

Council Budget Questions and Requests for Information
2019-20 Council Retreat
Question #4

QUESTION: Is it possible to think about a “discretionary” versus “fixed” part of our budget?

RESPONDENT: Amy Oland, Business Management Director
Matt Brinkley, Budget Manager

RESPONSE: “It may come as a surprise, but under general state law, there is only one mandated service for municipalities—enforcement of the State Building Code. Although municipalities are authorized to provide a broad array of services, they are not required by state law to do anything but perform building code inspections. And even then, municipal personnel do not have to actually conduct the inspections; this function can be, and often is, contracted out to counties.” See G.S. 160A-411 & GS 160A-412.” UNC SOG Coates’ Cannon Blog entry by Kara Malonzi on April 7, 2011.

The term “core services” or “fixed costs” varies from municipality to municipality depending on the values of the organization. With that said, most medium to large organizations in North Carolina provide police & fire protection, streets maintenance, solid waste, street lighting, planning/zoning, and code enforcement. Additionally, there are internal service functions necessary to support these service areas such as, human resources, finance, technology solutions, Town clerk, legal, and the manager’s office.

In addition to the widely accepted “core services”, the Town of Chapel Hill has placed great emphasis on affordable housing, transit, library services and parks and recreation. These are all areas of a community that values a high quality of life. In addition to these services, 8.2 cents of the Town’s tax rate supports our debt service.