

**02-23-2022 Town Council Meeting
Responses to Council Questions**

ITEM #8: Initial Budget Public Forum on the Annual Budget, Capital Program, Use of Grants and Related Items, and Potential Legislative Requests

Council Question:

The Downtown Partnership annually requests a larger portion of the downtown service district funds than the Town provides. Could you please remind me where the remainder of that funding goes and what options exist to consider increasing the DP's proportion of those funds?

Staff Response:

The FY 2022 budget for the Downtown Service District is \$465,500. Of the \$465,500 budget, \$150,000 goes to the Downtown Partnership, \$147,000 relates to the Town's contribution to the Launch initiative, \$100,000 is the Town's share of the 140 West expenses, and roughly \$62,000 funds a dedicated downtown groundskeeper position. The current year's budget was balanced with roughly \$6,000 in contribution to reserve. There are 2 options that could allow the Downtown Service District Fund to increase the allocation to the Downtown Partnership. One option would be to have the General Fund absorb some or all of the other expenditures identified. This would require the Town to identify funds in the General Fund to pay for those expenditures. The second option would be to consider adjusting the dedicated downtown tax rate. The current rate is 6.4 cents, with every penny generating roughly \$62,000.

The General Fund also pays a portion of the funds allocated to the Downtown Partnership (\$70,000 in the FY 2022 budget). The total contribution to the Downtown Partnership in FY 2022 is \$220,000.