

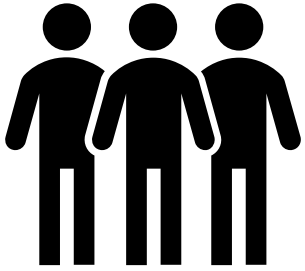
BUDGET WORK SESSION

March 1, 2023

AGENDA

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

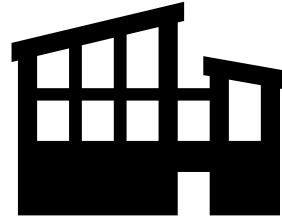
FIVE YEAR PRIORITIES



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

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>
	\$ 1,350,000

GREENWAYS

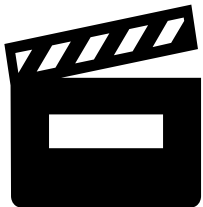
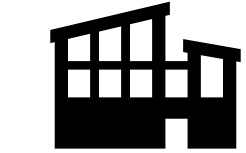
• Bolin Creek Greenway Design (Umstead to Estes Drive Ext)	\$ 500,000
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DO WE HAVE A THUMBS UP FOR THIS ALLOCATION?

**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
TOTAL	\$ 4,000,000

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

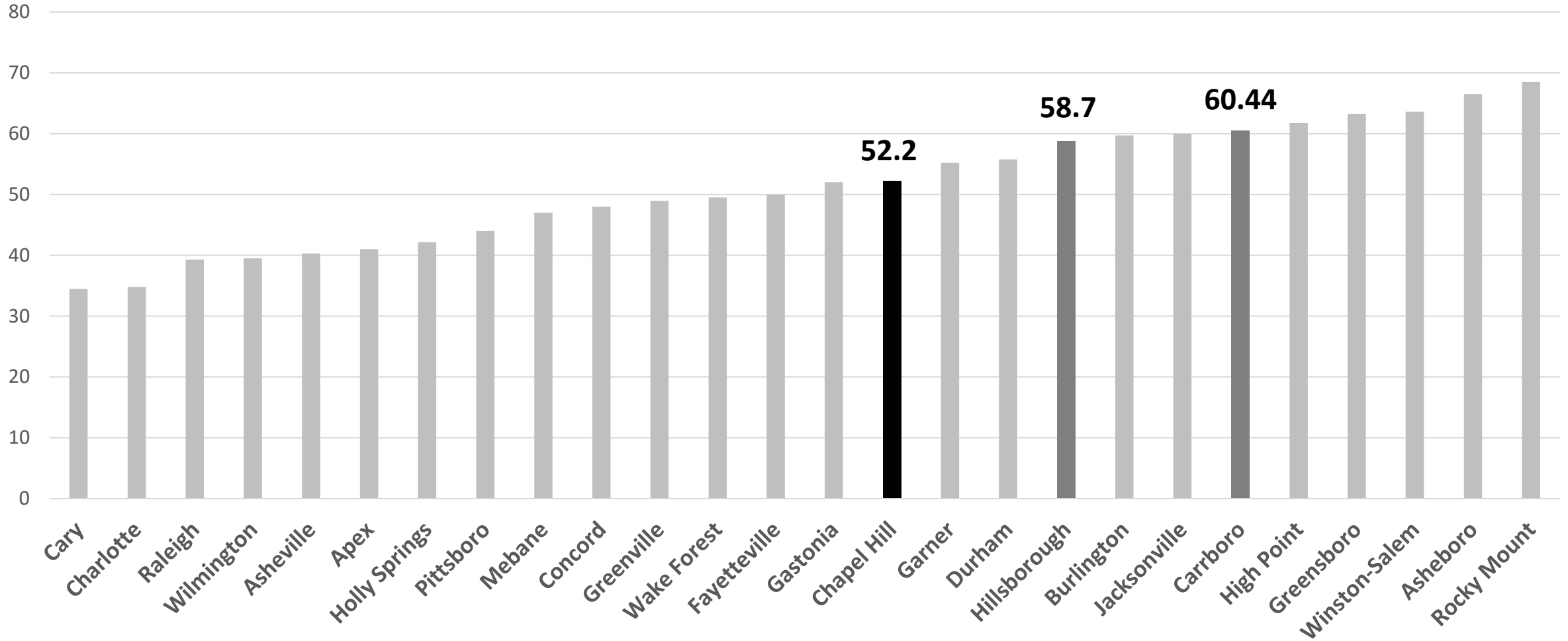
TAX RATE – REALITY CHECK

	FY09	FY10*	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18*	FY19	FY20	FY21	FY22*	FY23
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
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
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
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

* Revaluation years

General Fund decreased 12%	}	FY09 – FY23
Debt Fund decreased 20%		
Transit Fund increased 30%		

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

	FY 2024	FY 2025	FY 2026 *	FY 2027	FY 2028
Staffing	1,100,000	200,000	300,000	400,000	500,000
Operations	250,000	350,000	450,000	550,000	650,000
Facilities	250,000	250,000	250,000	250,000	250,000
Fleet	500,000	250,000	500,000	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
Council Initiatives*	500,000	0	0	0	0
TOTAL	4,103,605	1,336,000	1,786,000	1,736,000	1,733,000
Scenario Proposal	4.00 cents	1.50 cents	1.50 cents	1.50 cents	1.50 cents

WHAT'S THE IMPACT OF A PENNY ON TAXPAYERS?

Property Valuation	Impact of a Penny	4 cent Impact
\$ 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

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

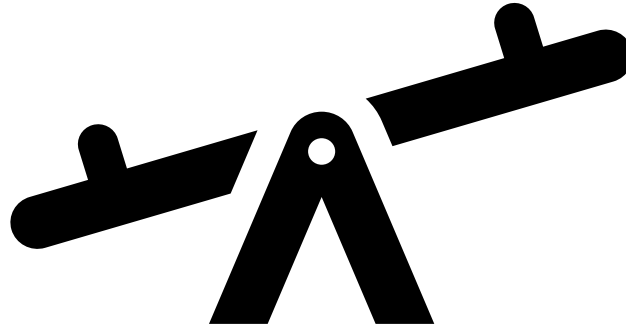
* - To meet Affordable Housing needs would take about 3 pennies financed over 20 years or 6 cents in FY 2024

WHAT'S THE IMPACT OF A PENNY ON TAXPAYERS?

Property Valuation	Impact of a Penny	7.5 cent Impact
\$ 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

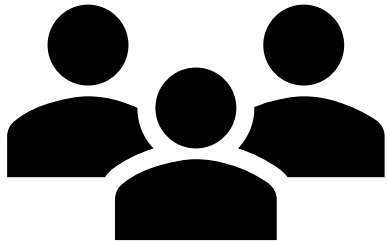
- Personnel
- Services & Programs
- Facilities & Maintenance
- Contracted Services



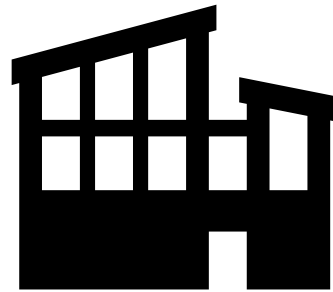
- Inflationary Costs
- Competing Priorities
- Community Demand
- Council Goals

REALITY CHECK – LIBRARY BUDGET

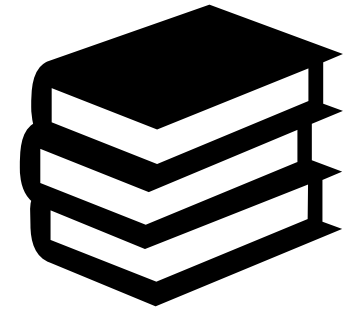
\$3.6 MILLION



\$2,900,000



\$495,000



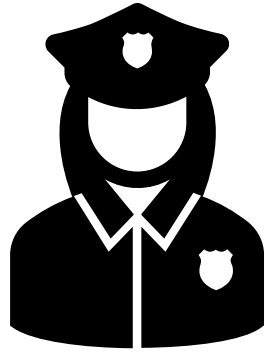
\$230,000

REALITY CHECK – CAPA BUDGET

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

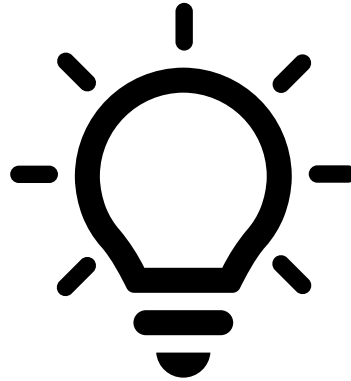
REALITY CHECK – POLICE BUDGET

\$15 MILLION



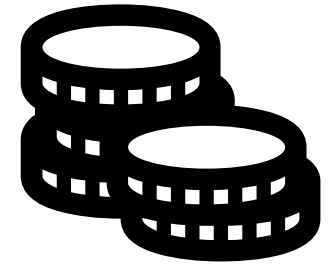
89%

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