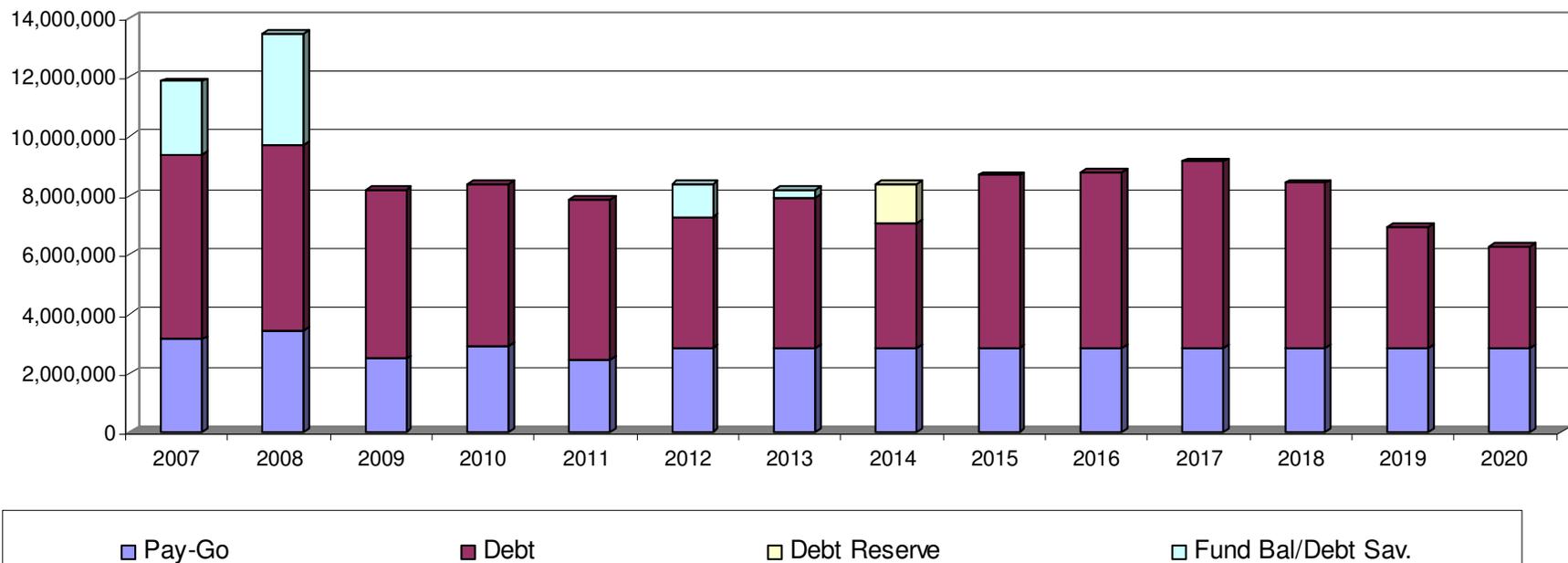
- **Multi-modal:** Streets, sidewalks, greenways, pedestrian safety projects, Transit system investments
- **Infrastructure:** Bridges, retaining walls, sewer projects, traffic signal poles, infrastructure associated with water lines
- **Buildings & Facilities:** Building and facility maintenance, roof replacements, recreation center maintenance, park maintenance, Civic Center renovations, Urban Trail maintenance
- **Equipment & Technology:** Radio infrastructure and radio replacements, software upgrades and replacements
- **Vehicle Replacement:** Vehicles and other rolling stock

What drives level of investment?

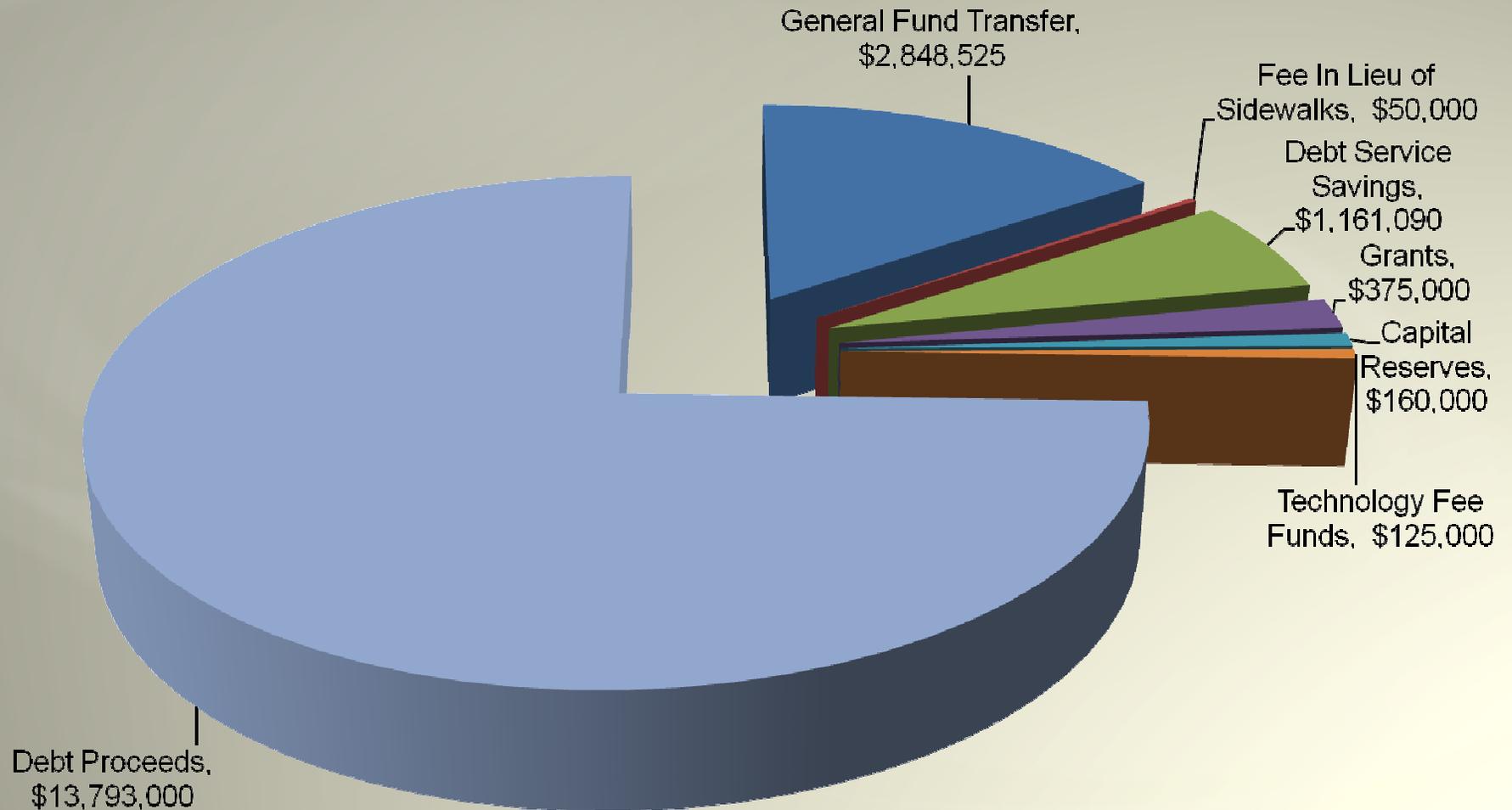


What drives level of investment?

General Fund CIP: Pay-Go and Debt



FY 2011-2012 CIP Revenues

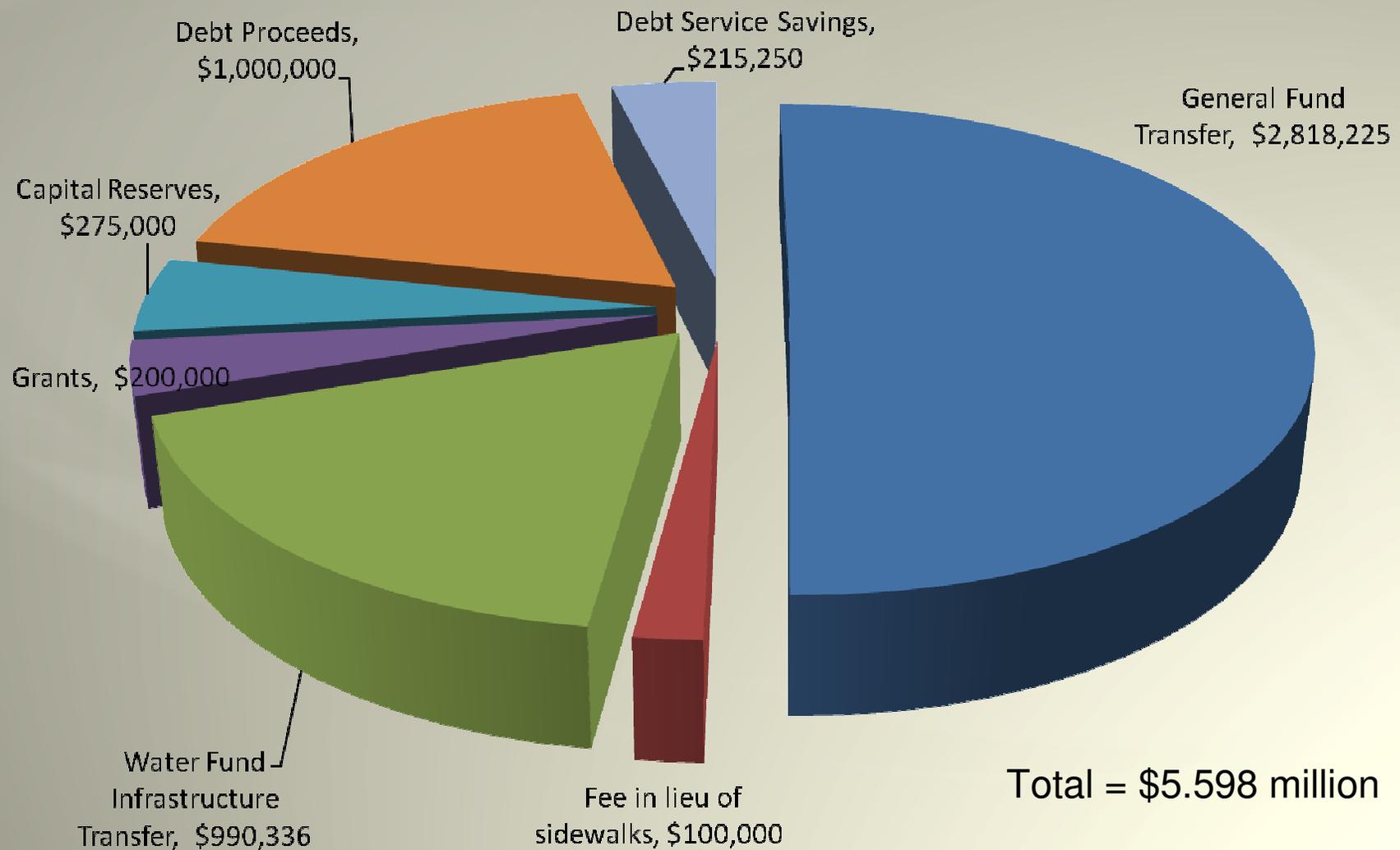


Total = \$19.173 million

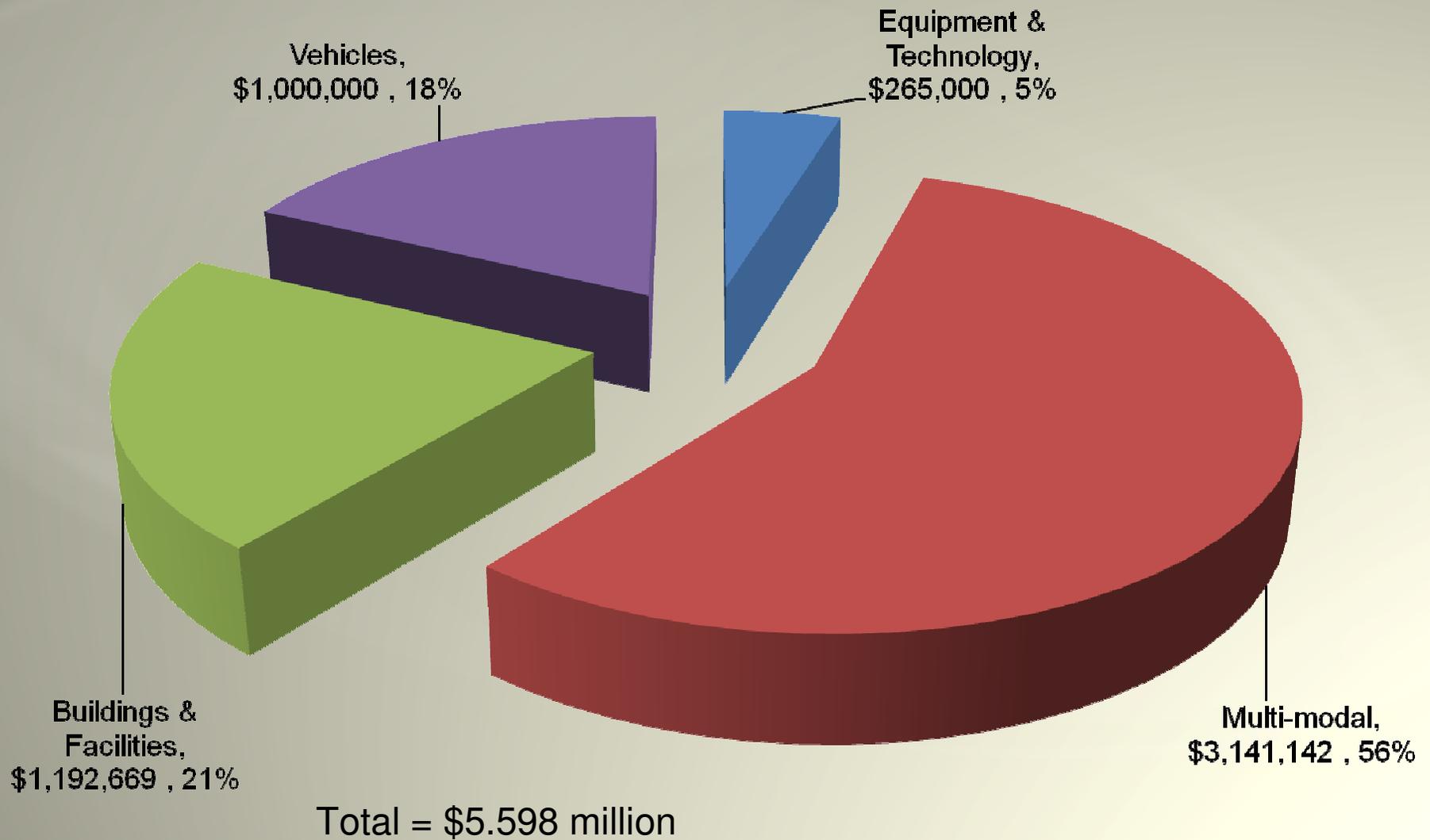
2011-2012 Projects Underway

- City Hall Exterior Repairs: \$5.5 million
- New sidewalk construction: \$1.8 million
- Beaucatcher Greenway: \$1.25 million
- Vehicle and PC Replacements: \$4 million
- Wild Cherry Bridge: \$700,000
- Montford Street Rebuild: \$300,000

FY 2012-13 CIP Revenues



2012-2013 Proposed CIP Expenditures



2012-2013 Multi-modal Expenditures

Total: \$3.14 million (56%)

- Street Resurfacing: \$1.3 million, 5.83 miles resurfaced
 - Slightly more than FY 11-12
- Pedestrian Safety: \$35,000
 - Charlotte Street corridor comprehensive traffic engineering analysis
- Sidewalk maintenance: \$480,000, 4,900 linear feet maintenance work
 - \$800,000+ in sidewalk maintenance personnel and related costs budgeted in operating budget
- New sidewalk construction: \$870,000, 1.35 miles new sidewalk

2012-2013 Multi-modal Expenditures

- Greenway development: \$100,000
 - Design work for Town Branch Greenway to get it shovel ready
- Bicycle Master Plan Projects: \$81,000
 - Northside Sharrow Network: \$51,000
 - Design plans for north- and west-end bike connectors: \$30,000

2012-2013 Building & Facilities

Total: \$1.192 million in FY 12-13 (22%)

- Roof replacements: \$200,000, (Fire Stations, Hunt Hill facility, Burton Street)
- General facility maintenance: \$91,000
- General Fund contribution to Civic Center debt service and maintenance: \$400,000
- Public Art
 - Maintenance: \$40,000
 - Reserve for future acquisitions: \$47,807 (represents 1% of eligible projects over five year CIP)
- Park & Recreation center maintenance: \$400,000
 - Gym floor replacement at Montford Center, Aston Park Court Lifts, Resurface Velodrome

2012-2013 Equipment, Technology & Vehicles

Equipment & Technology Total: \$265,000 (5%)

- Public safety radio replacements: \$100,000
- Fuel Station Pump replacement: \$75,000
- Garbage collection roll cart replacements: \$90,000

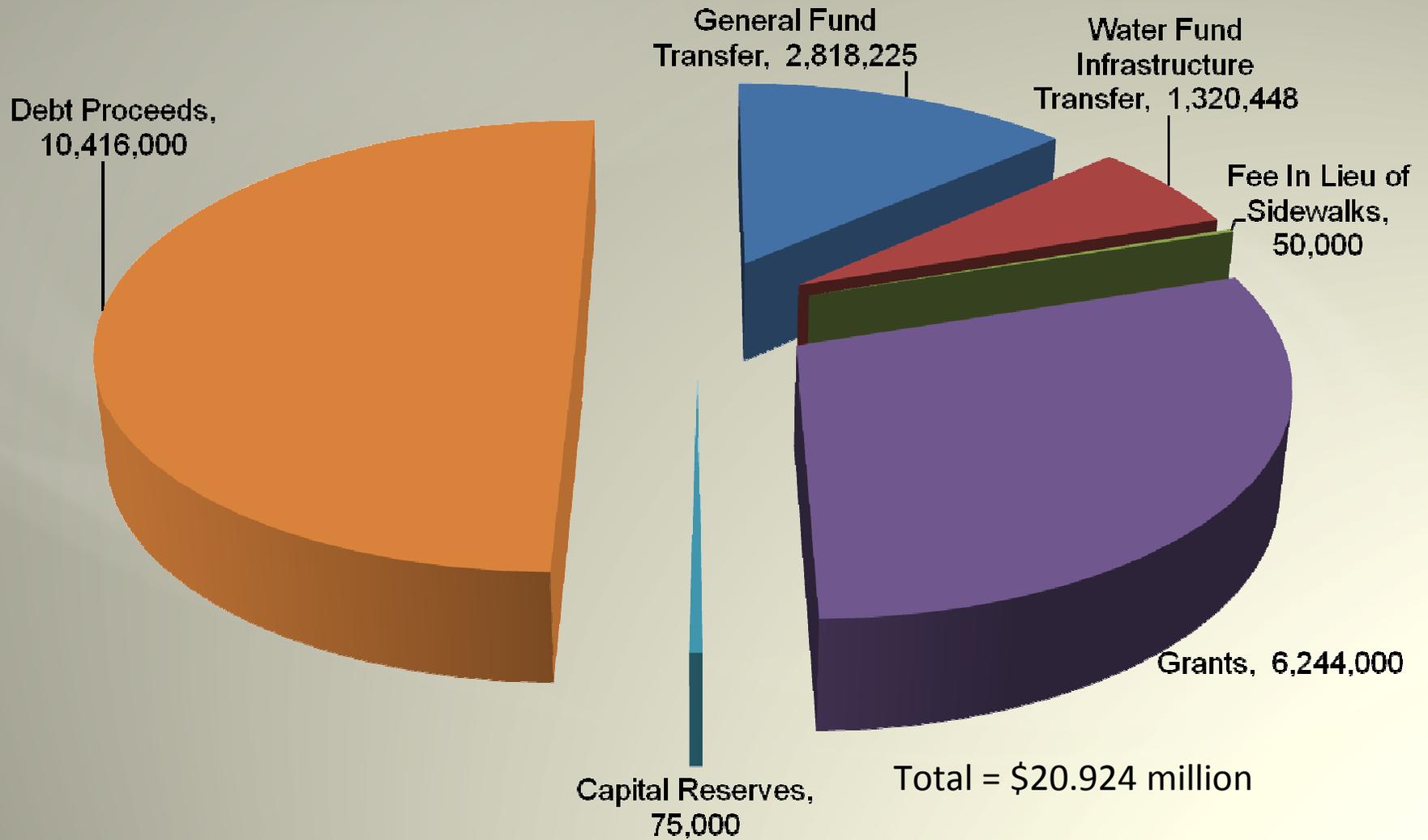
Vehicle Replacement Total: \$1,000,000 (19%)

- Vehicle replacement: \$1,000,000
 - \$550,000 targeted for CNG vehicles

FY 12-13 Green CIP

- Achieve a 4% carbon footprint reduction each year for 20% total reduction over five years
- Funded by “revolving” utility savings generated by energy efficiency projects for investment into additional projects
 - Streetlight retrofit project provides significant utility savings for five-year Green CIP
 - \$1.3 million projected for third phase of streetlight retrofit
 - \$840,000 for City facility retrofit and weatherization projects
 - City Hall controls; Boiler maintenance and repairs at 10 facilities; window and HVAC replacements

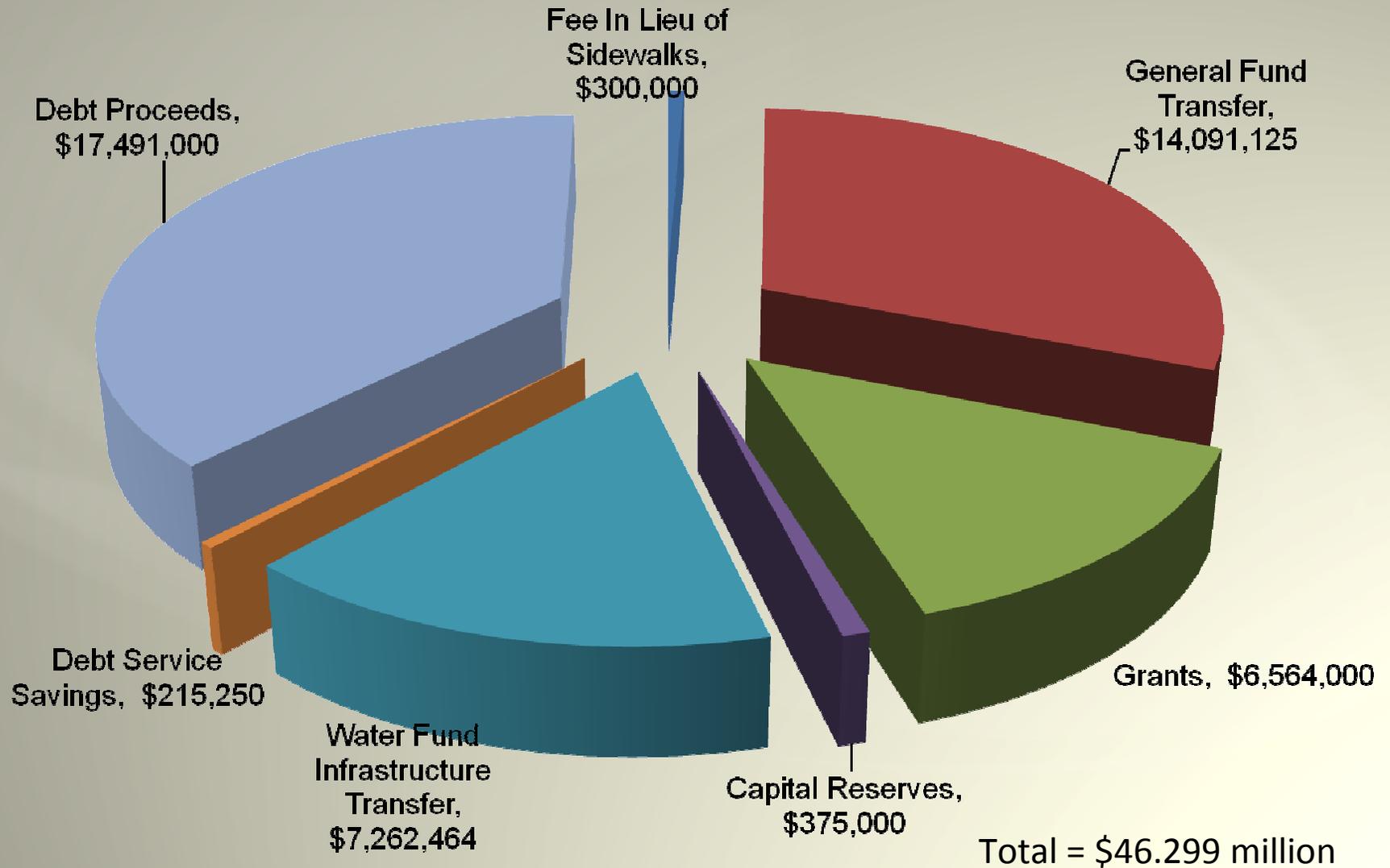
FY 2013-14 CIP Revenues



FY 2013-2014 CIP Projections

- \$10.4 million in debt capacity in FY 13-14
- Projects under consideration:
 - Radio infrastructure: \$4.5 million
 - Vehicle replacements: \$2 million
 - Sidewalk construction: \$1.9 million in matching funds for Hendersonville Road and Leicester Highway
 - Montford Fire Station: \$1 million
 - Town Branch Greenway: \$350,000
 - Livingston Street Phase II construction documents: \$350,000
 - Old Haw Creek street rebuild: \$315,000
 - Asheville Art Museum, East of the Riverway projects, RADTIP, Thomas Wolfe Auditorium, etc.

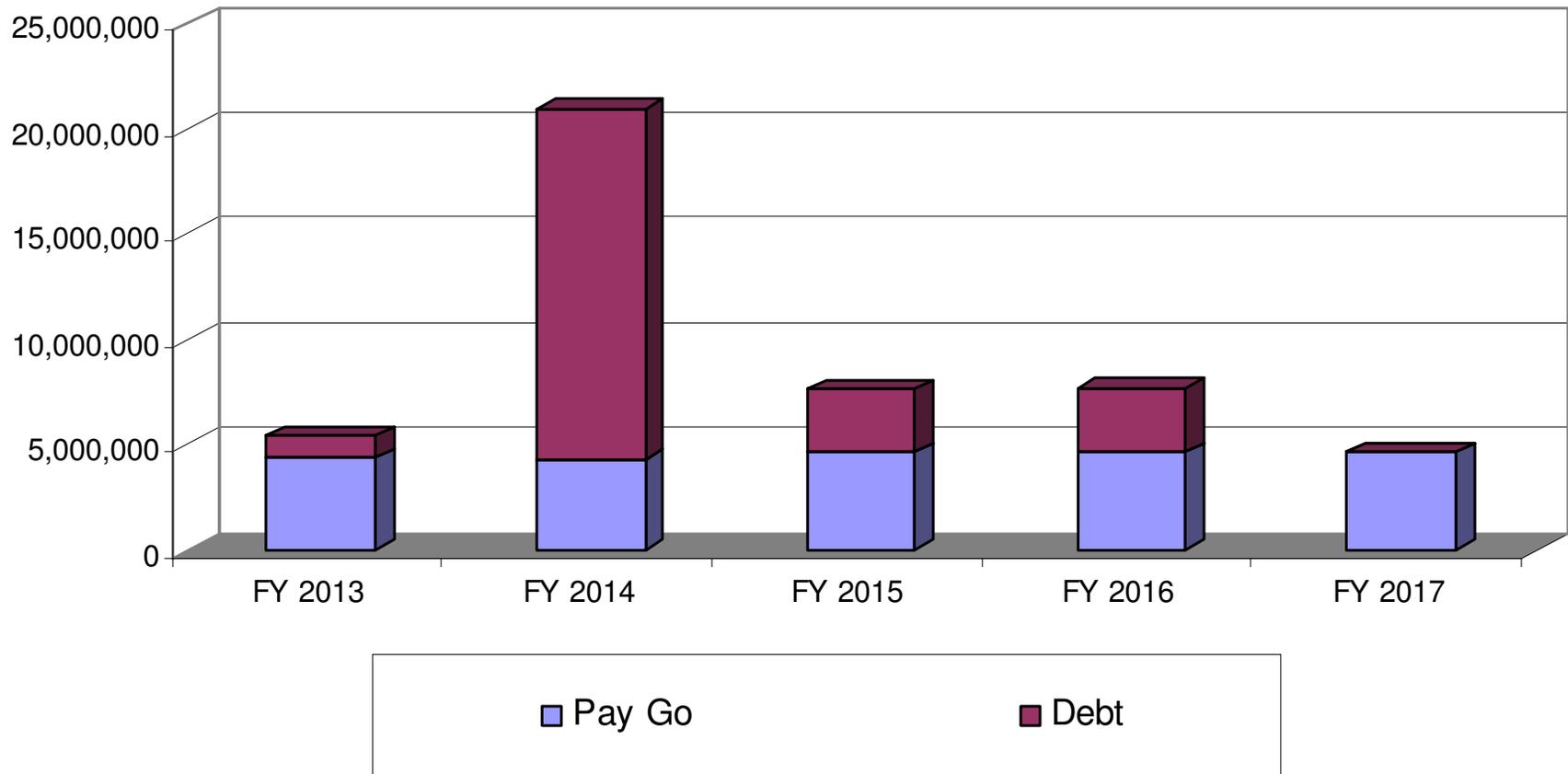
FY 2013-17 CIP Revenues



Capital Improvement Program Snapshots

Current 5 Year CIP

5 Year Capital Program



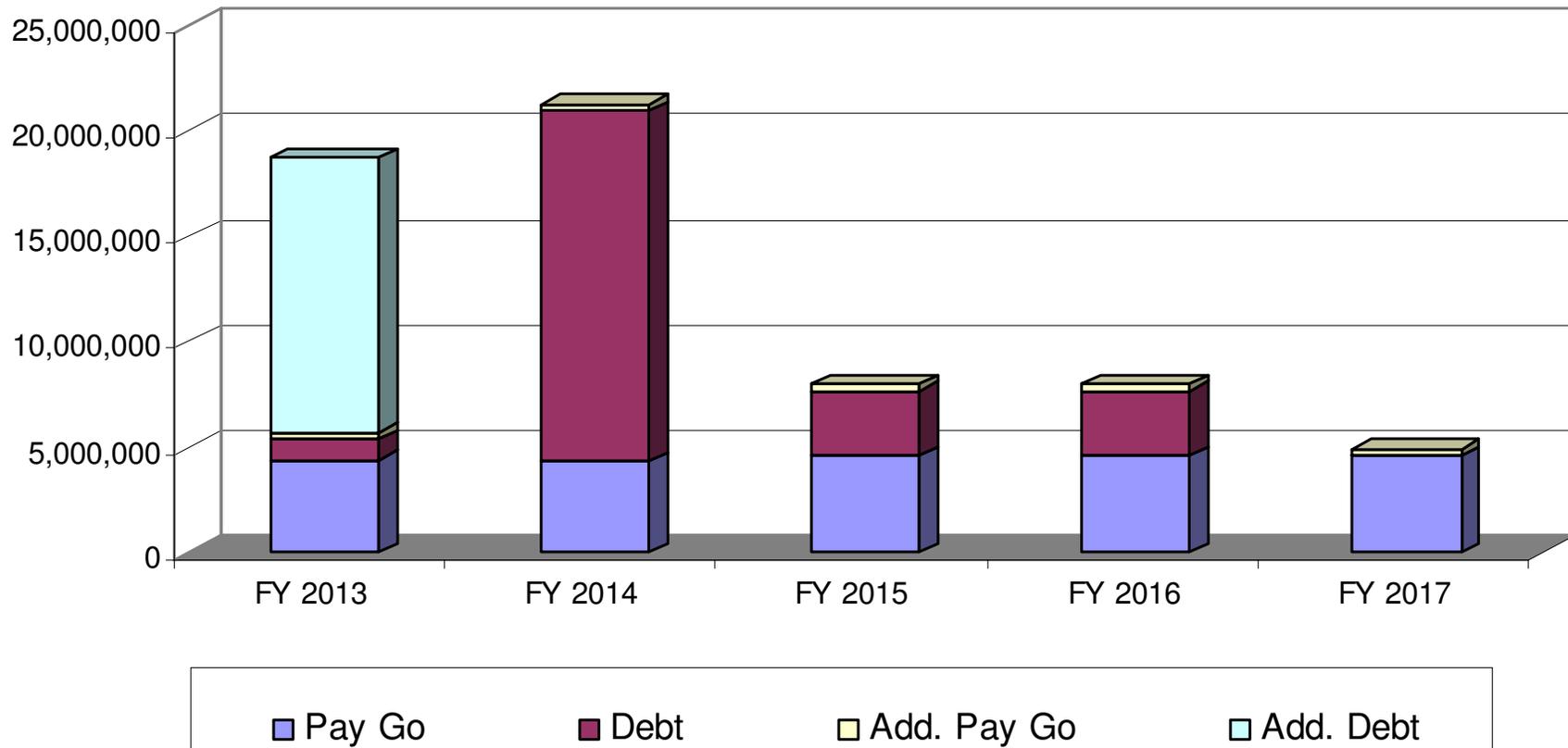
Accelerating Progress: Adding \$1 million

Possible structure:

- \$300K allocated to Pay-Go for capital maintenance
- Remainder dedicated to debt service for an additional \$13 million in debt capacity

Accelerating Progress: Adding \$1 million

5 Year Capital Program: Adding \$1.0 Million



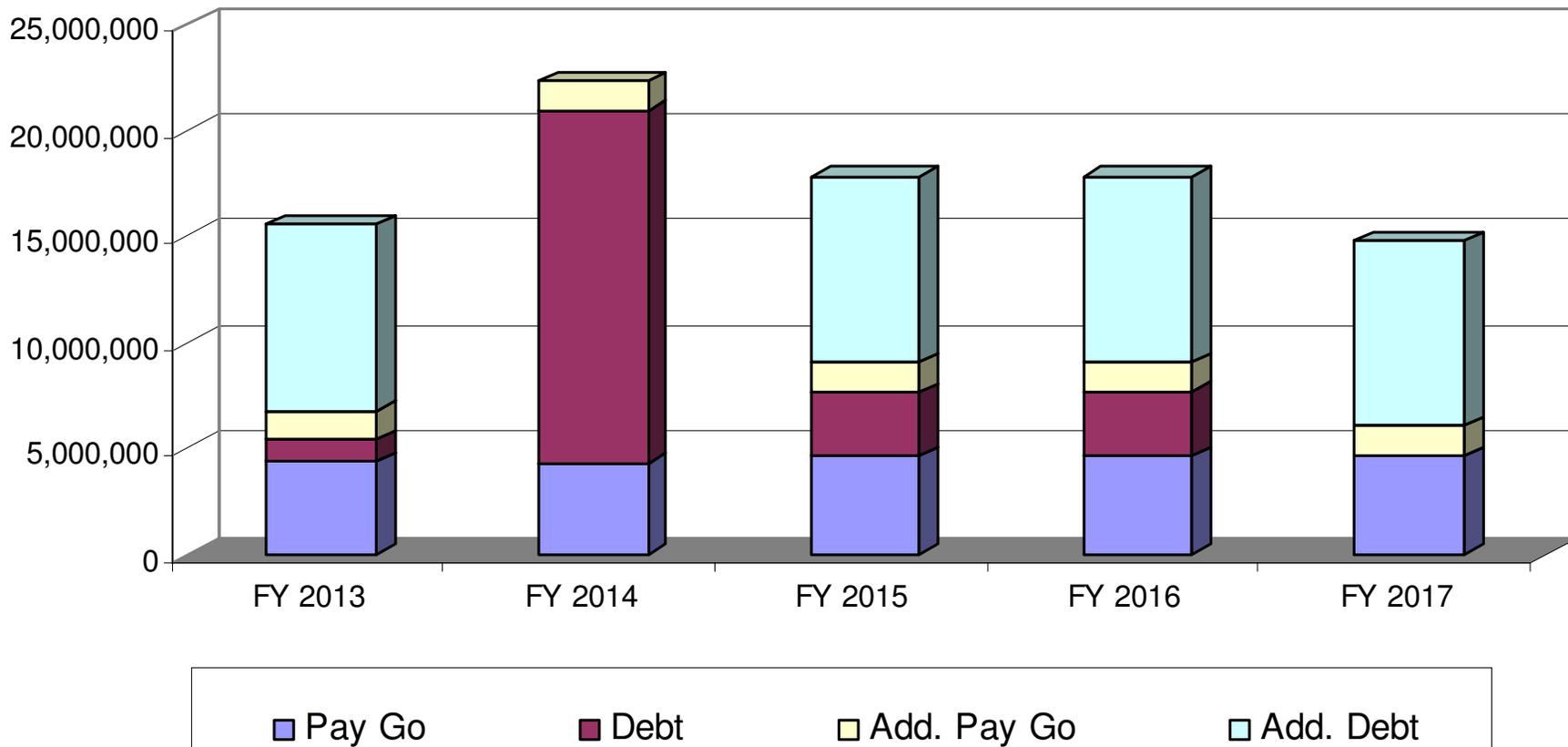
Accelerating Progress: Adding \$4 million

Possible structure:

- \$1.4 million allocated to the Pay-Go Fund
- \$2.6 million allocated for debt service to gain an additional \$35 million in debt capacity
 - COPS or GO?

Accelerating Progress: Adding \$4 million

5 Year Capital Program: Adding \$4.0 Million



Policy Direction

- For the FY 12-13 proposed CIP, is staff programming resources in proportion to the City's strategic and mission critical priorities?
- Is Council supportive of the level and timing of resource allocations?