Legislation Details (With Text)

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File created:	4/22/2021			**In control:**	Board of Aldermen
On agenda:	5/25/2021			**Final action:**	
Title:	Town Manager's Recommended Budget for Fiscal Year 2021-2022 PURPOSE: The purpose of this agenda item is to receive the Town Manager's Recommended Budget for FY 2021-22 and set the time for a public hearing and budget work sessions.				
Indexes:					
Code sections:					
Attachments:	1. Attachment A - Resolution to set Budget Public Hearing				

Date	Ver.	Action By	Action	Result

TITLE:

Town Manager's Recommended Budget for Fiscal Year 2021-2022

PURPOSE: The purpose of this agenda item is to receive the Town Manager's Recommended Budget for FY 2021-22 and set the time for a public hearing and budget work sessions.

DEPARTMENT: Town Manager, Finance

CONTACT INFORMATION: David L. Andrews, 918-7315; Arche McAdoo, 918-7439; and Cary McNallan, 918-7301

INFORMATION: By state law, the Town Manager is required to submit a recommended budget for FY 2021-22 and budget message to the Mayor and Town Council by June 1st. This recommended budget is to be made available for public inspection and the Town Council is required to hold a public hearing on it prior to adoption. The FY22 Recommended Budget can be found on the Town's website at the following location: <http://www.ci.carrboro.nc.us/250/Financial-Documents>

Major goals for the FY 2021-22 budget were to: 1) implement the Council's strategic priorities, 2) control costs while improving services, 3) develop a balanced budget, 4) construction and renovations of Town facilities.

Due to the fluctuations in revenue trends, and cuts in spending, over the past 15 months, projections for next year's budget have been a challenge. Nevertheless, we have produced, as best we can, a budget based on revenue projections that are not overly aggressive, nor unduly regressive. The primary goal is to return to pre-pandemic level of services for Town residents in FY 2021-22.

The total budget recommended by the Town Manager is $71.7 million comprised of General Fund at $25.1 million, Special Revenue Fund at $3.3 million, Capital Fund at $41.9 million, Storm Water Utility Enterprise Fund at $971,254, and Parking Enterprise Fund at $290,500.

Special Revenue Funds change from year to year depending upon revenues from grants, revolving loan funds,

and other program specific revenues. The Affordable Housing Fund seeks to increase affordable housing in the Town continues to be a major goal of the Town Council. To provide a steady and reliable revenue stream for affordable housing, the FY 2018-19 and FY 2019-20 adopted budgets, each included a ½ cent property tax increase to be dedicated exclusively for affordable housing activities. The Town had intended to recommend another ½ cent property tax increase in FY 2020-21 (for a total of 1.5 cents). However, due to the uncertain economic environment as a result of the pandemic, this was deferred. For FY 2021-22, we are recommending that the 3rd and final ½ cent property tax increase be implemented for the Affordable Housing Fund, which would provide 100% property tax funding for the fund.

The Town Manager will provide a budget presentation at the June 1st Council meeting. Attached is a resolution to set a public hearing for the budget on June 8, 2021 and a notice of public hearing will be published by the Town Clerk.

If the Council desires to hold one or more work sessions on the Town Manager's recommended budget, the following dates have been reserved: June 1st and 8th, 2021. Budget work sessions allow for an opportunity to develop a more thorough understanding of the budget recommendation. Department heads will be available at work sessions to answer questions.

FISCAL & STAFF IMPACT: N/A

RECOMMENDATION: That the Town Council accept the Town Manager's Recommended Budget for FY 2021-22 and adopt a resolution setting a public hearing on it for June 8, 2021 at 7:00 PM

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