



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 22, 2023
Department: Administration
Agenda Section: Regular
Public hearing: Yes
Date of public hearing: May 22, 2023

PRESENTER/INFORMATION CONTACT

Emily Bradford, Budget Director

ITEM TO BE CONSIDERED

Subject: Fiscal Year 2024 Budget Workshop

Attachments:

1. [FY2024 Manager's Recommended Budget & Financial Plan](#) (also known as the "Workbook")
2. Community Re-Investment Request – Exchange Club
3. Community Re-Investment Request – Hillsborough Arts Council
4. Affordable Housing – Summary
5. Affordable Housing – Partnership to End Homelessness
6. Affordable Housing – Inter-Faith Council
7. Board of Commissioners – Training and Dues

Summary:

Discuss the recommended General Fund, Water & Sewer Fund and Stormwater Fund budgets. This is an opportunity to ask staff any questions you may have about items that are or are not in the proposed budget, as well as make any desired changes to the budget.

Community Re-Investment Funds

Each fiscal year, the town designates funds for community re-investment. The FY24 Manager's Recommended Budget currently has \$23,633 designated for this purpose. This is the same funding level as the current, FY23 budget. The Exchange Club and Hillsborough Arts Council have submitted funding Requests for FY24. Representatives from both organizations are planning to attend the workshop. At this time, neither is planning to formally present their requests for funds to the board but will be available for questions.

	FY23 Funded Amount	FY24 Requested Amount
Exchange Club	\$7,633	\$7,189
Hillsborough Arts Council	<u>\$16,000</u>	<u>\$20,000</u>
	\$23,633	\$27,189

Affordable Housing

Key decision points:

- How to reach the 2-cent equivalent?
 - One option is to absorb this expense in FY24 to avoid a property tax rate increase this year, start phasing in next year, or select one year to increase the property tax rate accordingly. This is an important point to resolve since the current budget is not capable of absorbing this expense without corresponding cuts, deferments, or identifying a revenue source such as raising the property tax rate to cover the \$326,000 cost of the 2-cent commitment.
 - The budget includes a proposal to make annual steps to the 2-cent goal. FY24 includes a total of \$100,000, then it increases by about \$75,000 annually until FY27.
- Confirm or amend allocation to PEH of uncommitted FY23 funds (\$43,292). A budget assumption to continue these funds was made since they already had an existing engagement with the town.
- Will FY23 funding be provided to IFC?
- What to do about FY24 requests from PEH (an additional \$51,475) and IFC (\$43,518)?
- How much and when to start allocating towards the “Affordable Housing Creation Reserves” for unit development in Hillsborough?

Board of Commissions Training and Dues

The full list of budgeted trainings, conferences, and conventions, as well as dues and subscriptions for the mayor and commissions is attached. Please let the budget team know if any updates need to be made.

Budget Timeline

Monday, May 22: Public Hearing / Budget Workshop

Tuesday, May 30: 2nd Budget Workshop (if needed)

Monday, June 12: Budget Adoption

Financial impacts:

The FY24 budget includes the projected revenues and expenditures, funded and un-funded requests, and any changes to rates for each of the three major funds: General, Water & Sewer, and Stormwater.

Staff recommendation and comments:

Ask staff budget related questions.

Action requested:

1. Ask staff budget related questions.
2. Determine how to fund affordable housing efforts and whether any changes need to be made to the FY24 budget in terms of how affordable housing dollars are being allocated.
3. Provide any updates to the list of training and dues for the Board of Commissioners.