

BOARD OF ALDERMEN

ITEM NO. D(4)

AGENDA ITEM ABSTRACT

MEETING DATE: June 11, 2002

TITLE: Budget Work Session for FY2002-03 Budget

DEPARTMENT: Town Manager	PUBLIC HEARING: YES ___ NO <u>x</u>
ATTACHMENTS: A – Additional Information Requested From Staff on May 28, 2002 B – Manager’s FY02-03 Recommended Budget, Prioritized List of Needs C – Final Budget Worksheet	FOR INFORMATION CONTACT: Robert W. Morgan, 918-7315

PURPOSE

The purpose of this agenda item is to continue budget discussions and instruct the Town Manager to prepare additional information for June 18, 2002 that will assist the Board in developing a final draft of the budget for adoption by the Board on June 25.

INFORMATION

At the May 28, 2002 meeting, the Board of Aldermen discussed several budget issues and requested additional information from staff (Attachment A).

In addition to reviewing the information above, the Town Manager proposes that the Board consider identifying how it will spend the state-shared revenue, if and when it arrives. There is considerable momentum in the state legislature that provides for protection of the utility franchise and wine and beer taxes. Receiving these revenues will return approximately \$521,000 back to the Town. The Manager’s recommended budget identified a list of items in priority order that could be obtained if funding is received. The Board is requested to review these needs and adjust as needed (Attachment B).

In preparation for budget discussions on June 11, the Town Manager has identified some cuts that can be made based on more current information or actual bills for the upcoming year (i.e., health insurance, property insurance, landfill fees, etc..) Attachment C is the spreadsheet that staff and the Board will work from in the budget discussion. The spreadsheet also identifies the decision packages (new services or initiatives) within the Manager’s recommended budget that the Board may consider to find more savings or cuts. To date, the Town has identified fund balance available for appropriation, savings, and cuts totaling approximately 2.2 cents. With savings identified to date, the revised tax rate increase would be 4.8 cents.

The Town is anticipating to receive a portion of the utility franchise tax revenue that was not escrowed, a telecommunications tax. However, due to insufficient data from the state, the Town is not able to project this revenue. The Town is expecting to receive this revenue on June 15, 2002. The Town Manager recommends applying this revenue to the fund balance available for appropriation.

ADMINISTRATION’S RECOMMENDATION

Identify specific actions to be taken by the Town following budget discussions and instruct the Town Manager to prepare additional information for June 18, 2002.