

FY21 Adopted Budget

Summary of Changes from Recommended to Adopted Budget

The FY21 Recommended Budget was presented at the May 26, 2020 Council meeting and published on the Town's website. Below is a summary of proposed changes to the recommended budget based on comments and suggestions at the public hearing and the Council budget work sessions.

- **General Fund:**
 - Increase the Mayor & Town Council budget by \$15,000 to include \$7,500 for Community Engagement and \$7,500 for Criminal Justice Debt Program.
 - Increase the Town Manager budget by \$17,500 for reimbursement to Orange County for Long Term Recovery Coordinator.
 - Increase the Housing & Community Services budget by \$44,000 for additional Human Services Grants, of which \$40,000 is related to COVID-19 relief.
 - Decrease the Recreation, Parks, & Cultural Resources budget by \$15,000 to reduce the July 4th Community Event budget.
 - The net increase of \$61,500 for General Fund expenditures would be funded by a \$4,000 increase in Fund Balance Appropriations, and \$57,500 in federal CARES Act revenues.

<u>Department</u>	<u>Recommended Budget</u>	<u>Change</u>	<u>Revised Budget</u>
Mayor & Town Council	\$ 376,313	\$ 15,000	\$ 391,313
Town Manager	367,439	17,500	384,939
Housing & Community Services	494,144	44,000	538,144
Recreation, Parks, & Cultural Resources	1,859,009	(15,000)	1,844,009
All Other General Fund Departments	21,904,701	-	21,904,701
Totals	\$ 25,001,606	\$ 61,500	\$ 25,063,106

- **Special Revenue Funds:**
 - Include the Emergency Loan Fund in the Adopted Budget document. This fund was started after the Recommended Budget went to print. It includes the original \$475,000 in funding plus estimated FY21 loan repayments.

SPECIAL REVENUE FUNDS

The Special Revenue Fund accounts for revenues and expenditures legally restricted or designated by the Board of Aldermen for specific program activities or services. The Special Revenue Fund was restructured in 2011 to comply with GASB 54. Included in the Special Revenue Fund are the following funds:

- Affordable Housing
- Grant Administration
- Emergency Loans
- Revolving Loans for Energy Efficiency
- Revolving Loans for Economic Development

BUDGET SUMMARY

	<u>Adopted Budget FY2019-20</u>	<u>Adopted Budget FY2020-21</u>	<u>Amount Change</u>	<u>Pct Change</u>
Fund:				
Affordable Housing	358,500	338,000	-20,500	-5.7%
Grant Administration	998,096	893,249	-104,847	-10.5%
Emergency Loans	0	508,405	508,405	#DIV/0!
Revolving Loans for Energy Efficiency	267,388	240,572	-26,816	-10.0%
Revolving Loans for Economic Development	902,101	852,696	-49,405	-5.5%
Totals	\$2,526,085	\$2,832,922	\$306,837	12.1%

- **Capital Funds:**
 - The Capital Projects Fund was adjusted to include the \$125,000 funding of the South Orange Fire District to be used towards the purchase of a \$350,000 tanker truck.

CAPITAL FUNDS

Capital projects are projects financed (in whole or in part) by the proceeds of bonds, notes or debt instruments involving the construction or acquisition of a capital asset. Capital projects are approved via a balanced project ordinance as required by the North Carolina General Statutes (GS 159-13.2) whereby the Town budgets for the life of the capital project. A project ordinance is balanced when revenues estimated to be available for the project equal appropriations for the project. Projects that show a zero balance are no longer active and considered complete and are removed from the general ledger one year following project completion.

The Capital Projects Fund is comprised of the following funds:

- Capital Projects
- GO Bonds, Sidewalks and Greenways
- Facilities Rehab
- Capital Reserves
- Payment In Lieu Reserves

BUDGET SUMMARY - TOTAL CAPITAL PROJECTS FUND

	<u>Adopted Budget FY2019-20</u>	<u>Recommended Budget FY2020-21</u>	<u>Amount Change</u>	<u>Pct Change</u>
<u>Fund:</u>				
Capital Projects	\$ 21,052,330	\$ 33,222,583	\$ 12,170,253	57.8%
GO Bonds, Sidewalks and Greenways	7,499,643	7,920,942	421,299	5.6%
Facilities Rehab	-	1,005,750	1,005,750	#DIV/0!
Capital Reserves	406,200	400	(405,800)	-99.9%
Payment In Lieu Reserves	950	700	(250)	-26.3%
Totals	\$ 28,959,123	\$ 42,150,375	\$ 13,191,252	45.6%

- **Total Adopted Budget:**
 - The resolutions attached to the agenda item reflect these changes for the FY2020-21 adopted budget.