



Mayor & City Council:

May 22, 2015

Following the Council Budget Workshop on Monday, we reviewed the proposed budget adjustments. Attached are three options for your review and consideration. We developed these options after reviewing the Straw Vote list and thinking through the workshop and committee discussions. These are simply ideas for your consideration. We would hope you would add your ideas as well.

The following table summarized the options:

	Manager's Revised Recommended Budget Option A	CM Lyles & CM Phipps Option B	CM Driggs Option C
Expense Changes	\$0	(\$100,000)	\$0
Program Changes	(\$3,272,864)	\$2,823,380	\$13,622,886
Revenue Changes	\$3,272,864	\$2,934,281	\$2,077,016
Tax Rate Change	1.76 Cents	1.09 Cents	0.00 Cents
Single Family Solid Waste Fee	\$0	\$0	\$65
Multi-Family Solid Waste Fee	\$0	\$47	\$40

Please let any one of us know if you have any questions or suggestions you want to incorporate into the options.

We are also sensitive that the General Assembly has not yet adjourned and there may be additional impacts on our revenue sources as well as the need to serve our growing population.

We support and would strengthen the recommendation to begin preparing for FY2017.

1. We recommend developing a list of topics that merit review
2. We recommend that staff prepare tangible scenarios for our review at the 2016 council retreat, based on the list of topics



The following is a preliminary list of topics:

- Eliminate services provided by CMPD that are typically State responsibilities
- Review and determine revenue and service options for Solid Waste Services
- Review Special Events costs
- Manager's Future Work:
 - Facility, Assets and Lease Back
 - Take Home Vehicles
 - Cost Allocation/Overhead
 - Fund Balance Reserve

Sincerely,
Greg Phipps, Budget Committee Chair
Ed Driggs, Budget Committee Vice-Chair
Vi Lyles, Budget Committee Member



<u>Section 1 Expense Changes</u>	Manager's Revised Recommended Budget Option A	CM Lyles & CM Phipps Option B	CM Driggs Option C
<u>Expense</u>			
Reduce Council Discretionary	\$0	(\$100,000)	\$0
Total Expenditure Change	\$0	(\$100,000)	\$0



<u>Section 2 - Program Changes</u>	Manager's Revised Recommended Budget Option A	CM Lyles & CM Phipps Option B	CM Driggs Option C
Multi-Family & Small Business Garbage - 100% proposal to Operating Cost Recovery (Solid Waste Fee for FY16 to \$47). Small Business Garbage Fee of \$250 to fully recover operating cost on 2,376 customers currently not charged a fee.	\$0	\$3,715,645	\$0
Increase Multi-Family Solid Waste Fee to \$40	\$0	\$0	\$2,237,856
Restore and increase \$47 Single-Family Solid Waste Fee to \$65 (will impact Sales Tax projection in FY2017)	\$0	\$0	\$12,242,295
Eliminate \$24 Multi-Family Solid Waste Fee	(\$3,272,864)	\$0	\$0
Restore General Fund transfer for paving (reduction of 16.4 lane miles)	\$0	(\$857,265)	(\$857,265)
Restore Bike Charlotte Program	\$0	(\$35,000)	\$0
Total Program Change	(\$3,272,864)	\$2,823,380	\$13,622,886



<u><i>Section 3 - Revenue Changes</i></u>	Manager's Revised Recommended Budget Option A	CM Lyles & CM Phipps Option B	CM Driggs Option C
Increase transfer of Property Tax Rate from Debt Service Fund to General Fund from the City Manager's recommended amount of 0.25 Cents to 0.50 Cents	\$1,160,718	\$2,232,151	\$2,232,151
Phase in Frequently Cited User Fees at 80% (Manager's Recommended budget at 100% cost recovery)	\$0	\$0	(\$155,135)
One time Funding for Paving (Asset Sales)	\$0	\$857,265	\$0
One time Funding (Asset Sales)	\$2,112,146	\$0	\$0
Total Revenue Change	\$3,272,864	\$3,089,416	\$2,077,016
Net Change/Savings	(\$0)	\$6,012,796	\$15,699,902



<u>Section 4 – Property Tax Adjustment</u>	Manager's Revised Recommended Budget Option A	CM Lyles & CM Phipps Option B	CM Driggs Option C
<u>Property Tax Rate Adjustment</u>			
Property Tax Rate Adjustment	1.76 Cents	1.09 Cents	0.00 Cents