



Legislation Text

File #: 17-0044, **Version:** 1

Summary

To: Town Commission
From: Micah Maxwell
Date: 4/26/2017
Subject:
Discussion of Budget Priorities

Summary:

As we enter into budget season, staff would like to get some general direction from the Commission on budgetary priorities.

Previous Commission Action: Planning and Zoning Board Approved Plan 2 unanimously, as did the Finance Board. Additional comments are added below.

Background/Problem Discussion: The main reason purpose for this discussion is a to provide an opportunity for the Commission to identify any high priorities it might have as we get into Budget season. The staff has also identified some areas of discussion, which are below.

The first discussion item relates to an infrastructure priority discussion that staff has had with both the Finance Board and the Infrastructure Board. Staff presented two plans to the boards, both of which projected the dates of infrastructure projects out to FY31. The first plan focused on continuing the practice of total reconstruction on roadways, and the second focused on balancing the need to fully reconstruct, with more situational reconstruction. For instance, if a roadway has little or no stormwater problems and a good base, but the roadway is heavily deteriorated, we would focus on a mill and resurface approach rather than a full reconstruction approach. After discussing with the boards, it was determined that the second approach was preferred.

With the determination that plan two was the preferred approach, the discussion then turned to where capital parks fit into the priority discussion. After a lengthy discussion, the infrastructure board determined that their broad priorities were Safety, Functionality, and Aesthetics, in that order. Additionally, the board recommended that the renovation of Hallett Park occur within the next five years.

The Finance Board also considered plan two and recommended approval to the commission. As for the matter of Hallet park's funding, the Finance Board recommended to the commission consideration of providing funding to the park in the near term and that it recognizes the uniqueness of Hallett Park. Approving, unanimously, that the priorities of the Finance Board for funding must lie in (1) safety, (2) preservation, and (3) maintenance

The second item that staff wishes to discuss is related to the pending sale of the Belleview Biltmore Golf Course. The sale of the course will provide one-time dollars to the town, which we need to allocate appropriately. The sale also creates multiple budgetary holes. To date, the estimated total of revenue and

transfers coming over from the golf fund are estimated to be around \$4,400,000. The General Fund will see a net revenue reduction of \$31,000 annually. The infrastructure fund will see a reduction of annual revenues of \$97,000. As it relates to the town's long-term capital plan, this represents a budget hole of \$1,261,000 that staff would recommend being filled by a portion of the golf course proceeds. On the general fund side, staff recommends using \$120,000 to offset the lease payments being made by the general fund in 2018, 2019, and 2020. In those three years the general fund is paying for \$37,000 in lease payments annually, however starting in 2021, those payments are will no longer be necessary and the money will be freed up. Additionally, staff would recommend refunding the money transferred to the golf fund to the general fund, which amounts to \$500,000. It is recommended that outside of one time expenses that can sustain themselves, the balance of the allocation be placed in reserves.

The third item that staff would like to put on the Commission's radar relates to the Doyle Foundation Grant. For the past ten years, the town has been receiving funding from the Doyle Foundation for two recreation positions to be upgraded from part-time to full-time. The grant first came to the town in the form of a five-year agreement, and that agreement was renewed in 2012. At this time the town does not know if the agreement will be renewed. If it is not, the budget will be deficient by about \$33,000. If the town does not receive the grant renewal, is there we will either need to make some budgetary reallocations or pull two positions back to part-time status.

The final item staff wanted to bring up relates to branding. Ms. DeKarz has provided a separate report on branding and has provided four options for the Commissions consideration.

Expenditure Challenges N/A

Financial Implications: N/A

Recommendation: N/A

Proposed Motion None discussion only at this time.