

FY 2024 BUDGET WORK SESSION

May 17, 2023

AGENDA

- How budget was built
- Impact of 5 cents vs 4 cents
- Questions & answers

FIVE YEAR
PRIORITIES

+

COUNCIL
RETREAT

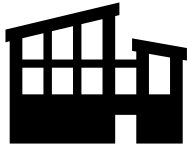
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COMPLETE
COMMUNITY

=

MANAGER'S
RECOMMENDED
BUDGET

IMPACT ON FIVE YEAR PRIORITIES

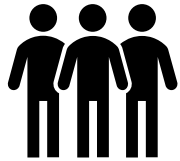


PRIORITY	4 cents	5 cents
Staffing	1,350,000	1,850,000
Operations	250,000	250,000
Facilities	250,000	250,000
Fleet	750,000	750,000
Parks Capital	971,000	971,000
Fire Capital	250,000	250,000
Affordable Housing	282,605	282,605
Greenways	0	500,000
TOTAL	4,103,605	5,103,605

FOUR CENTS IMPACTS CURRENT STAFF & CORE SERVICES

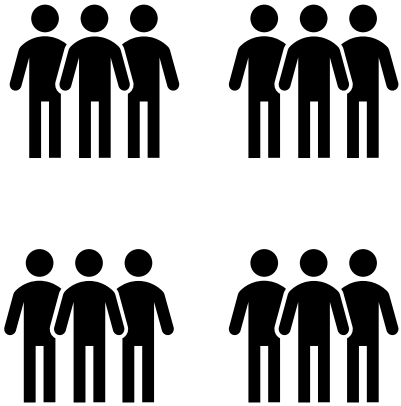


- Pay increases & adjustments
- 3 Firefighters



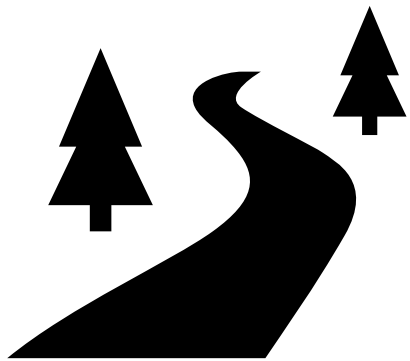
- 2 Apprentice Inspectors
- 1 Affordable Housing Manager*

FIVE CENTS BUILDS CAPACITY & ADVANCES COUNCIL GOALS



- Commercial Plans Reviewer
- Planning Technician
- Planning Project Manager
- Municipal Arborist
- Crisis Counselor
- Maintenance Mechanic

FIVE CENTS WILL KICKSTART EVERYWHERE TO EVERYWHERE GREENWAYS



- Campus to Campus Greenway design
- Right-of-way acquisition funds
- Creates Pay Go funding for future projects

IMPACT ON TAXPAYERS, ANNUALLY

Property Valuation	Annual Impact of a 4 Cent Increase	Annual Impact of a 5 Cent Increase
\$ 150,000	\$ 60	\$ 75
\$ 250,000	\$ 100	\$ 125
\$ 454,300*	\$ 182	\$ 227
\$ 500,000	\$ 200	\$ 250
\$ 750,000	\$ 300	\$ 375
\$ 1,000,000	\$ 400	\$ 500
\$ 10,000,000	\$ 4,000	\$ 5,000

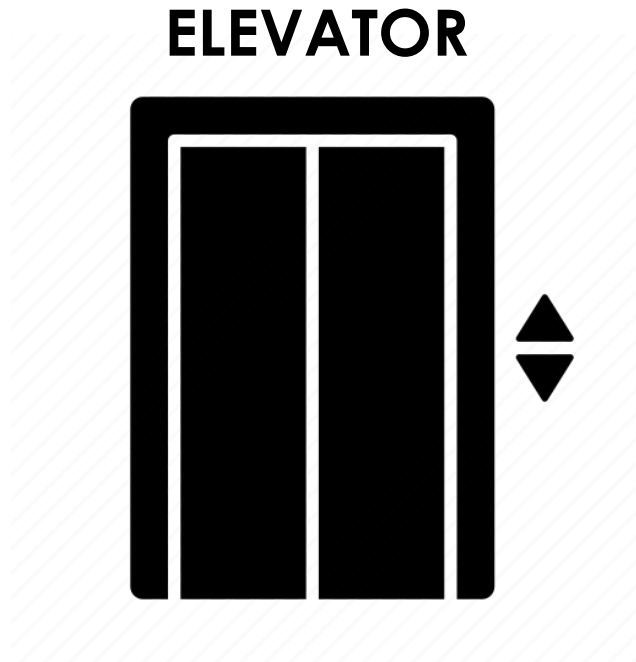
* Median home value in Chapel Hill based on Census data

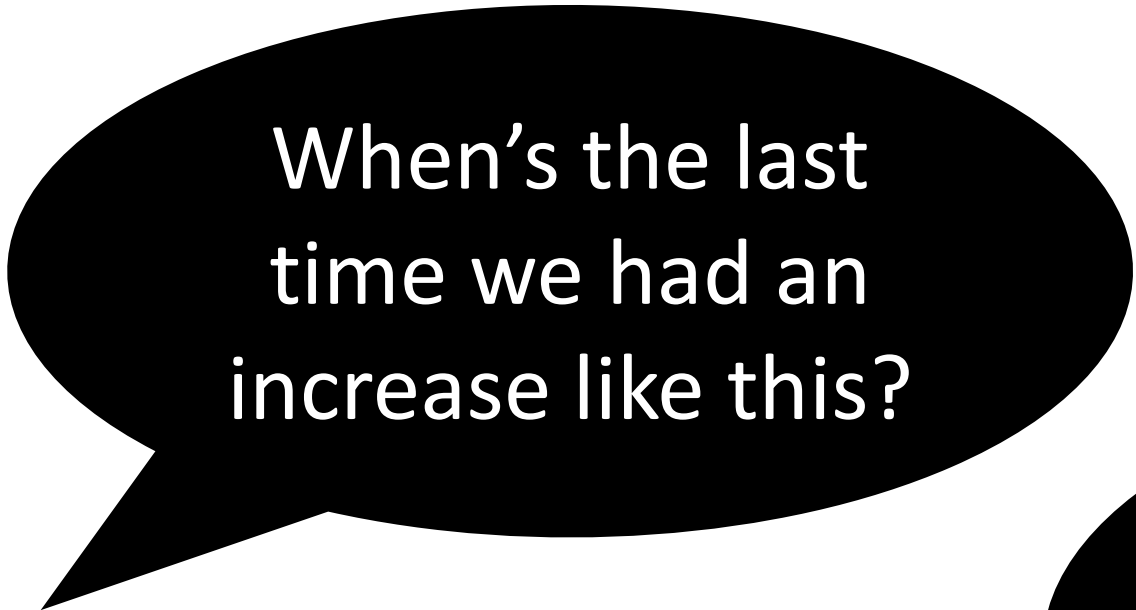
IMPACT ON TAXPAYERS, MONTHLY

Property Valuation	Monthly Impact of a 4 Cent Increase	Monthly Impact of a 5 Cent Increase
\$ 150,000	\$ 5.00	\$ 6.25
\$ 250,000	\$ 8.33	\$ 10.42
\$ 454,300*	\$ 15.17	\$ 18.93
\$ 500,000	\$ 16.67	\$ 20.83
\$ 750,000	\$ 25.00	\$ 31.25
\$ 1,000,000	\$ 33.33	\$ 41.67
\$ 10,000,000	\$ 333.33	\$ 416.67

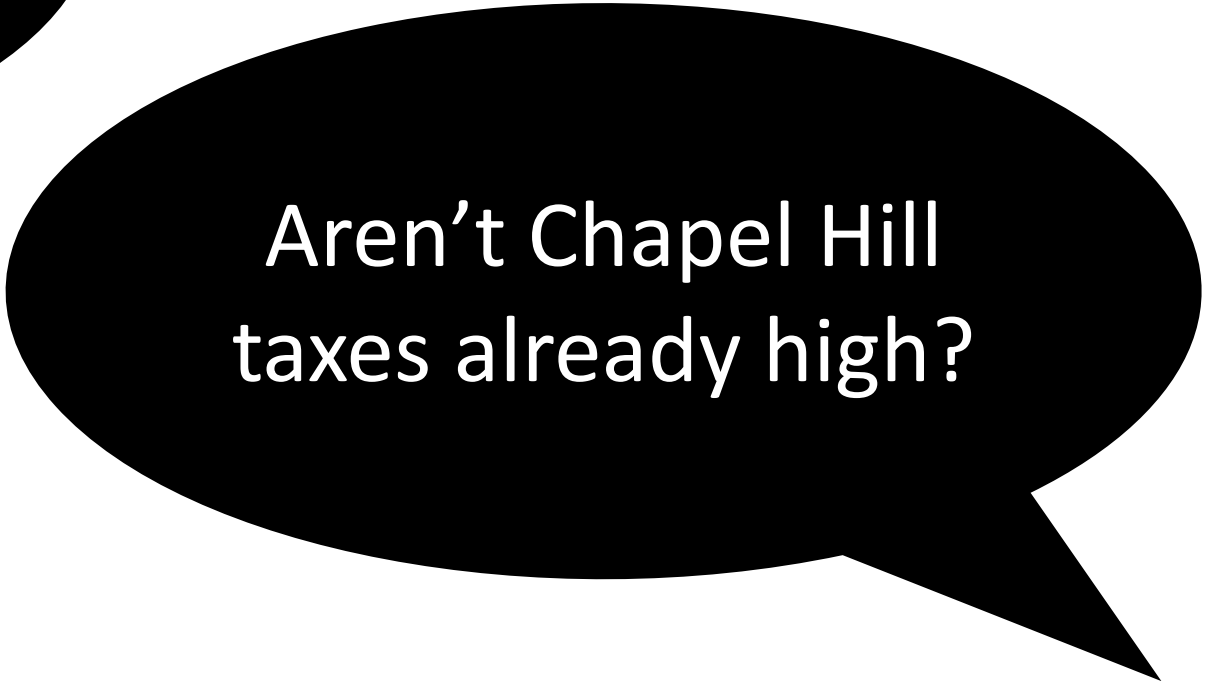
* Median home value in Chapel Hill based on Census data

- This budget prioritizes our employees and the core services they provide.
- The cost of doing Town business has gone up and Council has some big, bold goals.
- We have not had a significant tax increase for the general fund in years.
- **This budget is a force multiplier for both catching up on our backlog AND kickstarting Council goals**





When's the last
time we had an
increase like this?



Aren't Chapel Hill
taxes already high?

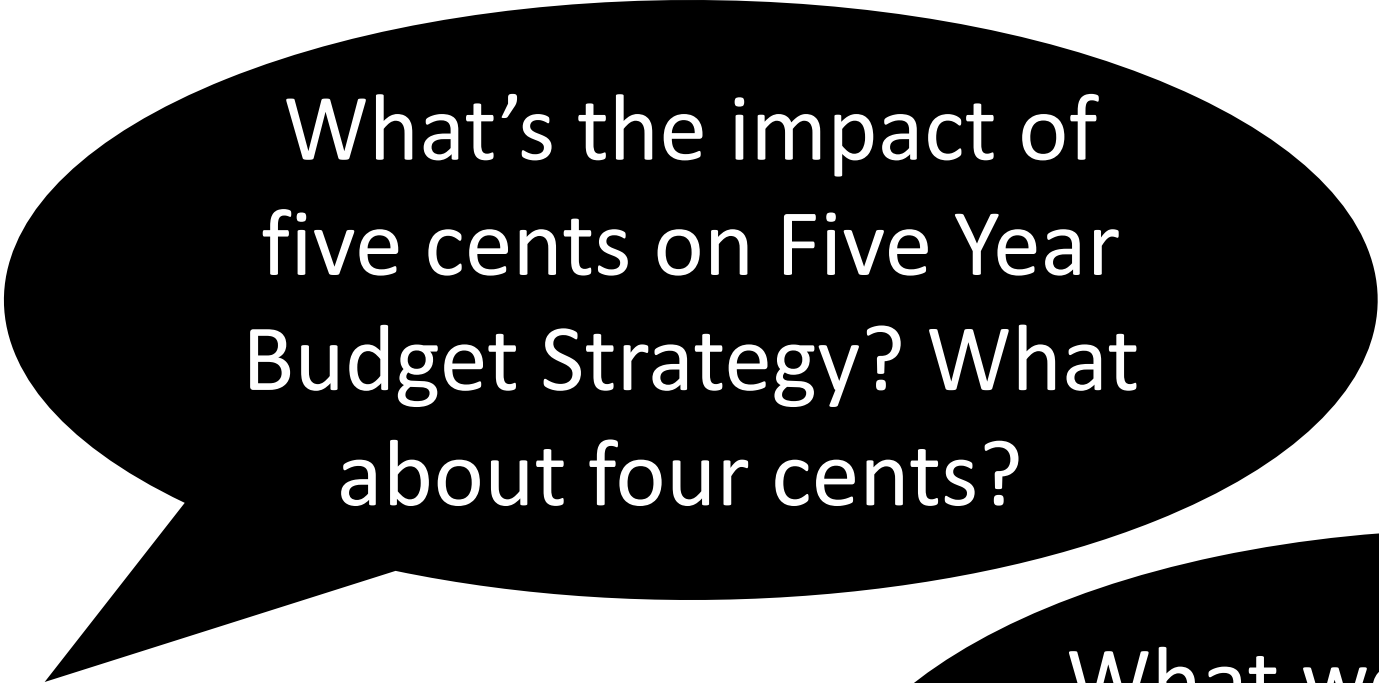
WHEN'S THE LAST TIME WE HAD AN INCREASE LIKE THIS?

	FY09	FY10*	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18*	FY19	FY20	FY21	FY22*	FY23	FY24
General Fund	42.3	36.0	36.0	37.8	37.8	38.8	38.8	38.8	38.8	37.6	38.6	38.6	38.6	37.2	37.2	42.2
Debt Fund	11.0	9.3	9.3	7.5	7.5	7.5	8.5	8.5	8.5	8.2	8.2	9.8	9.8	8.8	8.8	8.8
Transit Fund	4.8	4.1	4.1	4.1	4.1	5.1	5.1	5.1	5.1	5.0	6.0	6.0	6.0	5.4	6.2	6.2
Town Total	58.1	49.4	49.4	49.4	49.4	51.4	52.4	52.4	52.4	50.8	52.8	54.4	54.4	51.4	52.2	57.2

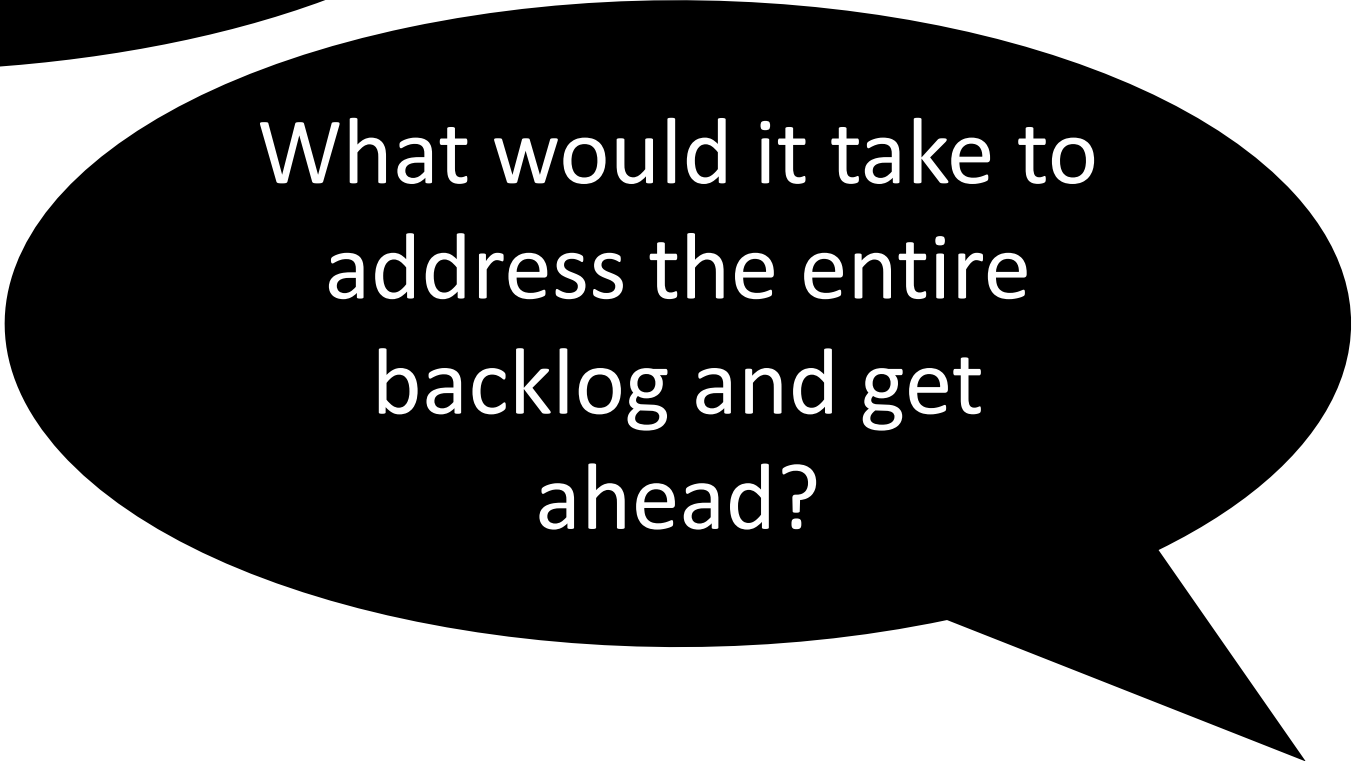
* Revaluation years

General Fund decreased 12%
 Debt Fund decreased 20%
 Transit Fund increased 30%

} FY09 – FY23



What's the impact of five cents on Five Year Budget Strategy? What about four cents?



What would it take to address the entire backlog and get ahead?

IMPACT OF FIVE CENTS ON FIVE YEAR STRATEGY

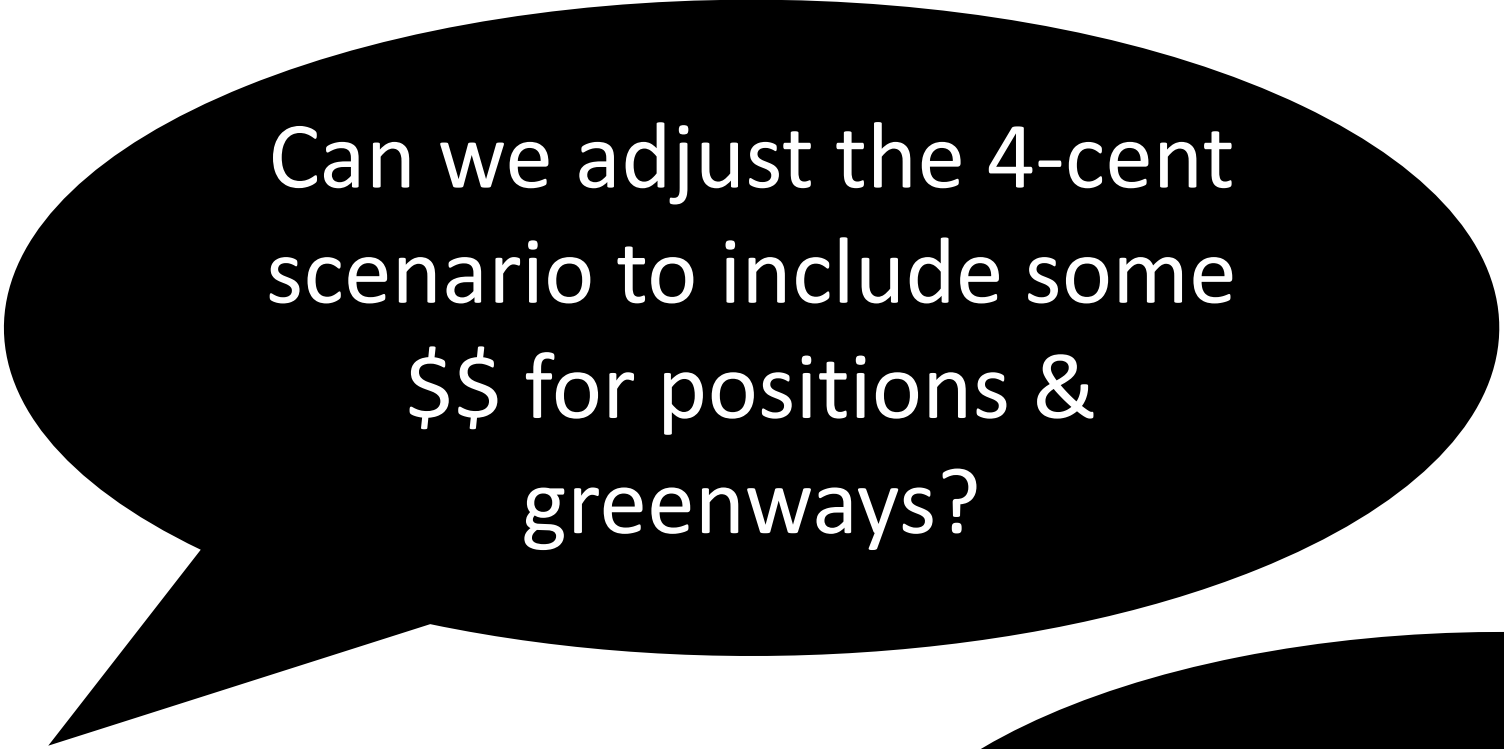
	FY 2024	FY 2025	FY 2026 *	FY 2027	FY 2028
Staffing	1,850,000	100,000	200,000	300,000	400,000
Operations	250,000	500,000	500,000	500,000	500,000
Facilities	250,000	250,000	250,000	250,000	250,000
Fleet	750,000	250,000	250,000	250,000	250,000
Parks Capital	971,000	18,000	18,000	18,000	18,000
Fire Capital	250,000	250,000	250,000	250,000	47,000
Affordable Housing	282,605	18,000	18,000	18,000	18,000
Greenways	500,000	0	0	0	0
TOTAL	5,103,605	1,386,000	1,486,000	1,586,000	1,483,000
Scenario Proposal	5.00 cents	1.40 cents	1.45 cents	1.55 cents	1.40 cents

IMPACT OF FOUR CENTS ON FIVE YEAR STRATEGY


	FY 2024	FY 2025	FY 2026 *	FY 2027	FY 2028
Staffing	1,350,000	225,000	325,000	425,000	525,000
Operations	250,000	500,000	500,000	500,000	500,000
Facilities	250,000	250,000	250,000	250,000	250,000
Fleet	750,000	250,000	250,000	250,000	250,000
Parks Capital	971,000	18,000	18,000	18,000	18,000
Fire Capital	250,000	250,000	250,000	250,000	47,000
Affordable Housing	282,605	18,000	18,000	18,000	18,000
Greenways	0	500,000	0	0	0
TOTAL	4,103,605	2,011,000	1,611,000	1,711,000	1,608,000
Scenario Proposal	4.00 cents	2.00 cents	1.60 cents	1.65 cents	1.55 cents

“GETTING AHEAD” SCENARIO

	FY 2024	FY 2025	FY 2026 *	FY 2027	FY 2028
Staffing	1,850,000	700,000	650,000	650,000	650,000
Operations	250,000	1,200,000	1,200,000	1,200,000	1,150,000
Facilities	250,000	1,200,000	700,000	700,000	400,000
Fleet	750,000	1,000,000	600,000	600,000	300,000
Parks Capital	971,000	18,000	18,000	18,000	18,000
Fire Capital	250,000	250,000	250,000	250,000	18,000
Affordable Housing	282,605	18,000	18,000	18,000	18,000
Greenways	500,000	0	0	0	0
TOTAL	5,103,605	4,386,000	3,436,000	3,436,000	2,554,000
Scenario Proposal	5.00 cents	4.50 cents	3.40 cents	3.35 cents	2.45 cents



Can we adjust the 4-cent
scenario to include some
\$\$ for positions &
greenways?



Can we delay some of
the tax increase to
next year?

**Are you comfortable with the 5-cent
increase?**

BUDGET CALENDAR

May 17	Budget Work Session
May 24	Budget Public Hearing
May 31	Budget Work Session
June 7	Budget Work Session (if needed)
June 14	Proposed Budget Adoption

2023-24 Budget Development Page

www.townofchapelhill.org/budget