

**ATTACHMENT B**

**BUDGET ORDINANCE AMENDMENT ESTABLISHING A FACILITIES  
REHABILITATION FUND**

WHEREAS, the Board of Aldermen adopted the FY 2019-20 Annual Budget Ordinance No. 22/2019-20 for the Town of Carrboro on June 18, 2019; and,

WHEREAS, the Town's Management Team has identified facilities that are in need of immediate repair and/or rehabilitation; and,

WHEREAS, the immediate repair and rehabilitation needs are related to maintenance backlog, safety and security, compliance with ADA and other rules, and functionality and estimated to cost \$1.0 million. On a facility by facility basis, the anticipated cost would be:

CC - Recreation & Parks	\$ 221,500.00
CC - Police	\$ 39,000.00
Fire Stations	\$ 116,000.00
Town Hall	\$ 429,000.00
Public Works	\$ 90,500.00
Profession Services	\$ 104,000.00
Total Estimate	<b>\$ 1,000,000.00</b>

WHEREAS, the Board of Aldermen for the Town of Carrboro has adopted a Fund Balance Policy; and,

WHEREAS, the adopted Fund Balance Policy provides that when the unassigned fund balance exceeds 35% the Town Manager may assign some or all of the amount above 35% for transfer to the Capital Projects Fund for future projects; and,

WHEREAS, the Town's annual audit at June 30, 2018 confirmed that the fund balance exceeds 35%, and

WHEREAS, the Town Manager has assigned an amount of fund balance above 35% for future capital project purposes; and

WHEREAS, the adopted Fund Balance Policy requires formal action by the Board of Aldermen to commit the use of fund balance for projects or purposes in any current year or future year's budget; and,

WHEREAS, it is no longer prudent nor cost effective to continue postponing needed repairs and rehabilitation projects.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE TOWN OF CARRBORO THAT:

Section 1: The Town shall establish and maintain a Facilities Rehabilitation Fund for the purpose of repairing and rehabilitating existing Town facilities. Revenue sources for this fund may include grants, donations, interest payments or other revenues that may become available.

Section 2: Appropriations from the Facilities Rehabilitation Fund shall be used to repair or renovate existing Town facilities that cost less than \$150,000. This fund may not be used for new construction.

Section 3: Up to \$1,000,000 is appropriated from unassigned fund balance in the General Fund for transfer to the Reserved Funds category in the Facilities Rehabilitation Fund.

Section 4: The Town Manager may transfer all or a portion of the funds in Section 3 above to repair and/or rehabilitation projects. For projects that are “job ready” for repair or rehabilitation, the Town Manager may move up to \$150,000 from the Reserve Category to a specific project.

Section 5. The Town Manager shall provide a quarterly report to the Board of Aldermen on the use of the Facilities Rehabilitation Fund.

Section 6: Within five (5) days after this ordinance is adopted, the Town Clerk shall file a copy of this ordinance with the Finance Director.

Section 7: This Fund shall be effective immediately upon passage by the Board