Legislation Details (With Text)

File #:	22-185	**Version:** 1	**Name:**		
Type:	Agendas		**Status:**	Agenda Ready	
File created:	5/31/2022		**In control:**	Board of Aldermen	
On agenda:	6/21/2022		**Final action:**		
Title:	Adoption of the FY 2022-23 Annual Budget PURPOSE: The purpose of this agenda item is for the Town Council to adopt the annual budget for fiscal year 2022-23.				
Indexes:					
Code sections:					
Attachments:	1. ATTACHMENT A - Budget Ordinance 2022-23, 2. ATTACHMENT B - Changes to Position and Pay Plan FY 2022-23, 3. ATTACHMENT C - Salary and Wage Adjustment Resolution 2022-23, 4. ATTACHMENT D - Contract for Town Attorney Resolution 2022-23, 5. ATTACHMENT E - Vehicles Capital Projects Ordinance 2022-23, 6. ATTACHMENT E-1 - Reimbursement Resolution for Equip and Vehicles 2022-23, 7. ATTACHMENT F -Miscellaneous Fees and Charges Resolution 7-1-2022, 8. ATTACHMENT F-1 - Town of Carrboro 2022-23 Fee Schedule, 9. ATTACHMENT G - Medical Insurance Provider and Third Party Admin for MERP 2022-23, 10. ATTACHMENT H - Dental Insurance Provider for FY 2022-23				

Date	Ver.	Action By	Action	Result

TITLE:
Adoption of the FY 2022-23 Annual Budget
PURPOSE: The purpose of this agenda item is for the Town Council to adopt the annual budget for fiscal year 2022-23.
DEPARTMENT: Town Manager

CONTACT INFORMATION: Richard J. White III, Town Manager, 918-7315; Arche McAdoo, Finance Director, 918-7439; Cary McNallan, Deputy Finance Director, 918-7301

INFORMATION: The North Carolina Local Government Budget and Fiscal Control Act (LGBFCA) requires that the Town Manager submit a recommended budget and budget message to the Mayor and Councilmembers no later than June 1st; that the Town Council hold a public hearing on the budget; and that the Town Council adopt an annual budget ordinance each year by July 1st. The budget must be balanced which is defined by LGBFCA as "the sum of estimated net revenues and appropriated fund balance in each fund shall be equal to appropriations in that fund".

On February 1, 2022, the Town Council held a public hearing to receive community input prior to beginning the budget process for FY23. On May 24, 2022, the Town Manager presented to the Town Council a recommended budget for FY23 totaling $90.5 million, and the budget document was filed with the Town Clerk. It has remained available on the Town's website, and

in the Town Clerk's Office for public inspection. The notice of its availability was published in the local media. On June 7, 2022, a public hearing was held on the Manager's Recommended Budget.

Based on the public hearing and Town Council budget work session on June 14, 2022, the final budget presented for adoption includes the following changes:

Affordable Housing Special Revenue Fund

Funds are included in the Affordable Housing Special Revenue Funds budget for funding:

1. Interfaith Council housing assistance program in the amount of $92,950; and,
2. Orange County Partnership to End Homelessness in and amount of $129,976.

This funding will be transferred from the General Fund to Affordable Housing Special Revenue Fund and is for one year. The Town Manager will work with the partners over the next year to identify and discuss methods that this funding might be sustained in the future, including clarification on the role of municipalities in the delivery of human services.

Additional Funding for Affordable Housing

Additional funding in the amount of $129,355 (equal to ½ cents of property tax rate) will be made available using the American Rescue Plan Act (ARPA) Special Revenue Funds.

Stipend for Advisory Board Members

The current budget of $89,000 for advisory boards includes $6,000 for childcare and travel reimbursement; however, Council has not adopted criteria for these uses. The non-departmental budget includes $28,400 for advisory board stipends. Once the Council adopts criteria for the payment of these stipends, the advisory board budget will be modified to include these funds.

Interpretation Services

The Town does not have a firm on retainer for providing interpretation services. These services have in the past been provided on an as-needed basis. Until it is determined how best to provide professional interpretation services and the cost for such, interpretation services can continue on an as-needed basis. Once specific information on the best way to provide this service is identified, a request to amend the budget to fund the service will be prepared.

With the above additions, the General Fund Budget will increase from $27,479,482 to $27,667,675. The total budget for FY 2022-23 is as follows:

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General Fund	$	27,667,675
Special Revenue Fund		11,156,649
Capital Projects Fund		50,825,396
Total Governmental Funds	***$***	***89,649,720***
Stormwater Utility Enterprise Fund	$	1,081,601
Parking Enterprise Fund		143,190
Total Enterprise Funds	***$***	***1,224,791***
Grand Total Budget	**$**	**90,874,511**

The General Fund is the Town's operating fund. The total budget increased 9.15% from the current year. The Final General Fund Budget presented for adoption is $27,667,675 which is $188,193 more than the Recommended Budget.

The Capital Projects Fund includes construction, renovations, or other improvements to the Town's capital assets. Major projects include park parking lot paving, wayfinding, vehicle and equipment purchases, street resurfacing, greenways and multi-paths, and the 203 S. Greensboro Street facility to house Town recreation administrative offices and the Orange County Southern Branch Library.

The Affordable Housing Fund in the Special Revenue Fund supports a major goal of the Town Council. To provide a steady and reliable revenue source for affordable housing activities, a property tax rate of 1.5 cents will continue for FY23, and will be dedicated to affordable housing.

Along with the Budget Ordinance, the Town Council needs to adopt several other resolutions. These include: Position Classification and Pay Plan, across-the-board salary adjustment, resolution for Town Attorney contract, Miscellaneous Fees and Charges Schedule, health insurance providers.

Annual Budget Ordinance - Attachment A

The attached Annual Budget Ordinance includes General Fund appropriation of $27,667,675 by function for operation of the Town beginning July 1, 2022. The Annual Budget Ordinance also includes the estimated revenues that are expected to be available during the fiscal year.

The property tax rate shall remain the same at 60.44 cents for each $100 valuation of taxable property with 1.50 cents of that amount dedicated for the Affordable Housing Special Revenue Fund.

Position Classification and Pay Plan - Attachment B

The Annual Budget for FY23 includes changes to be incorporated into the Position Classification and Pay Plan. These changes increase the Town's total authorized FTE's from 169.5 to 175.0, are listed in the resolution titled Attachment B.

There will be no merit or performance pay provided to Town employees in FY23.

Salary and Wage Adjustment Resolution - Attachment C

Effective July 2, 2022, a $3,000 across-the-board salary increase will be added to base salary for all current full-time permanent and appointed employees; a prorated increase of $3,000 will be added to the base salary for all permanent part-time employees based on the full-time equivalency; and, Town elected officials and temporary part-time employees will receive an living wage increase of 2.9%, equal to the Orange County Living Wage of $15.85 per hour.

Town Attorney - Attachment D

This resolution is to contract for legal services.

Capital Project Ordinance for FY23 Vehicle Purchases - Attachment E

The ordinance authorizes a capital project to be established for the purpose of purchasing the FY23 vehicles approved in the adopted budget.

Reimbursement Resolution for FY23 Vehicle Purchases - Attachment E-1

The resolution authorizes the Town to be reimbursed by financing proceeds for any capital expenditures, for the purpose of purchasing the FY23 vehicles approved in the adopted budget, that may occur prior to issuing installment financing.

Fee Schedule - Attachment F

The resolution establishes various Miscellaneous Fees and Charges Schedule beginning July 1, 2022. Attachment F-1 includes highlighted changes for FY23. Fees eliminated include: Planning: Conditional Use Rezoning Fees. Other rate changes are noted below:

FY23 Changes in Town's Misc Fees and Charges Schedule

Facility/Program	Description	FY22 Rate	FY23 Rate
108 Bim Street	Dr. Martin Luther King Jr Park - Large Shelter	$ -	$ 25.00
Exempt Subdivisic	Combination or recombination of existing lots	60.00	100.00
Exempt Subdivisic	Special review - per Carrboro Town Code 15-78.1	-	100.00
Payment-In-Lieu	Recreation Facilities-Land Use Ordinance	210.30	292.30
Payment-In-Lieu	Affordable Housing	32,167.00	42,966.00
Publications	Carrboro Connects 2022-2042 Comprehensive Plan	-	50.00
Publications	Bicycle Master Plan Update	-	25.00

Medical Insurance Plan - Attachment G

The resolution authorizes the Town Manager to enter a contract with the Town's medical insurance providers.

Dental Insurance Plan - Attachment H

The resolution authorizes the Town Manager to enter into a contract with the Town's dental insurance provider.

FISCAL & STAFF IMPACT: The total FY2022-23 General Fund Budget presented for adoption is $27,667,675. The grand total budget including all funds is $90,874,511.

RECOMMENDATION: The Town Council is requested to adopt the following attachments:

A. Annual Budget Ordinance for FY 2022-23
B. Resolution adopting Changes to Position Classification and Pay Plan;
C. Resolution approving the minimum salary and hourly rates for employees;
D. Resolution for the Town Attorney contract;
E. Capital Project Ordinance for FY22-23 Vehicle Purchases; and Attachment E-1 - Reimbursement Resolution Equipment and Vehicles.
F. Resolution approving the Miscellaneous Fees and Charges Schedule (Attachment F-1);
G. Resolution to authorize contracts for the Town's Medical Insurance Plan.
H. Resolution to authorize a contract for the Town's Dental Insurance Plan.

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