

Race and Equity Pocket Questions

Title and purpose of this initiative:

Council Work Session - 2024-2025 FY Budget Work Session 1

PURPOSE: The purpose of this work session is to provide Council an update on the 2024-2025 FY Budget development, recommend strategies and actions related to Council priorities outlined in the Council Retreat, explain budget considerations for FY 2024-2025, and seek Council direction in preparation for May's Budget Work Session.

What are the racial and equity impacts?

The Town of Carrboro budgeting process involves input from all department heads and requires specific, departmental questions surrounding race and equity. The responses are diverse, but should recognize equitable practices in hiring, operations, vendor inclusion, and resident access. Although these processes are in place to ensure equitable consideration, racial impacts could be witnessed by stakeholders that do not have access to published documents or had opportunity to participate in the budgeting process.

Who is or will experience community burden?

Overall, the budget process attempts to be transparent and deliberate, with public meetings, work sessions, a public hearing, public display of the proposed budget for a minimum of 10 days, and a Council vote. Equitable distribution and implementation of Town's revenues is crucial to minimizing community burdens and addressing systemic inequalities. Efforts to engage with and support marginalized communities directly can help ensure that the Town's revenues are distributed equitably. It is not anticipated anyone in the community will feel any community burden because of the budget process.

Who is or will experience community benefit?

The Town as a whole – residents, Council, and staff should benefit by a vetted budget process that is well assembled and presented. The approach the Town takes in development of the budget ensures multiple touchpoints and familiarity by all staff leaders. A goal of the finance department is to assemble departmental budgets and present the numbers as holistic guidance for the coming fiscal year. The department plans to present the adopted budget to staff management and other interested stakeholders. The budget resides for multiple years on the Town's website and is available for residents or anyone interested. Having the budget in place promotes transparency and accountability for the staff and Council.

What are the root causes of inequity?

Root causes of inequity as it relates to the budget are primarily access, engagement, needs and interpretation of the document produced. It is therefore a goal of the finance department to provide as concise and clear documentation that is available. The town relies heavily on the processes in place to address the causes of inequity and ensure appropriate considerations are being considered while building departmental budgets.

What might be the unintended consequences of this action or strategy?

Unintended consequences in a budgeting process include ignoring macro-economic trends and not being adaptable or flexible for situations that occur outside the Town's sphere of influence. Not being able to adapt to weather impacts, recessionary conditions, health emergencies, or other broad disasters could have negative impacts on a current year operating budget. The Town accounts for these scenarios by establishing a financial buffer, frequently monitoring financial patterns, and using third party advisors and auditors to further help the finance department govern the Town's financial activities.

How is your department planning to mitigate any burdens, inequities, and unintended consequences?

The finance department, town staff, Council members take the ability to recognize biases, burdens, inequities, and unintended consequences as the highest priority of the budget process.

The finance department has implemented directives to staff and Council to produce the budget for the Town of Carrboro:

- Transparency and Accountability through identification of operating and personnel needs, identification of capital projects, and clear, periodic financial reporting
- Community engagement / support through development of departmental budgets with focus on race/equity and climate
- Spend dollars equitably and deliberately in the coming Fiscal Year, while monitoring long-term sustainability
- Commit to programming to foster inclusion and opportunity for town residents