



Legislation Text

File #: 23-191, **Version:** 1

TITLE:

Town Manager's Recommended Budget for Fiscal Year 2023-24

PURPOSE: The purpose of this agenda item is for the Town Manager to present the Recommended Budget for FY 2023-24.

DEPARTMENT: Town Manager, Finance

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

INFORMATION: By state law, the Town Manager is required to submit a recommended budget for FY24 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 FY24 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 FY24 budget were to: 1) align Town Council's strategic priorities with the budget; 2) continue addressing employee retention, recruitment and well-being; 3) control costs while maintaining current level of services, and 4) capital projects.

As we continue to make operating adjustments in the post-pandemic landscape, budgeting continues to be a challenge. We have, however, produced, as best we can, a balanced budget based on revenue projections that are not overly aggressive, nor unduly regressive. Since the national economy is still a bit uncertain, the Town may be required to make budget adjustments as the year progresses, depending upon the direction of the economy.

The total budget recommended by the Town Manager is \$81.1 million comprised of:

General Fund at \$29,330,449
Special Revenue Fund at \$9,122,838
Capital Projects Fund at \$41,465,910

Enterprises funds total \$1.2 million as follows:

Storm Water Utility Enterprise Fund at \$1,062,746, and
Parking Enterprise Fund at \$141,000.

The General Fund is the Town's operating budget.

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

and other restricted program revenues. The Affordable Housing Fund seeks to increase affordable housing in the Town and continues to be a major goal of the Town Council. To provide a steady and reliable revenue source for affordable housing the Town Council dedicated $\frac{1}{2}$ cent of the property tax rate exclusively for affordable housing in FY19, FY20, and FY22, for a total of 1.5 cents. For FY24 the 1.5 cent property tax rate will continue to be dedicated for affordable housing.

Also included in the Special Revenue Fund is the \$6.7 million received by the Town under the American Rescue Plan Act (ARPA) of 2021 for State and Local Fiscal Recovery Funds. The Town Council adopted a proposed spending plan in October 2022 which included the use of the total grant amount for the replacement of local government revenues for the provision of government services.

The Town Manager will provide a presentation on the recommended budget at the Town Council meeting. Notice of the public hearing for June 13, 2023 has been published by the Town Clerk and posted to the Town's website.

FISCAL & STAFF IMPACT: The only cost associated with the agenda item is the cost to publish the public hearing notice.

RECOMMENDATION: The Town Manager recommends that the Town Council accept the Town Manager's Recommended Budget for FY24 and hold a public hearing for June 13, 2023, at 7:00 p.m. at Town Hall.