

The Greensboro City Council has taken on the challenge of meeting the needs of our unsheltered residents. In FY 2022-23, the Mayor and Council partnered with Guilford County leadership to launch a Homeless Task Force with the goal of meeting the temporary housing and social services needs of our unsheltered residents. To that end, the City allocated \$946,493 towards two new initiatives, Doorway Project and Safe Parking, to provide temporary re-usable winter shelters and a safe environment for our residents experiencing unsheltered homelessness. In FY 2023-24, Council will leverage its \$3 million investment in acquiring the Regency Inn in 2022 to rehabilitate the facility, as well as another anticipated site to generate nearly 160 units of permanent supportive housing for residents with the most acute needs.

In the 2022-23 fiscal year, the City, through its Housing and Neighborhood Development Department, partnered with Lowe's to launch the Neighborhood Toolbox Lending Center. With donated tools and equipment from Lowe's, this free program loans residents tools and equipment to make home and neighborhood improvements at no cost to them. It is our way of assisting our homeowners to improve their homes and neighborhoods and helping homes stay in compliance with City ordinances.

Transportation and Infrastructure

A key Council priority is for Greensboro to be a well-connected city. As existing businesses expand and we keep attracting new economic development opportunities, the impacts on our streets, sidewalks, trails, parks and recreation amenities, parking, public transit, and bicycle infrastructure will continue into the foreseeable future. More people are moving to Greensboro than at any time in recent memory, thus our aging infrastructure will need to be updated and expanded to accommodate this growth.

The proposed FY 2024-2033 Capital Improvements Program (CIP) totals over \$2 billion in projects, and outlines future financing needs to maintain our current infrastructure and develop new facilities as needed.

The capital budget continues the commitments previously adopted by Council to invest in Greensboro's future to address diverse transportation priorities across the City for walkers, bikers, transit riders, drivers and those who use our greenway network.

The successful 2022 Bond Referendum includes \$15 million for transportation; \$14 million for firefighting facilities and equipment, \$6 million for police facilities, and \$70 million for parks and recreation facilities. The previous 2016 bond referendum included \$34.5 million for capital improvements to, and expansion of, Parks and Recreation facilities; \$28 million for transportation enhancements, including \$18 million for enhanced roadway resurfacing; \$4.5 million for new transit buses; and \$5 million for new sidewalk and intersection improvements.

However, increased annexations, continuous growth, and service costs mean these investments, while significant, are not enough to meet the infrastructure needs of our city now or in the future. Further, there is pressure on our water and sewer capacity, as well as our solid waste services. This budget includes a proposed water rate increase of 8.5% for customers both inside and outside the city limits. This rate increase is important for us to continue to provide services to our customers at expected levels and to maintain the necessary capacity for planned growth of the city. With the projected increases, the City expects to maintain the second lowest water rates compared with our peers in North Carolina. We will also provide assistance to our low income residents through multiple programs.

Department of Public Transit

The FY 2022-23 budget included the creation of a Public Transit Department and maintained a dedicated property tax rate of 3.5 cents to provide transit services to our residents. FY 2023-24 will continue to fund Greensboro Transit Agency (GTA) at this level and does not recommend an increase to this funding while our transit future is being re-imagined..

To this end, the GTA recently launched a plan to re-imagine our transit future through 2045. This plan will be completed in early 2024 and will make recommendations for Council to consider for adoption and future funding of an expanded mobility system anchored by a robust transit network.

Further, through the American Rescue Plan enabled funding, GTA received \$1 million to fund the launch of a trolley system on Elm Street. In 2019, city voters approved the first \$90,000 of funding for the project in 2019 during Cycle 3 of Greensboro's Participatory Budgeting (PB) process, which allows residents to determine how to spend City funds. It was the highest vote getter.



The ARP enabled funds will support a free route along the Elm Street corridor with an arrival frequency averaging between 5-7 minutes. The trolley route will support economic activities on Elm Street while connecting downtown visitors with a growing number of merchants and entertainment venues seven days a week. It will run from the morning until as late as midnight. The pilot program seeks to improve downtown mobility and enhanced connectivity beyond the car – fulfilling one of the goals in the GSO2040 comprehensive plan of making our city car-optional.

Parking Operations

As we fully emerge from the challenges of COVID-19 pandemic, it will be important to continue providing safe and available parking, especially in downtown Greensboro. It is crucial to our downtown's economic success. The City is currently undertaking a Center City Parking Plan study which will support meeting GSO2040 goals, address changes in parking demand, and provide a framework for decision making. This study is expected to conclude at the end of 2023 and will make recommendations for improved parking throughout the downtown area. This budget continues the \$3.6 million in General Fund support for debt service costs related to the two new parking decks.

Entertainment and Recreation

One of the City's key priorities is becoming a hub for recreation and entertainment and youth sports. Greensboro has an abundance of facilities, programs and partnerships dedicated to the arts and culture environment for residents.

To this end, the FY2022-23 Budget increased funding for the City's Office of Arts and Culture (Creative Greensboro) from \$100,000 to \$500,000 for community arts funding. This funding level will remain in the FY 2023-24 budget year and will provide support for organizations that are contributing towards our City's creative economy.

The 2022 bond referendum included \$70 million for two significant projects: \$50 million for Windsor Chavis Nocho Joint Use Facility and \$20 million for the Greensboro Science Center expansion. In addition to the bond referendum, Council also approved ARP funds in the amounts of \$8 million to fund the Windsor Chavis Nocho project and \$350,000 for parking improvements at the Greensboro Science Center. Both projects are currently in different phases of development. The Flyway Zip-line at the Science Center was launched in the summer of 2022 and continues the addition of amenities that attract visitors from all over the world to Greensboro.

Greensboro is a city of trails and greenways, with more than 100 miles throughout the city. The Battleground Parks District covers 400 acres, and includes more than 13 miles of trails and greenways in the heart of our city. More than \$6.2 million in 2016 bonds have been spent so far on this critical community asset.

In pursuit of its priority to make Greensboro a Youth Sports Capital, Council adopted \$5 million in ARP funds for the Bryan Park Sports complex, \$2 million for improvements and upgrades at Gillespie Golf Course, and \$1.1 million for community aquatics improvements. This is in addition to the operations of the nationally recognized Greensboro Aquatics Center that draws national and regional competitions every year.

Sustainability and Resiliency

One of the City's core values is sustainability and resiliency. In 2022 the City created an office of sustainability to implement the recommendations of the city's Strategic Energy Plan. In an effort to make this more effective, as part of FY 2023-24, we will reorganize and realign this office with other functions within our city.

Additionally, the City continues to explore ways to improve solid waste collection and disposal to be more responsible stewards for our community. During FY 2023-24 the City will explore improvements to yard waste services including the elimination of plastic bags from the service stream, automating yard waste collection to better protect our employees, and the provision of yard waste carts. These improvements are not anticipated to negatively impact our budget, while providing improvements that will enhance our sustainability efforts.



In Conclusion

FY 2022-23 was a fiscal year of multiple firsts for our city:

- Mayor's Inaugural State of the City address;
- Doorway and Safe Parking initiatives for our unsheltered residents;
- Community Tool Lending Program in partnership with Lowe's;
- A Developer Forum to engage our development community;
- Funding the launch of a Trolley Service on Elm Street; and
- A collaborative and rigorous legislative process anchored by a new position, Intergovernmental Relations Manager

We can only grow forward and stronger from here.

The FY 2023-24 budget addresses our City's priorities: *to be the safest city, easiest place to do business, provide an abundance of attainable housing, become a hub of recreation and entertainment, a youth sports capital, a well-connected city with the most skilled workforce*. To accomplish these priorities, the Recommended FY 2023-24 Budget moves us forward together by supporting our employees and investing in our city's growth.

A balanced budget is more than ensuring that expenditures are within revenues. A balanced budget also weighs the multiple policies and choices that, together, must synergize to achieve Greensboro's vision as a diverse and forward-thinking city, with endless economic opportunity and exceptional quality of life.

Our employees are dedicated and innovative. Together with you, our Mayor and Council, we will make *Greensboro the most desirable mid-sized city in the United States; livable, equitable, and sustainable for all residents*.

Respectfully submitted,



Taiwo Jaiyeoba
City Manager



BUDGET AND FINANCIAL POLICIES

The City of Greensboro's budget and financial policies serve as the basis for the overall fiscal management of the City's resources. These policies guide City Council and Administration in making sound financial decisions and in maintaining Greensboro's financial stability. The policies outlined here are in accordance with the Local Government Budget and Fiscal Control Act. Policies are also developed with guidance from the Government Finance Officers Association (GFOA). These policies are reviewed annually and are updated as needed. Financial policies that relate to the preparation, adoption, and execution of the annual operating budget are listed below:

Principles for Budgeting

The City of Greensboro prepares a two-year planning budget, with the first year submitted to City Council for legal adoption and the second year submitted as a planning document to assist with long-range financial planning efforts.

The City of Greensboro develops and manages the annual operating budget through the fund accounting process. A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other resources, together with all related liabilities and equities, for the purpose of carrying on specific activities and attaining certain objectives.

The City of Greensboro presents the Two Year Budget plan in a program budget format with program summaries, performance objectives, and performance measures provided for each major program or service. Program summaries are updated on a yearly basis, and performance objectives and measures are provided by departments.

The City of Greensboro develops the annual budget in accordance with the policies and service priorities set forth in City Council's adopted goals and strategic priorities. The City Council identifies budget goals and strategic priorities at the Council retreat each year.

Operating Budget Policies

In accordance with the North Carolina Local Government Budget and Fiscal Control Act, the City adopts an annual balanced budget ordinance. An annual operating budget is balanced when the sum of net revenues and appropriated fund balances is equal to appropriations.

The City adopts the annual operating budget by July 1, and the budget covers a fiscal year period beginning July 1 and ending June 30.

In accordance with the North Carolina Local Government Budget and Fiscal Control Act, budgeting and expenditure transactions use the modified accrual basis of accounting.

City Council adopts separate grant project ordinances for all grants received by the City from Federal or State Government Agencies for operating or capital purposes. The grant project ordinance includes all estimated revenues to be available from the grant, including any local match equal to appropriations for the grant project.

The City Council authorizes the City Manager or designee to transfer appropriations from one account to another within the same fund. Transfers are reported to City Council during regularly scheduled City Council meetings. Transfers greater than \$50,000 require formal City Council approval.

The City Council may amend the budget ordinance at any time after the budget is adopted, so long as the amended budget maintains the legal definition of a balanced budget.

General Reserves Policies

The City shall maintain unassigned fund balance in the General Fund equal to 9% of the following fiscal year's General Fund adopted budget.

For all other operating funds, the City seeks to maintain a minimum fund balance of 8% of working capital.

At the conclusion of the fiscal year, any General Fund unassigned fund balance amount in excess of 9% is assigned to a capital reserve account. A minimum balance of \$10 million is required for appropriation of funds. Once the minimum goal is reached funds can be appropriated by City Council to support "pay-as-you-go" capital expenditures and improvements.

Seven members of City Council must approve any Council action that appropriates unassigned fund balance.

Appropriations to a contingency account in any of the City's operating funds shall be limited to no more than 5% of the fund's total budget.

