

NOTES

TO: Honorable Mayor and City Council Members

FROM: Barbara Lipscomb, City Manager *BL*

DATE: September 16, 2015

SUBJECT: Materials for Your Information


Please find attached the following materials for your information:

1. A memo from Dave Holec, City Attorney, regarding FY 2015-2016 State Budget provisions affecting municipalities
2. A flyer regarding the 2015 Greenville Fire-Rescue Badge Pinning Ceremony scheduled for September 28, 2015

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Attachments

cc: Dave Holec, City Attorney
Carol Barwick, City Clerk

TO: Mayor and Council Members
FROM: David A. Holec, City Attorney 
SUBJECT: FY 2015-16 State Budget Provisions Affecting Municipalities
DATE: September 16, 2015

Attached is a summary prepared by the North Carolina League of Municipalities of the FY 2015-16 State Budget provisions affecting municipalities.

The provisions which directly address the 2015 Legislative Initiatives adopted by City Council include the restoration of the Historic Preservation Tax Credit and additional funding, partially recurring, for the Parks and Recreation Trust Fund (PARTF). Additionally, a provision is included which allows all cities to charge a municipal vehicle tax of up to \$30.

cc: Barbara Lipscomb, City Manager

FY2015-16 State Budget Provisions Affecting Municipalities

Section	Page(s)	Title	Description	Funding (If applicable)
7.17.(a-e)	25-26	Governmental Budgetary Transparency/ Expenditures Online	Requires State CIO to establish a State budget transparency Internet web site and "shall coordinate with counties, cities, and local education agencies to facilitate the posting of their respective local entity budgetary and spending data on their respective Internet Web sites and to provide the data to the Local Government Commission" for publishing on the State web site	\$814,000 nonrecurring to Office of State Budget and Management for implementation
13.7.(b)	199	Animal Shelter Support Fund	Creates an Animal Shelter Support Fund to reimburse local governments for expenses related to closing or disaster of local animal shelter	\$250,000 recurring in both FY2015-16 and FY2016-17
14.10l.(a-b)	211-212	Beach Erosion Study	Requires Division of Coastal Management to study and develop a proposed strategy for "preventing, mitigating, and remediating the effects of beach erosion," and report results by Feb. 16, 2015	
14.13.(a-j)	213-218	Water Infrastructure Authority Revisions	Incorporates "affordability" has a consideration for a loan or grant from Wastewater Reserve or Drinking Water Reserve and takes affordability and interconnection of systems into account as considerations for those loans or grants; expands opportunity for water infrastructure funds to be used to incentivize mergers and regionalization and provide funds for asset management, achieving in part a League regulatory goal	

FY2015-16 State Budget Provisions Affecting Municipalities

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14.14A	219	Encourage Interconnection of Public Water Systems	Language the League has worked with legislators on that encourages DENR to identify and notify water and wastewater systems that may have the potential for interconnectivity	
14.20.(c-f)	230-235	Fees applicable to permits for solid waste management facilities	Makes changes to landfill regulations and fees, including those for municipal landfills, and allows for permit modification for facility's "life-of-site," with 5-year reviews	
14.21.(a-b)	235	Environmental Review Commission Studies	Requires Environmental Review Commission to establish a stakeholder working group to study issues related to local government authority over solid waste management matters, including the authority to enact ordinances and charge fees, an examination of costs to local governments of providing solid waste services, and whether efficiencies and cost reductions could be realized through privatization; League is one of the stakeholders named as part of the study	
15.5.(a-g)	282-284	NER Block Grants/2016 and 2017 Program Years	Allocates \$43.5 million for the Community Development Block Grant, \$26.725 million of which is reserved for Infrastructure, which is defined as "critical public water and wastewater projects..."	\$43.5 million in program years 2016 and 2017
15.8A.(a-b)	285	Main Street Solutions Fund Allocation	Reserves \$1 million of total \$2 million in Main Street Solutions Fund allocation for municipality meeting specific requirements	\$2 million nonrecurring in FY2015-16 for Main Street Solutions Fund; \$1 million reserved

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15.11.(a)	286-287	Workforce Development Boards/Changes to Conform with Federal Law	Renames the Commission on Workforce Development the NCWorks Commission and adds a member representing "local elected city officials in the State"	
15.16B.(a-d)	292-293	Municipal Service Districts/Contract with Private Agency/Taxes/Study	Requires contracts for Municipal Service Districts to specify purposes and require appropriate accounting; requires public input and public hearing before entering into a contract, which can last for no more than 5 years; limits tax rate for district to that which will provide for needs of district; and establishes study of "feasibility of authorizing property owners within a municipal service district to petition for removal from that municipal service district"	
15.25.(a-c)	298-300	Modify Film and Entertainment Grant Fund	Increases limits of grants single film and television productions can receive from the fund	\$30 million nonrecurring in both FY2015-16 and FY2016-17
16A.5	301	Sensitive Public Security Information is Not a Public Record	Establishes additional public records exemptions for public security information, including "specific security information or detailed plans, patterns, or practices to prevent or respond to criminal, gang, or organized illegal activity"	
16A.8.(a-c)	303	Grants for Body-Worn Video Cameras for Law Enforcement Agencies	Provides funding for matching grants administered by the Governor's Crime Commission for local law enforcement agencies to purchase body-worn video cameras; grants are limited to \$100,000 per agency and local law enforcement agencies must match every \$1 in grant money with \$2 of their own money	\$2.5 million nonrecurring in both FY2015-16 and FY2016-17

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20.5.(a-b)	351-352	Require County or Municipality to Pay Costs Associated with Requested Project Improvements	Requires county or municipality requesting improvements above and beyond those normally included in Dept. of Transportation project to reimburse DOT for the cost of those improvements; does not apply to safety enhancements or "efforts to facilitate the flow of traffic" unless they are in excess of the requirements of the law	
29.17D.(a-c)	361-362	Stabilization of Funding for State Aid to Municipalities	Eliminates formula linking amount of Powell Bill funding to gas tax collections; requires cities to use Powell Bill funds "primarily for the resurfacing of streets within the corporate limits of the municipality..."	\$147.5 million in both FY2015-16 and FY2016-17
29.20.(a-b)	363	Utility Relocation	Achieves League advocacy goal of reducing amount certain municipalities must reimburse DOT for when municipal utility lines are moved as part of a DOT project; creates a tiered system of reimbursement at different population levels; applies to projects begun on or after Jan. 1, 2016	
29.27A.(a-b)	365-366	Adjust Municipal Vehicle Tax	Allows all cities to charge municipal vehicle tax of up to \$30; proceeds of \$5 of tax may be used for general purpose, \$5 for public transportation, and the remainder for maintenance of public streets; effective July 1, 2016	
29.32.(a-c)	377-378	LPA Contract Standards	Increases by 2-3 cents per transaction the amount counties and municipalities must reimburse License Plate Agencies for the cost of processing motor vehicle registration renewals and local property tax collections	

FY2015-16 State Budget Provisions Affecting Municipalities

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29.41.(a)	386	Maximum Funding Expended for Light Rail Transit System	Limits state funding for light rail transit system projects to \$500,000 per project	
32.3.(a-c)	409-412	Historic Preservation Tax Credit	Restores from Jan. 1, 2016-Jan. 1, 2020 the historic preservation tax credit, allowing for the credit to be applied to both income-producing and non-income-producing property	\$8 million in FY2016-17
32.18.(a)- 32.19.(c)	423-428	Expand Sales Tax Base/Additional Local Sales Tax Revenue for Economic Development, Public Education, and Community Colleges	Expands sales tax base to include, repair, maintenance, and installation of tangible personal property; allocates a total of \$84.8 million (including \$67.2 million in local revenue and \$17.6 million in state revenue) directly to counties based on percentages provided in statute; intent is that no county/city will receive less local sales tax revenue than they do currently as a result of this change; effective July 1, 2016	\$17.6 million in FY2016-17
<u>Money Report</u>	H-14	Drinking Water State Revolving Funds (DWSRF)	Reduces funding for State match for DWSRF to more closely align with actual requirements	\$4.5 million recurring in FY2015-16 and FY2016-17, enough to fully match federal capitalization grant
<u>Money Report</u>	H-14	State Match for Clean Water State Revolving Fund (CWSRF)	Provides additional funds for State match for CWSRF to more closely align with actual needs of the program	\$5.1 million recurring in FY2015-16 and FY2016-17
<u>Money Report</u>	H-32	Grant Program Expansion	Provides additional nonrecurring funding for Rural Economic Development Division grant programs	\$15.6 million in FY2015-16 and \$15.7 million in FY2016-17

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<u>Money Report</u>	H-44	Clean Water Management Trust Fund	Provides additional funding, partially nonrecurring, to increase total grant funding available over biennium	\$38.7 million total available in FY2015-16 and FY2016-17 combined
<u>Money Report</u>	H-45	Parks and Recreation Trust Fund (PARTF)	Provides additional funding, partially recurring and partially nonrecurring, to increase total grant funding available over the biennium	\$37.2 million total available in FY2015-16 and FY2016-17 combined
<u>Money Report</u>	J-4	Local Government Commission Intervention Task Force	Funds 2 positions to assist local government entities that have been identified as being at risk of financial failure	\$198,864 recurring in FY2015-16 and FY2016-17



You are cordially invited to attend
the Greenville Fire~Rescue

2015 Badge Pinning Ceremony

City Hall Council Chambers
September 28, 2015
6:30 p.m.

A special recognition will be presented in honor
of the Greenville Rough & Ready Fire Company

Reception with hors d'oeuvres to follow at Station 1

