

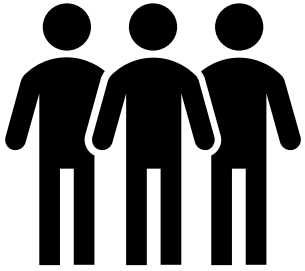
# **BUDGET WORK SESSION**

**March 1, 2023**

# AGENDA

- ARPA Funding Recommendation
- FY 2022 Excess Fund Balance Recommendation
- Dinner Break
- Budget Discussion
- FY 2024 Interactive Budget Activity

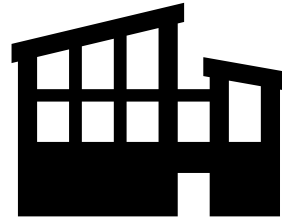
# FIVE YEAR PRIORITIES



**PEOPLE**



**SERVICES**



**FACILITIES**



**FLEET**



**HOUSING**

**AMERICAN  
RESCUE  
PLAN ACT  
(ARPA)**

**REALITY CHECK**

- **We are running out of time** – projects must be under contract by 12/31/2024
- **We've talked about this a lot** - fourteen Council presentations
- **We have one pot of money left** – that could help address identified priorities

# ARPA FUNDING ALLOCATION PLAN

- Community partner funding \$ 1,000,000
- Affordable housing/homelessness 2,500,000
- Community based projects 500,000
- ReVive program 650,000
  
- **Parks & Recreation facilities \*2,500,000**
- **Bike, ped and greenways \*1,000,000**
- Town facilities 1,200,000
- Downtown revitalization 1,000,000
- Digital access 300,000



\$10.7M

**\*1.85 million  
left to approve**

# ARPA FUNDING RECOMMENDATION

## PARKS & RECREATION FACILITIES

• Inclusive Playground Equipment @ Community Ctr	\$ 500,000
• System-wide Playground Accessibility	285,000
• Skate Park Replacement	500,000
• Teen Center Study	<u>65,000</u>
	<b>\$ 1,350,000</b>

## GREENWAYS

• Bolin Creek Greenway Design (Umstead to Estes Drive Ext)	<b>\$ 500,000</b>
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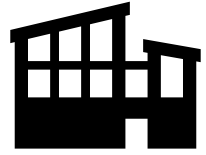
**DO WE HAVE A THUMBS UP FOR THIS ALLOCATION?**

**FY2022  
EXCESS FUND  
BALANCE**

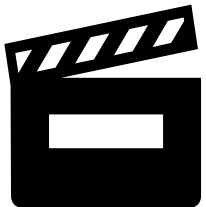
**REALITY CHECK**

- **This is one-time funding**, not for needs with significant ongoing costs
- **We do not recommend additional appropriation**, based on best practices for fiscal stewardship
- **This is a both/and opportunity** - to fund organizational needs and Council priorities





140 West Parking Deck Repairs	\$ 240,000
Fire Station Design	200,000
American Legion Pond Dam	540,000
Facilities Maintenance	250,000
Public Safety Radios	250,000
Parks & Rec Field Painter	62,700
Council Chamber Upgrades (Hybrid)	250,000
Website Redesign	50,000
Vehicle Replacements	493,248
Motor Grader	240,000
Pilot EV Garbage Truck Match	330,552
LUMO Re-Write (Year 1 – 50%)	650,000
Fiscal Impact Study	70,000
Inman Property (Greene Tract adjacent property)	250,000
Greene Tract Master Plan	110,000
Veteran's Memorial – Phase III	13,500
<b>TOTAL</b>	<b>\$ 4,000,000</b>



**DO WE HAVE A THUMBS UP FOR THIS ALLOCATION?**

**FY2024  
BUDGET  
DISCUSSION**

- Tax Base/Tax Rate
- Partial vs Fuller Funding Scenarios
- Department Budget Examples
- Enterprise Fund Examples
- Interactive Budget Activity

# TAX BASE - REALITY CHECK

**\$1 million** added to base = **\$5,220** in revenue

**\$97 million (1%)** added to base\* = **\$506,340** in revenue

\* \$97 million = 2 University Places or 3 Europa Centers or 4 AC Hotels

# TAX RATE – REALITY CHECK

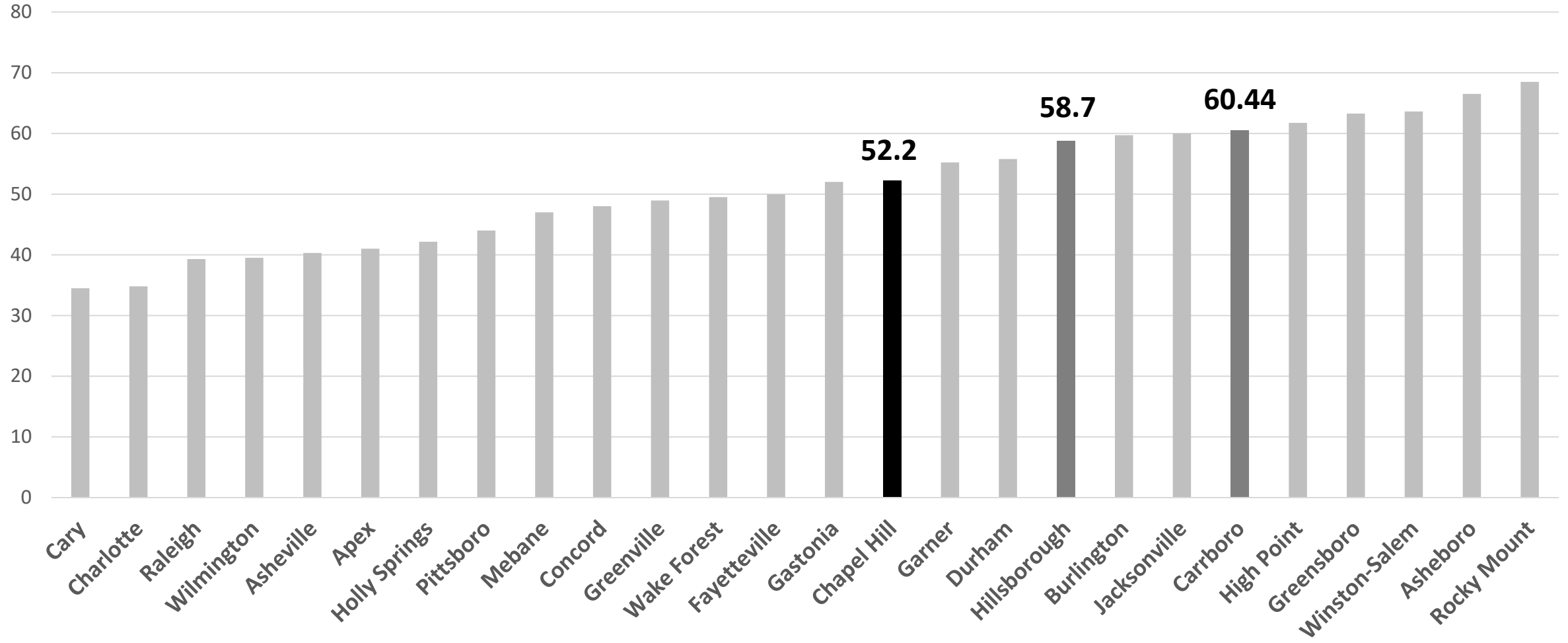
	FY09	FY10*	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18*	FY19	FY20	FY21	FY22*	FY23
<b>General Fund</b>	42.3	36.0	36.0	37.8	37.8	38.8	38.8	38.8	38.8	37.6	38.6	38.6	38.6	37.2	37.2
<b>Debt Fund</b>	11.0	9.3	9.3	7.5	7.5	7.5	8.5	8.5	8.5	8.2	8.2	9.8	9.8	8.8	8.8
<b>Transit Fund</b>	4.8	4.1	4.1	4.1	4.1	5.1	5.1	5.1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

\* Revaluation years

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

} FY09 – FY23

# TAX RATE – REALITY CHECK



## **FIVE YEAR SCENARIOS**

- Based on Five Year Priorities
- Include \$\$ for Council initiatives
- Does not include a “zero” option

# CATCHING UP SCENARIO

	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026 *</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Staffing</b>	1,100,000	200,000	300,000	400,000	500,000
<b>Operations</b>	250,000	350,000	450,000	550,000	650,000
<b>Facilities</b>	250,000	250,000	250,000	250,000	250,000
<b>Fleet</b>	500,000	250,000	500,000	250,000	250,000
<b>Parks Capital</b>	971,000	18,000	18,000	18,000	18,000
<b>Fire Capital</b>	250,000	250,000	250,000	250,000	47,000
<b>Affordable Housing</b>	282,605	18,000	18,000	18,000	18,000
<b>Council Initiatives*</b>	500,000	0	0	0	0
<b>TOTAL</b>	<b>4,103,605</b>	<b>1,336,000</b>	<b>1,786,000</b>	<b>1,736,000</b>	<b>1,733,000</b>
<b>Scenario Proposal</b>	<b>4.00 cents</b>	<b>1.50 cents</b>	<b>1.50 cents</b>	<b>1.50 cents</b>	<b>1.50 cents</b>



# WHAT'S THE IMPACT OF A PENNY ON TAXPAYERS?

<b>Property Valuation</b>	<b>Impact of a Penny</b>	<b>4 cent Impact</b>
\$ 250,000	\$ 25	\$ 100
\$ 454,300*	\$ 45	\$ 180
\$ 750,000	\$ 75	\$ 300
\$ 1,000,000	\$ 100	\$ 400
\$ 13,000,000	\$ 1,300	\$ 5,200
\$ 64,000,000	\$ 6,400	\$ 25,600

# ENTIRE BACKLOG SCENARIO

	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026 *</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Staffing</b>	1,500,000	750,000	750,000	750,000	750,000
<b>Operations</b>	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Facilities</b>	1,000,000	1,000,000	500,000	500,000	250,000
<b>Fleet</b>	1,000,000	1,000,000	500,000	500,000	250,000
<b>Parks Capital</b>	971,000	18,000	18,000	18,000	18,000
<b>Fire Capital</b>	971,000	18,000	18,000	18,000	18,000
<b>Affordable Housing*</b>	282,605	18,000	18,000	18,000	18,000
<b>Council Initiatives</b>	500,000	0	0	0	0
<b>TOTAL</b>	<b>7,224,605</b>	<b>3,804,000</b>	<b>2,804,000</b>	<b>2,804,000</b>	<b>2,304,000</b>
<b>Scenario Proposal</b>	<b>7.50 cents</b>	<b>4.00 cents</b>	<b>2.75 cents</b>	<b>2.75 cents</b>	<b>2.25 cents</b>

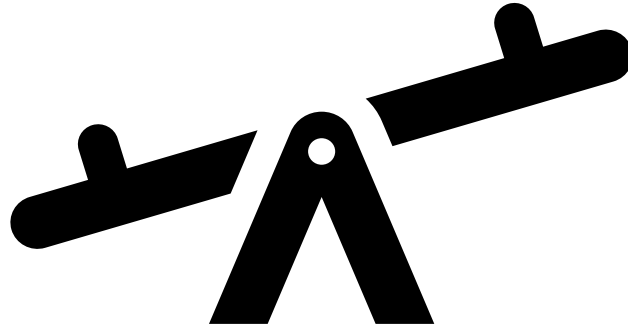
\* - To meet Affordable Housing needs would take about 3 pennies financed over 20 years or 6 cents in FY 2024

# WHAT'S THE IMPACT OF A PENNY ON TAXPAYERS?

<b>Property Valuation</b>	<b>Impact of a Penny</b>	<b>7.5 cent Impact</b>
\$ 250,000	\$ 25	\$ 188
\$ 454,300*	\$ 45	\$ 341
\$ 750,000	\$ 75	\$ 563
\$ 1,000,000	\$ 100	\$ 750
\$ 13,000,000	\$ 1,300	\$ 9,750
\$ 64,000,000	\$ 6,400	\$ 48,000

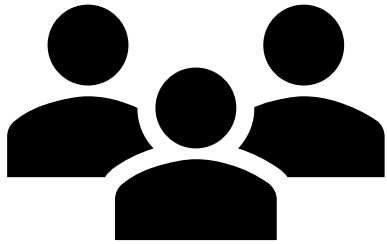
# REALITY CHECK – DEPARTMENT BUDGETS

- Personnel
- Services & Programs
- Facilities & Maintenance
- Contracted Services
- Inflationary Costs
- Competing Priorities
- Community Demand
- Council Goals

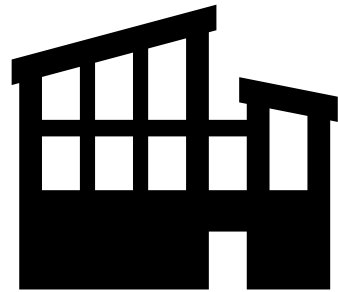


# REALITY CHECK – LIBRARY BUDGET

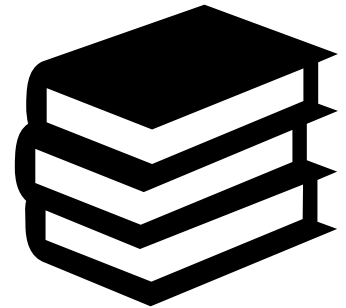
**\$3.6 MILLION**



**\$2,900,000**



**\$495,000**



**\$230,000**

# REALITY CHECK – CAPA BUDGET

<b>Target Budget</b>	<b>\$1 Million</b>
<b>Personnel</b> Salaries & benefits	<b>78%</b>
<b>Contracted Services</b> Support for programs, software and services	<b>20%</b>
<b>The Basics</b> Computer use charges, telephone, cell phones	<b>1%</b>
<b>What's Left</b> Training, supplies, anything new	<b>1%</b>

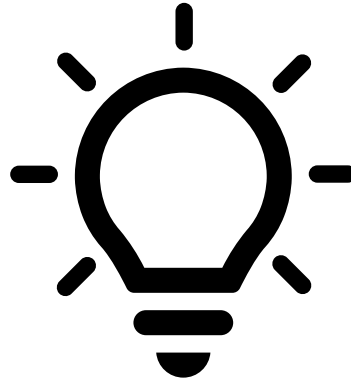
# REALITY CHECK – POLICE BUDGET

**\$15 MILLION**



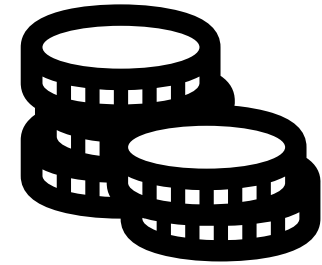
**89%**

**Personnel**



**9%**

**“Keep the  
Lights On”**



**2%**

**What’s  
Left**

**ENTERPRISE  
FUNDS**



**TRANSIT**

**STORMWATER**

**PARKING**

**PUBLIC  
HOUSING**

## **REALITY CHECK**

- **Need to increase staff capacity**, in order to meet regular – and regulatory – demand.
- **We've absorbed annual increased costs**, resulting in an effective budget decrease.
- **Projects coming out of the ground soon**, but we aren't feeling their impact yet.



**WHAT QUESTIONS DO YOU HAVE?**

**BUDGET INTERACTIVE ACTIVITY  
WITH COUNCIL**