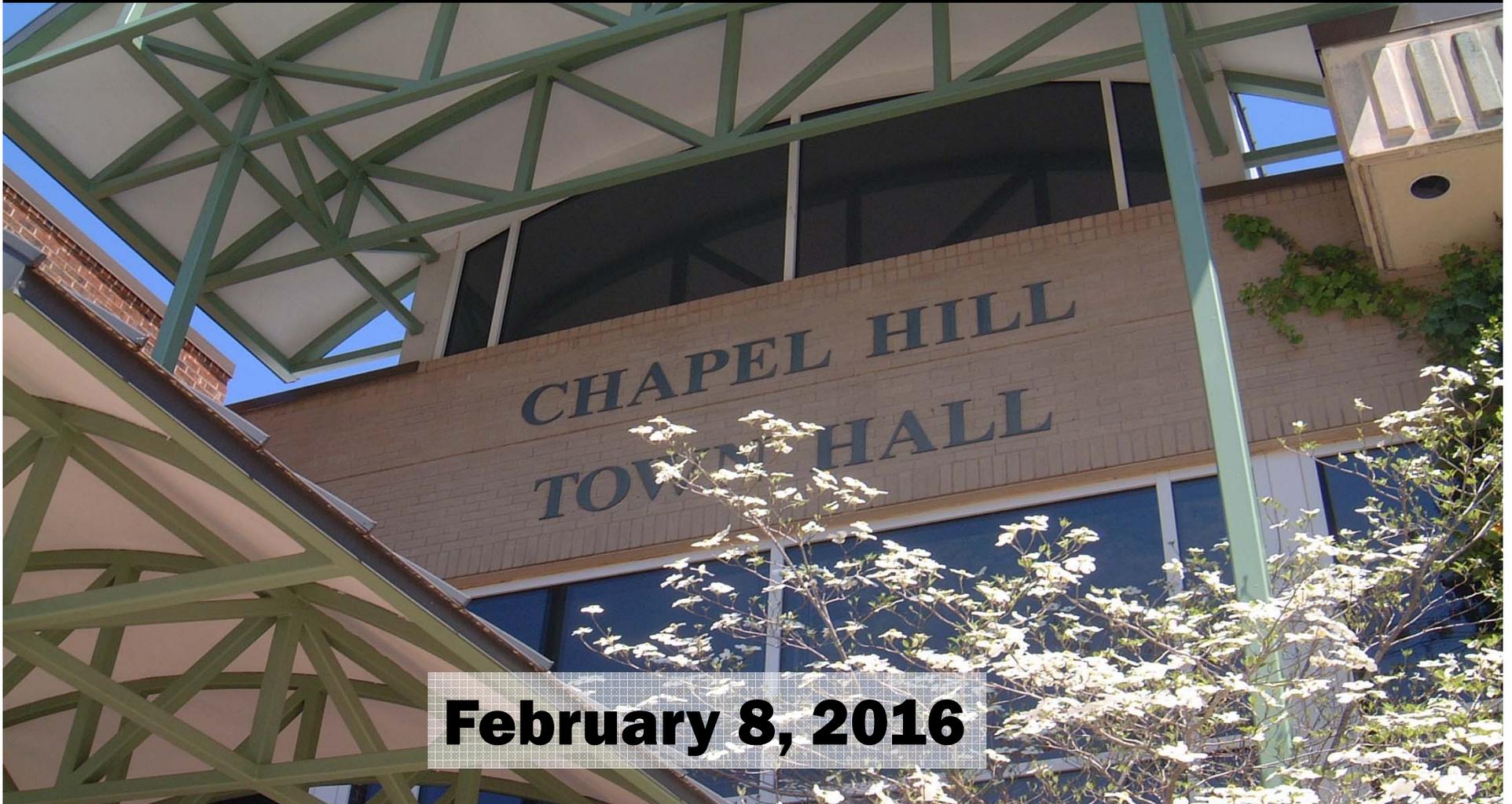




Town of Chapel Hill Financial Update



February 8, 2016

Agenda



Fund Balance &
Operating Results



Economy Driven
Revenues

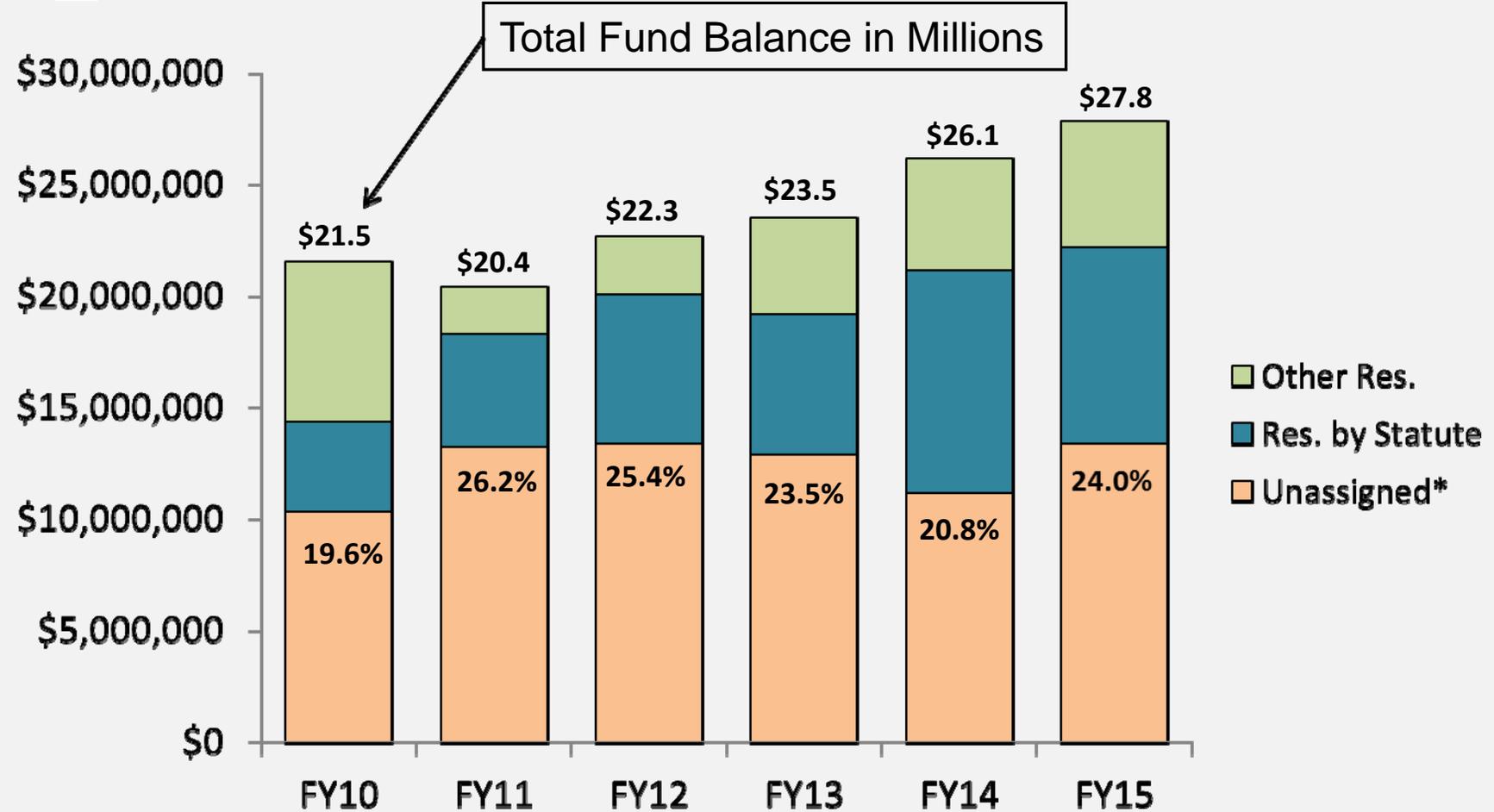


Budget Concerns
& Challenges



Total GF Fund Balance

FY2009-10 thru FY2014-15



- *Unassigned fund balance is calculated as a percent of expenditures and other uses per audited financial statements*



Target Fund Balance

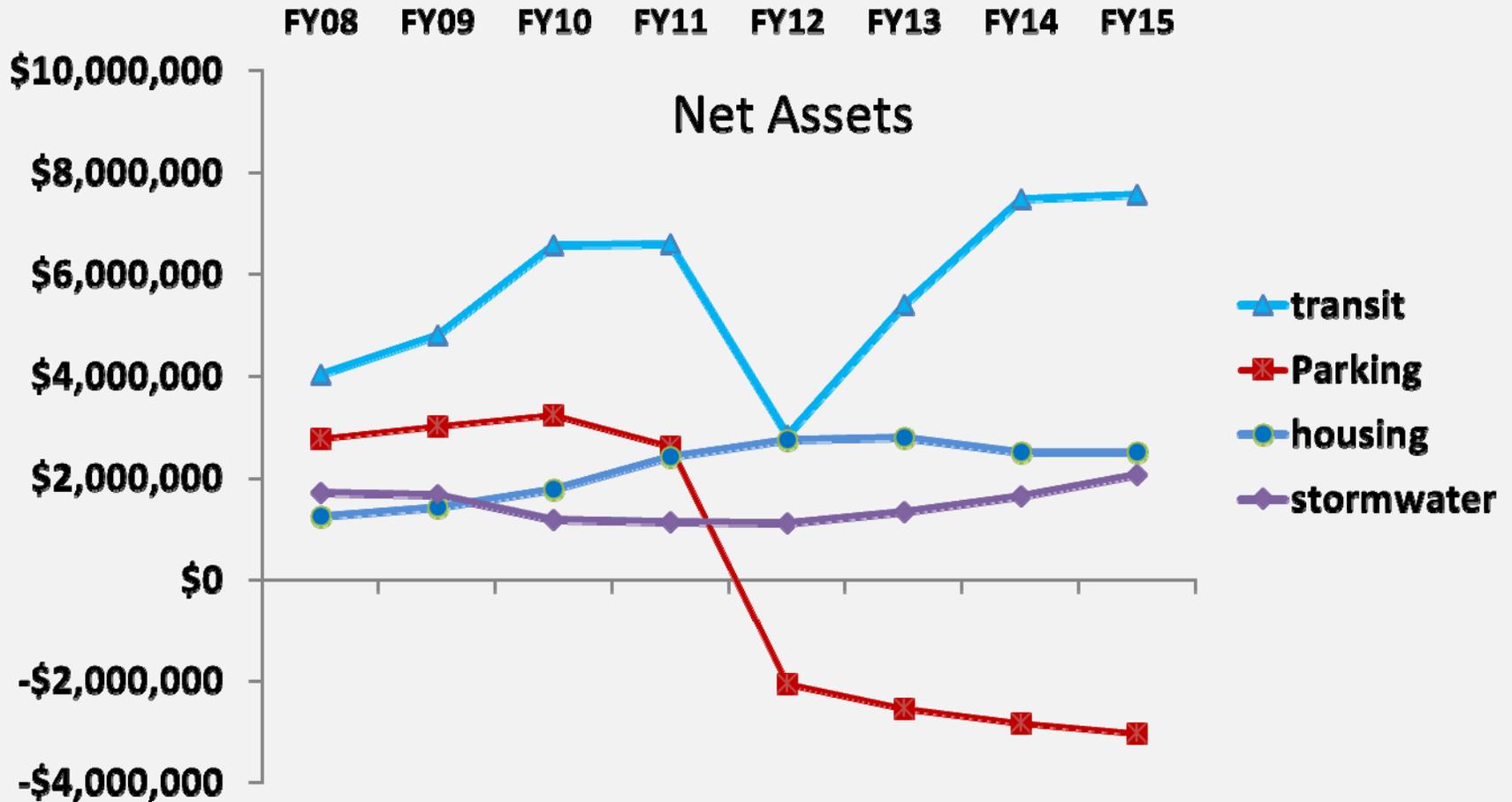
Target = 22%

Actual FY15 = 24%

\$ 1,128,000



Enterprise Fund Operating Results

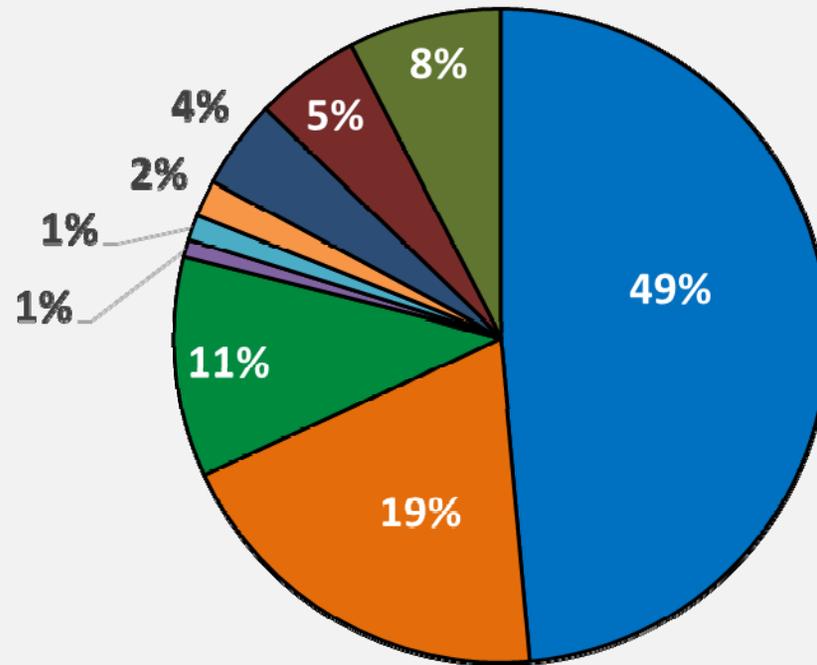




Economy Driven Revenues

General Fund Budgeted Revenues FY16

- Property Taxes
- Sales Taxes
- State Shared
- Misc.
- Grants
- Other Taxes
- Fund Balance
- Permits/Licenses
- Charges for Service





Economy Driven Revenues

**Town's Assessed Value
All Property**

\$7,725,370,000

**Combined Value
< 1% of tax base**

East 54 \$35.2 million



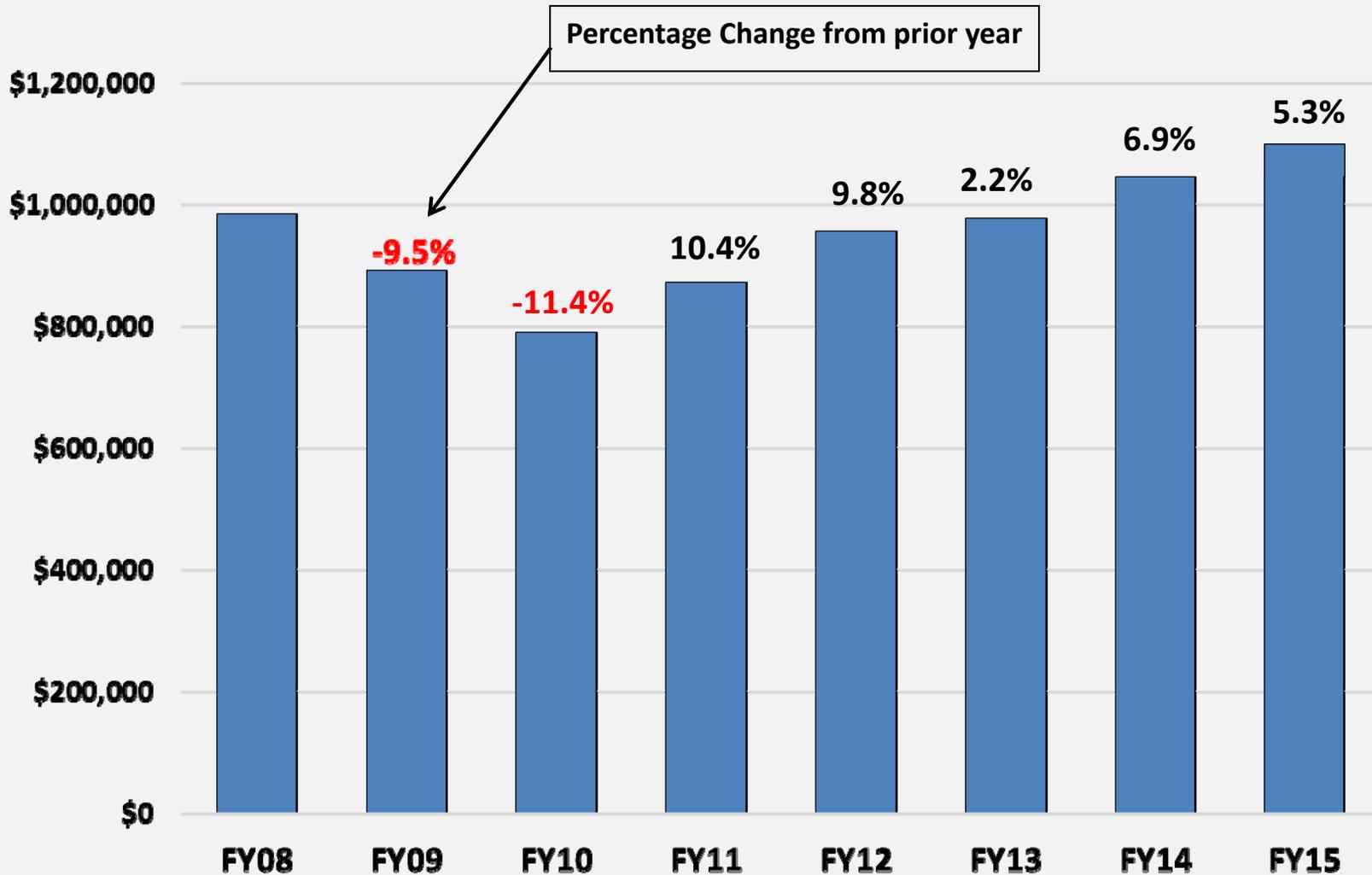
University Mall \$35.2 million





Economy Driven Revenues

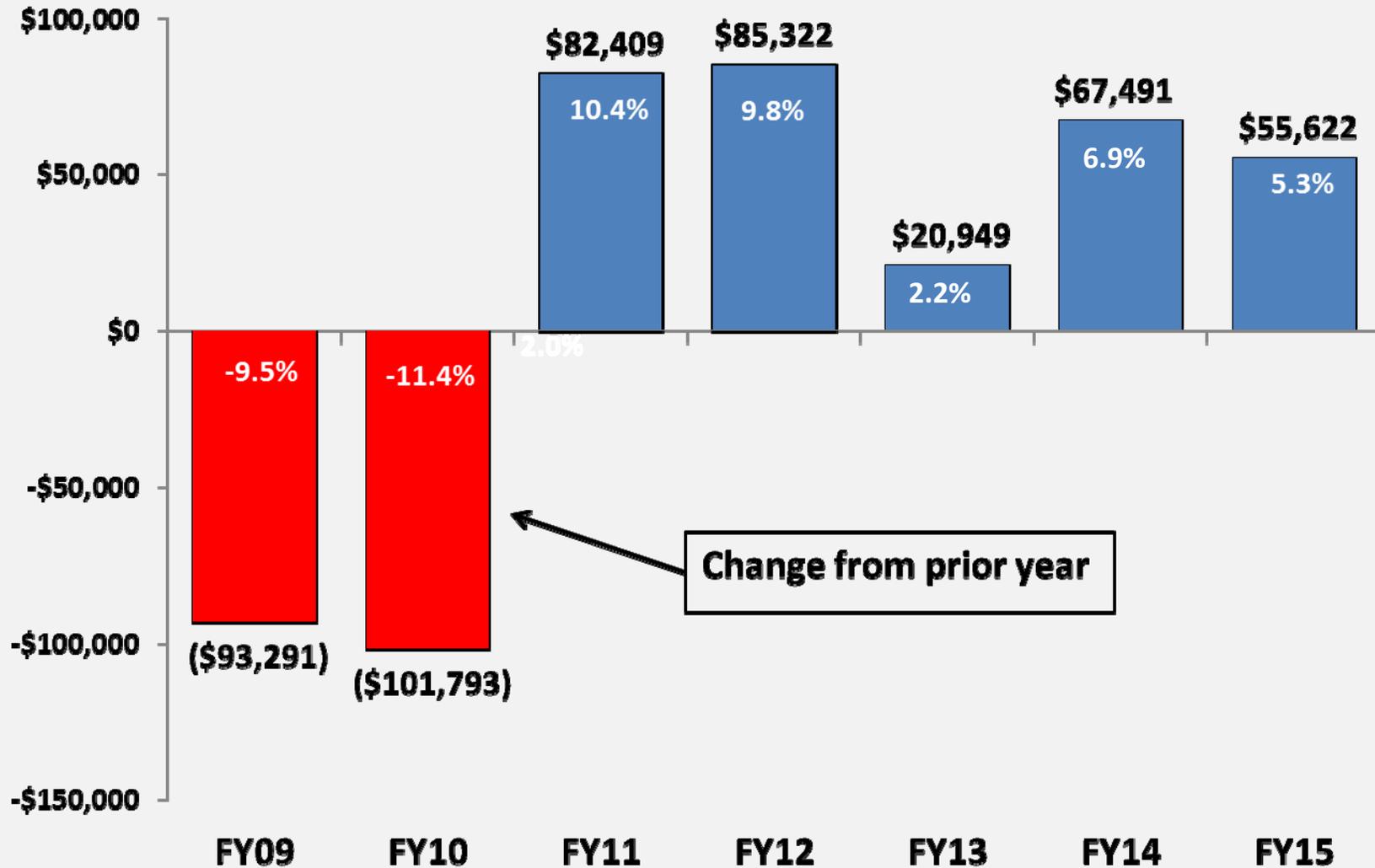
Occupancy Tax





Economy Driven Revenues

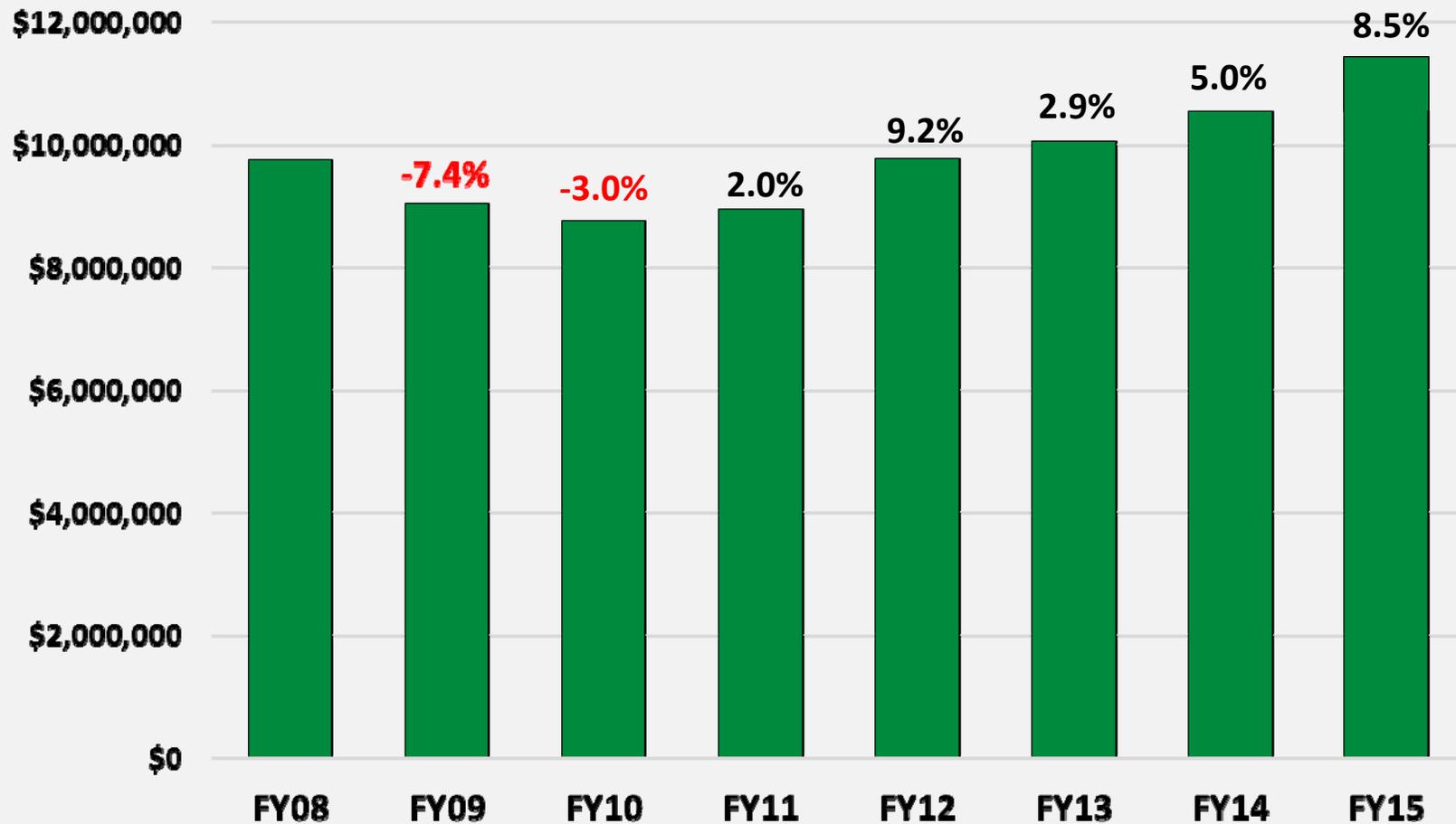
Occupancy Tax





Economy Driven Revenues

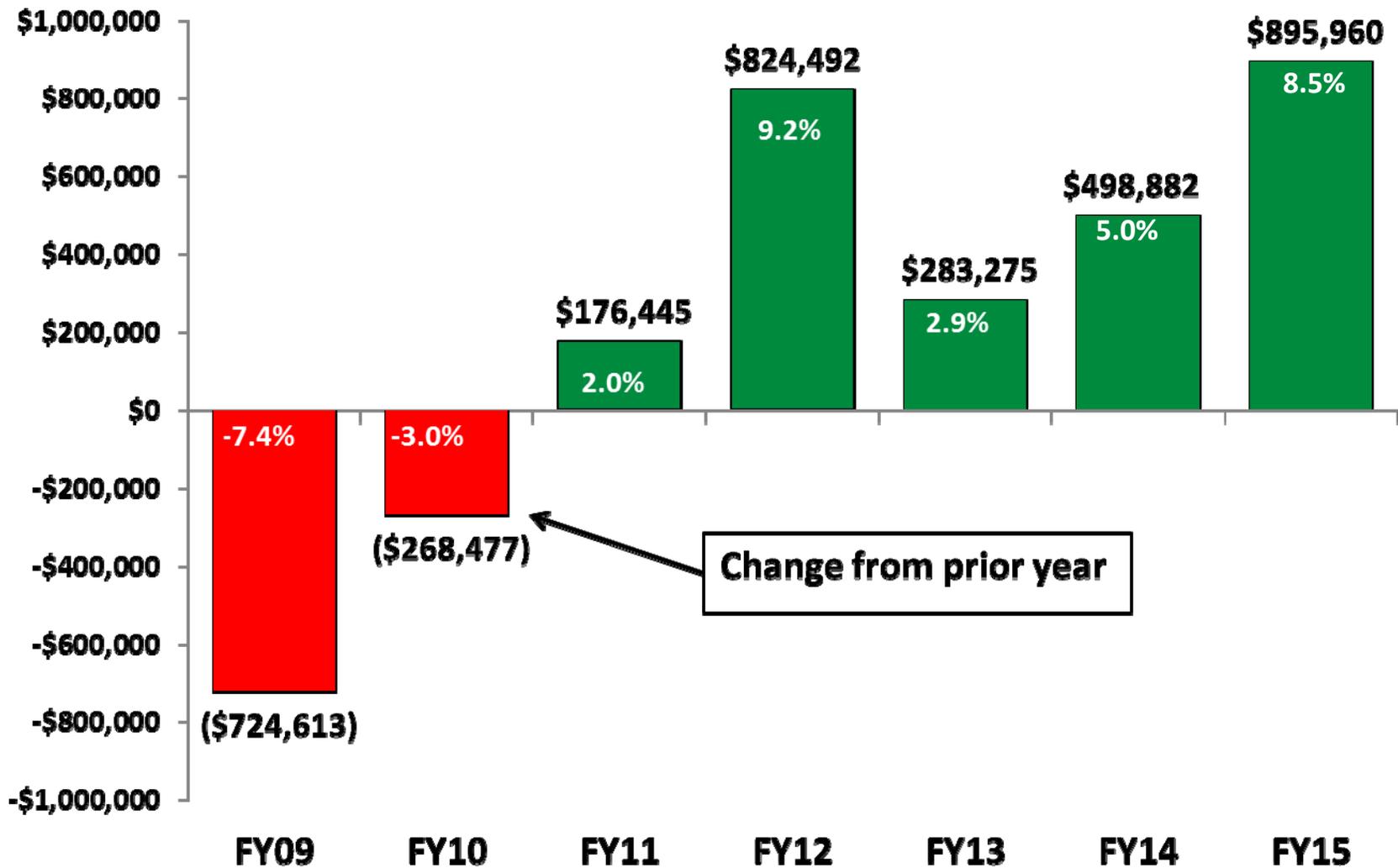
Sales Tax





Economy Driven Revenues

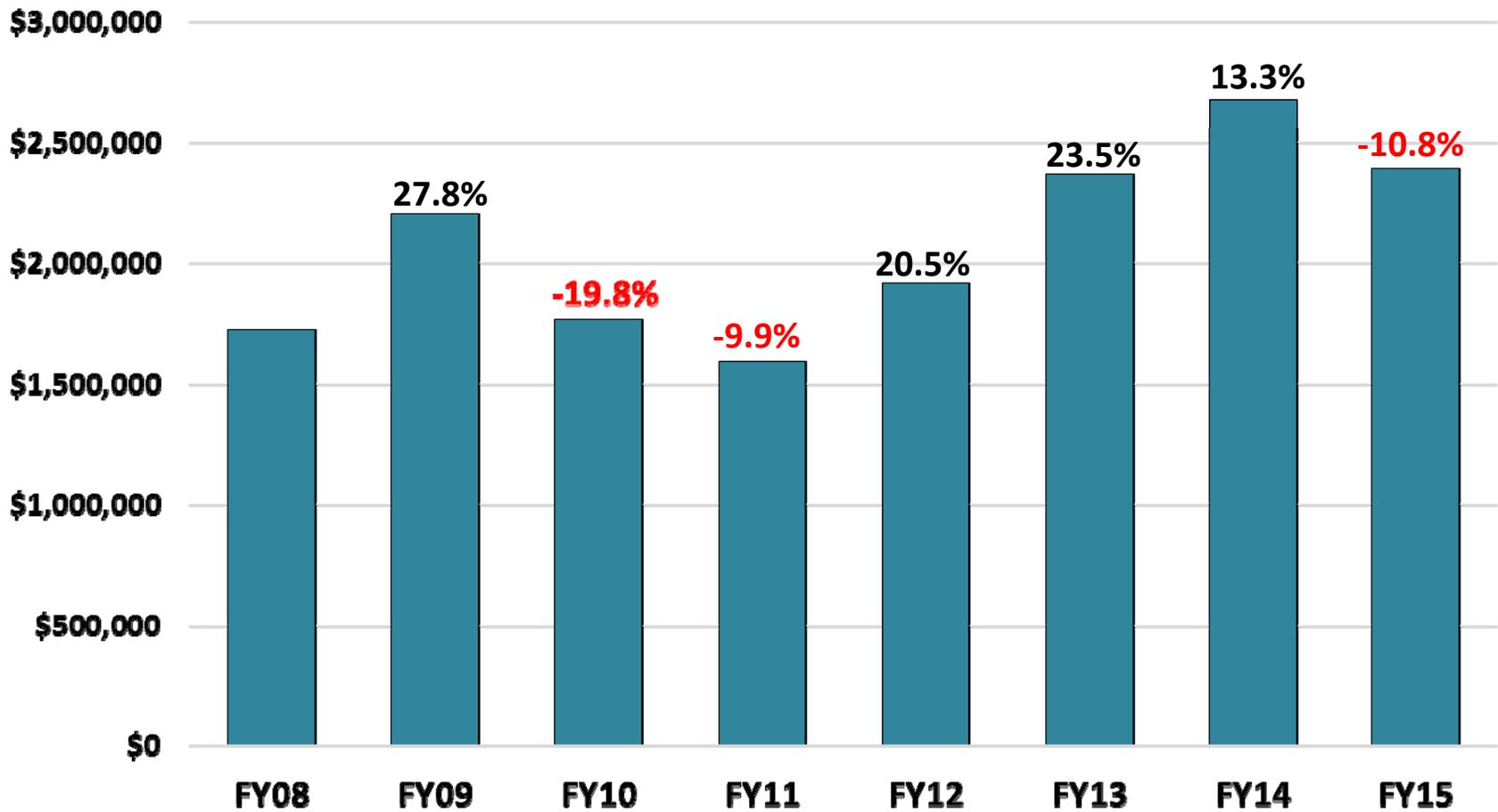
Sales Tax





Economy Driven Revenues

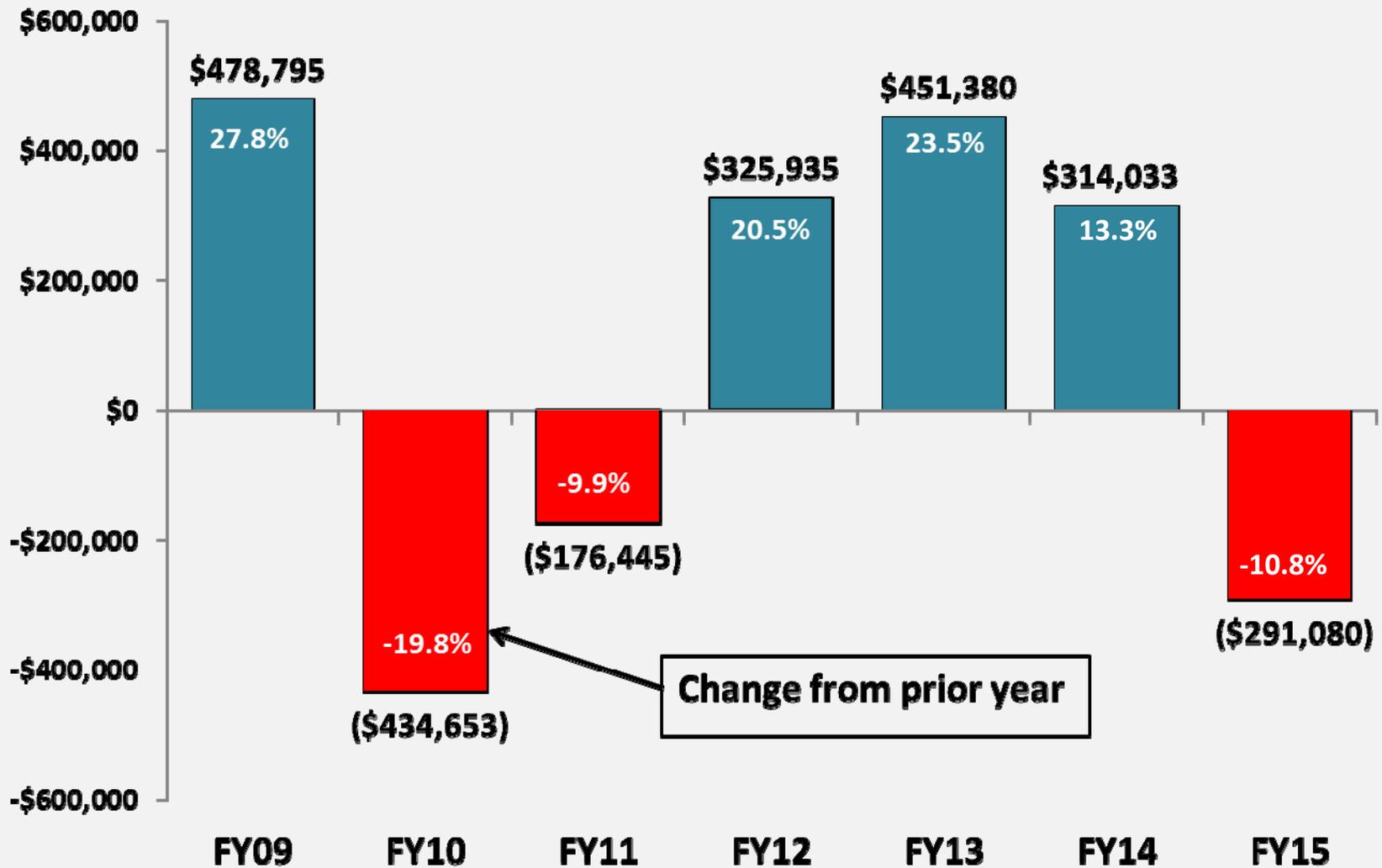
Permits & Licenses





Economy Driven Revenues

Permits & Licenses





Budget Challenges



Personnel Costs



Capital Program



Legislative Changes

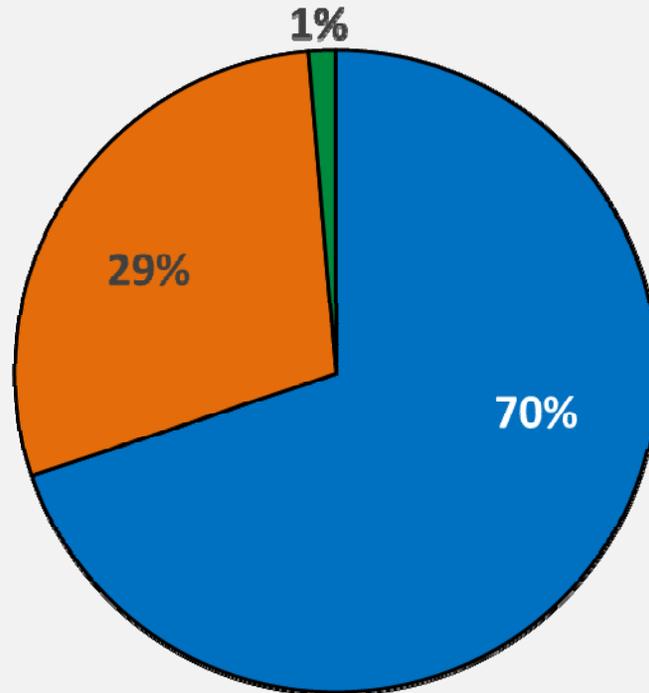


Budget Challenges

Employee Costs

General Fund Budgeted Expenditures FY16

■ Personnel ■ Operating ■ Capital





Budget Challenges

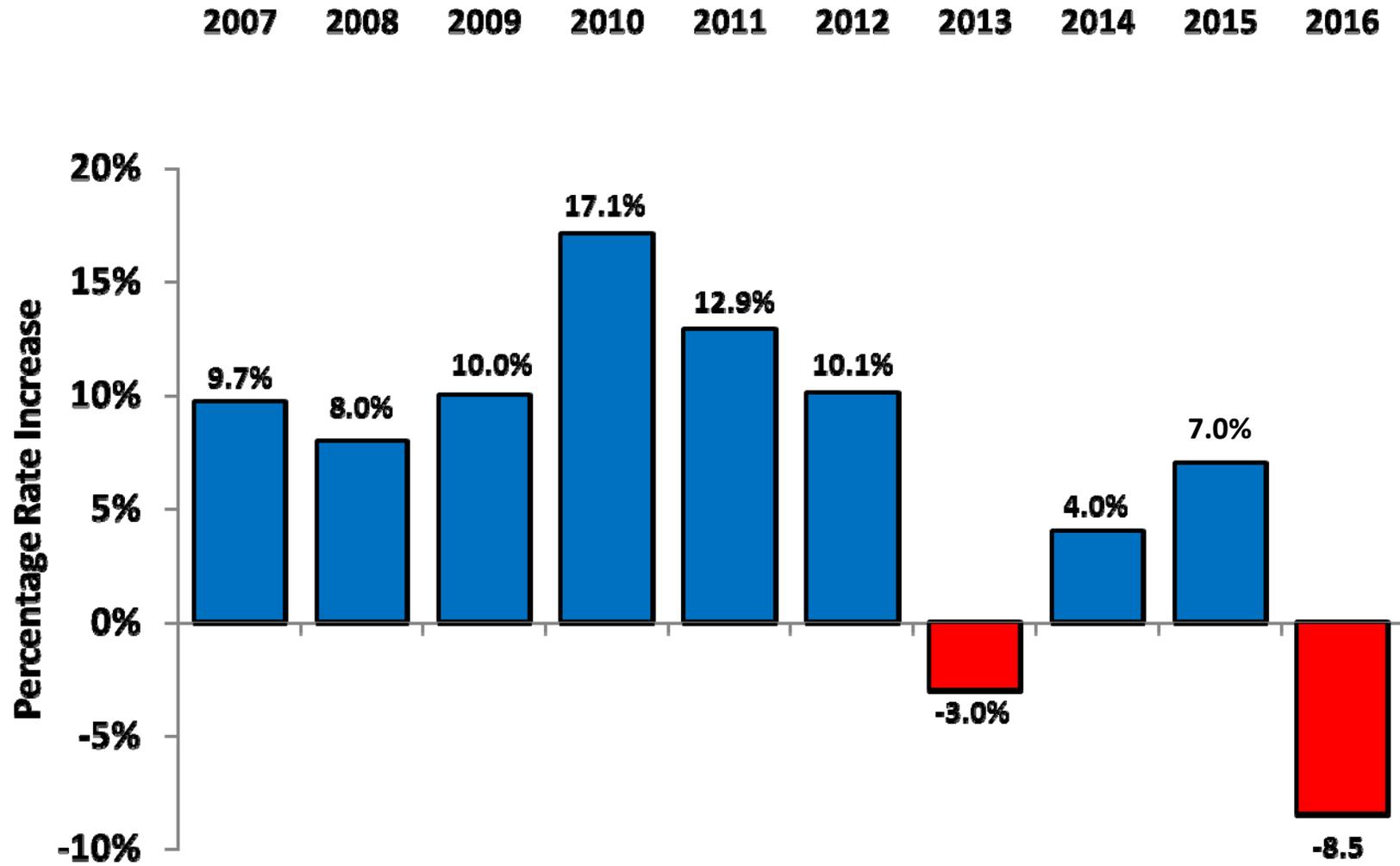
Managing Personnel Costs

- Average Annual Pay Adjustment 1.875%
- Health Insurance Increase
 - Average FY09-FY12 12.8%
 - Average FY13-FY16 - 0.13%

	Pay Adjustment	One-time Payment	Health Ins. Increase
FY2008-09	3%	0	10.0%
FY2009-10	0	0	17.1%
FY2010-11	0	\$800	13.9%
FY2011-12	0	\$800	10.1%
FY2012-13	3%	0	(3.0%)
FY2013-14	2%	0	4%
FY2014-15*	3%	0	7.0%
FY2015-16*	2% - 2%	0	(8.5%)

* Increase calculated from market (mid-point) for each grade

Medical Insurance Cost Increase from Prior Year





Budget Challenges

Capital Program

Planned Financing next 7+ years

	Infrastructure	Facilities	Equipment*	Total
G.O. Bonds	\$28,100,000	\$12,200,000	-	\$40,300,000
Installment Financing	4,779,000	31,915,000	21,685,000	58,379,000
Pay-go & 2/3rds	1,500,000	1,400,000	3,800,000	6,700,000
Total	\$34,379,000	\$45,515,000	\$25,485,000	\$105,379,000

* Includes Transit bus financing



Budget Challenges

Legislative Changes

- **Economic Development Funding**
 - Determination of economic impact
 - Public hearing
- **Downtown District Funding**
 - Survey needs of district
 - Services must be bid
 - Public hearing prior to contract
- **Restrictions on Inspections Revenues**
 - Can only be used for inspections related costs



FY16 Budget Process

Budget Meetings	Discussion/Purpose
January 25 th	Financial/Budget Update
January 29-30 th	Council Planning Retreat
February 22 th	Public Forum
March 21 st	Public Forum/Work Session
May 9 th	Manager's Recommended Budget
May 11 th	Budget Work Session
May 16 th	Public Hearing on Recommended Budget
June 1 st , 6 th	Budget Work Session (if needed)
June 13 th	Adoption of 2016-17 Budget