



Manager's Recommended Budget
FY 2021-22

2021-22 Recommended Budget



Chapel Hill Town Council, 2021-2022

Your Town Council is Mayor Pam Hemminger, Mayor Pro tem Michael Parker, and Council members Jessica Anderson, Allen Buansi, Hongbin Gu, Tai Huynh, Amy Ryan and Karen Stegman.

Town Manager
Maurice Jones

Finance Officer
Amy Oland

Budget Foundations

Total budget = \$116,746,903

5% increase from prior year

Revaluation

Property tax rate of 52.4 cents

3% of market pay increase

Investment in Council Priorities



General Fund – Revenue Comparison

Revenue Source	Adopted FY2020-21	Estimated FY2020-21	Recommended FY2021-22
Property Taxes	\$ 32,587,500	\$ 32,488,311	\$ 36,087,500
Sales Taxes	13,336,343	16,156,574	16,560,488
Other Taxes	1,292,500	533,500	828,500
State Shared Revenues	7,829,256	7,712,442	7,717,442
Charges for Services	4,899,000	3,096,951	4,305,852
Licenses & Permits	2,731,390	2,644,819	2,500,100
Grants	679,399	950,914	681,997
Other Revenues	544,100	891,035	467,900
Approp. Fund Balance	2,388,512	0	2,298,221
Total	\$ 66,288,000	\$ 64,474,546	\$ 71,448,000

Property Taxes

	2021 Valuation	2020 Valuation	\$ Difference	% Difference
Orange County Real Property*	\$ 8,513,978,013	\$ 7,500,585,640	\$ 1,013,392,373	13.51%
Durham County Real Property	540,018,520	539,506,906	511,614	0.09%
Orange County Motor Vehicles	360,324,200	353,259,020	7,065,180	2.00%
Durham County Motor Vehicles	<u>28,881,262</u>	<u>30,231,704</u>	<u>(1,350,442)</u>	<u>(4.47%)</u>
TOTAL VALUATION	\$ 9,443,201,995	\$ 8,423,583,270	\$ 1,019,618,725	12.10%

* Values Impacted by Revaluation

Property Taxes

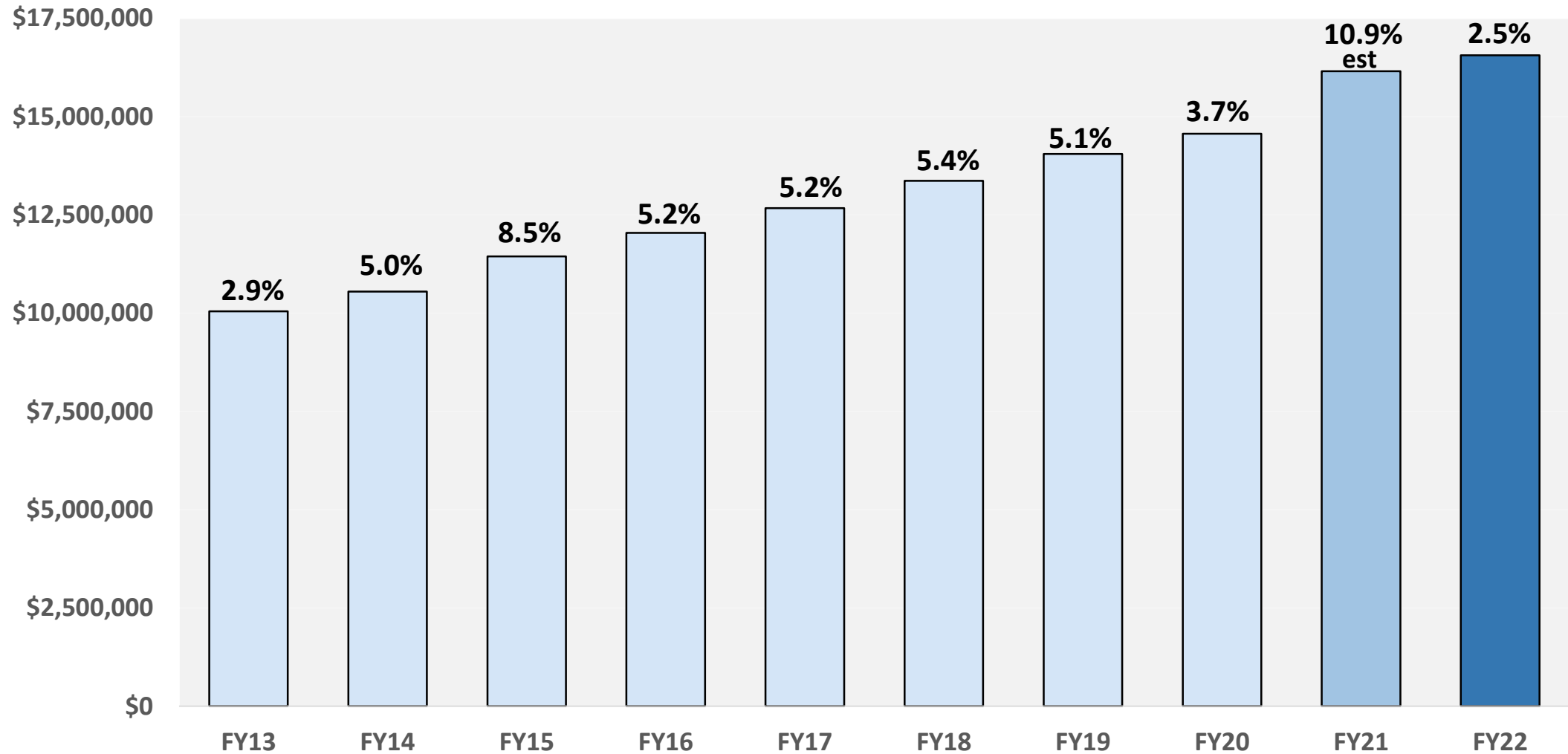


Current Tax Rate 54.4

Proposed Tax Rate 52.4

Revenue Neutral Tax Rate 49.4

Sales Taxes



FY 2022 Priorities

Budget Topic	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2022 Recommended Budget
Pay Adjustment	3%	0%	3%
New Positions	\$ 0	\$ 0	\$444,000
Ephesus Fordham TIF Transfer	\$445,100	\$ 0	\$445,100
Climate Action	\$ 50,000	\$ 0	\$500,000
Human Services	\$446,500	\$446,500	\$556,500
Community Safety Task Force	\$ 0	\$ 0	\$100,000
Pay Study/Implementation	\$100,000	\$ 0	\$400,000

FY 2022 Priorities

Budget Topic	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2022 Recommended Budget
OPEB Prefunding Contribution	\$500,000	\$250,000	\$500,000
Buildings Maintenance	\$472,000	\$ 0	\$350,000
Vehicle Replacements	\$524,000	\$ 0	\$345,000
Street Resurfacing	\$669,000	\$369,000	\$619,000
Pay-Go Capital	\$237,500	\$ 0	\$350,000
Position Savings	\$ 0	\$ 0	(\$1,000,000)

Continuity of Existing Services

Emergency Management

Affordable Housing

Street Resurfacing

Library

Public Safety

Public Housing

Council Meetings via Zoom

Parks & Recreation

Bond Issuances

Building & Development Services

Planning

Downtown Parking

Cyber Security

Garbage Collection

Transportation

Existing Services

Affordable Housing

Public Housing

Affordable Housing Bond

Total in FY 21-22 = Over \$10 million



Existing Services

Human Services Agency Funding

Existing Funding	\$446,500
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Additional Funding	<u>\$100,000</u>
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Total in FY 21-22	\$546,500
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New Services

Climate Action

- New Positions
- Energy Upgrades for Buildings

Total in FY 21-22 = Over \$500,000

New Services

Diversity, Equity and Inclusion

- New Position
- GARE and Equity Toolkit

Total in FY 21-22 = \$150,000

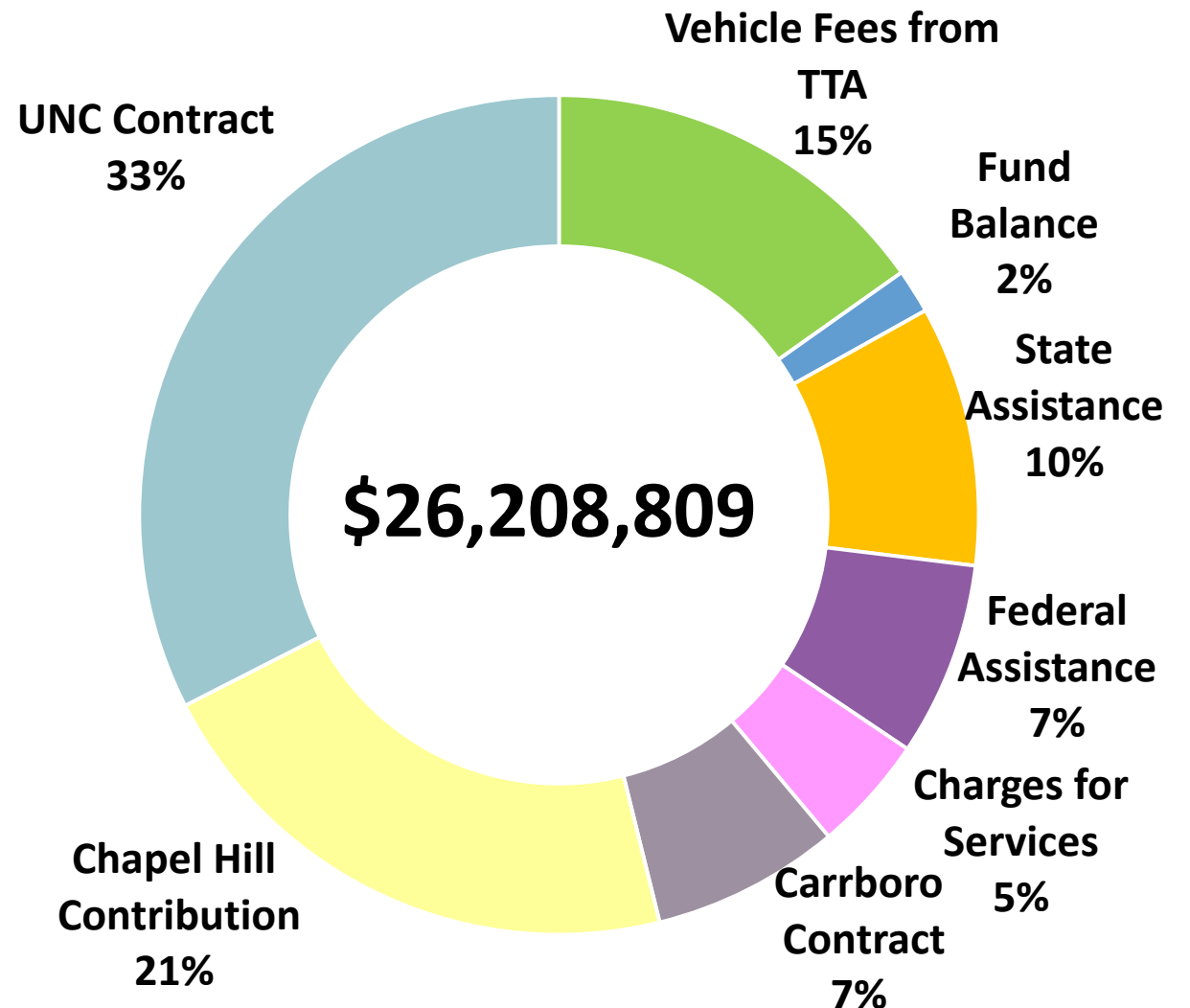
5-Year Budget Strategy

Strategy to ramp up the Town's investments in:

- Environmental Resiliency
- Infrastructure
- Maintenance
- Vehicles
- Human Capital
- Affordable Housing & Human Services
- Social Equity
- Transportation

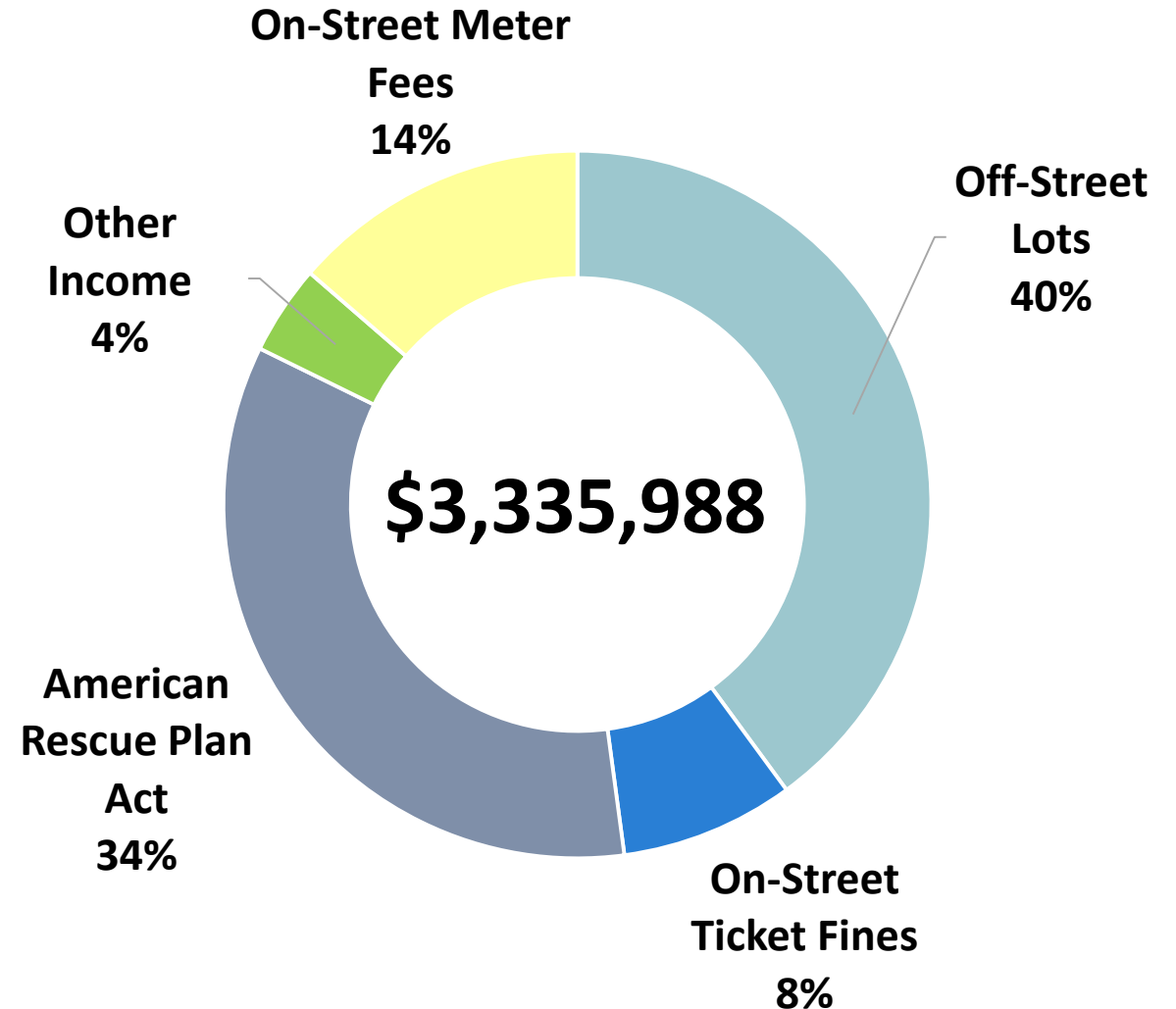
Transit Fund Revenues FY 2021-22

- 4% increase in overall budget
- Small changes to partner contributions (UNC, Carrboro & Town)
- Federal Assistance \$ - unchanged
- State Assistance \$ - return of SMAP
- Appropriation of fund balance – interim measure until receipt of \$5.3 million CARES Act
- Transit Fund in relatively good fiscal condition – dependent on continued federal/state monies & capital needs



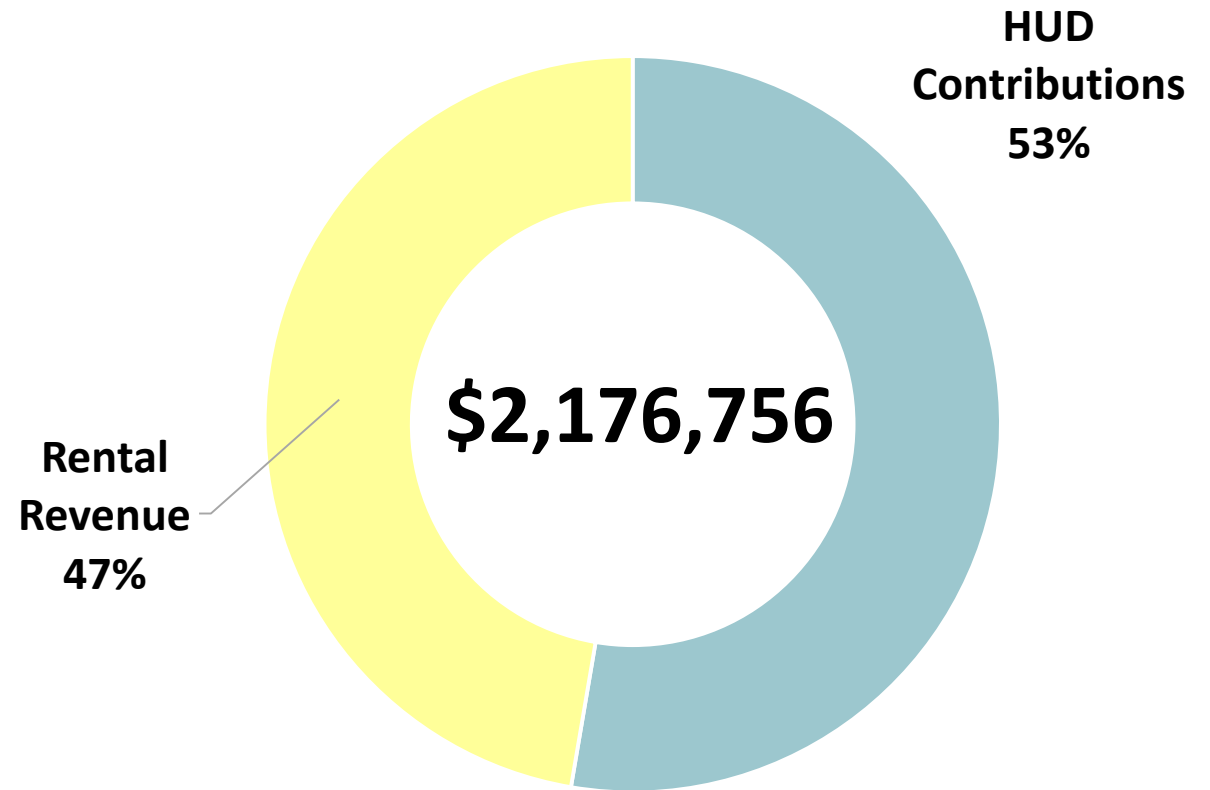
Parking Fund Revenues FY 2021-22

- 4.1% increase in total budget
- Parking Fund revenues still affected by COVID-19 pandemic
- Budget balanced with \$1,147,288 of American Rescue Plan Act funds
- Expenditures include \$916,832 for debt service
- Recovery anticipated with UNC re-opening and Rosemary Street redevelopment



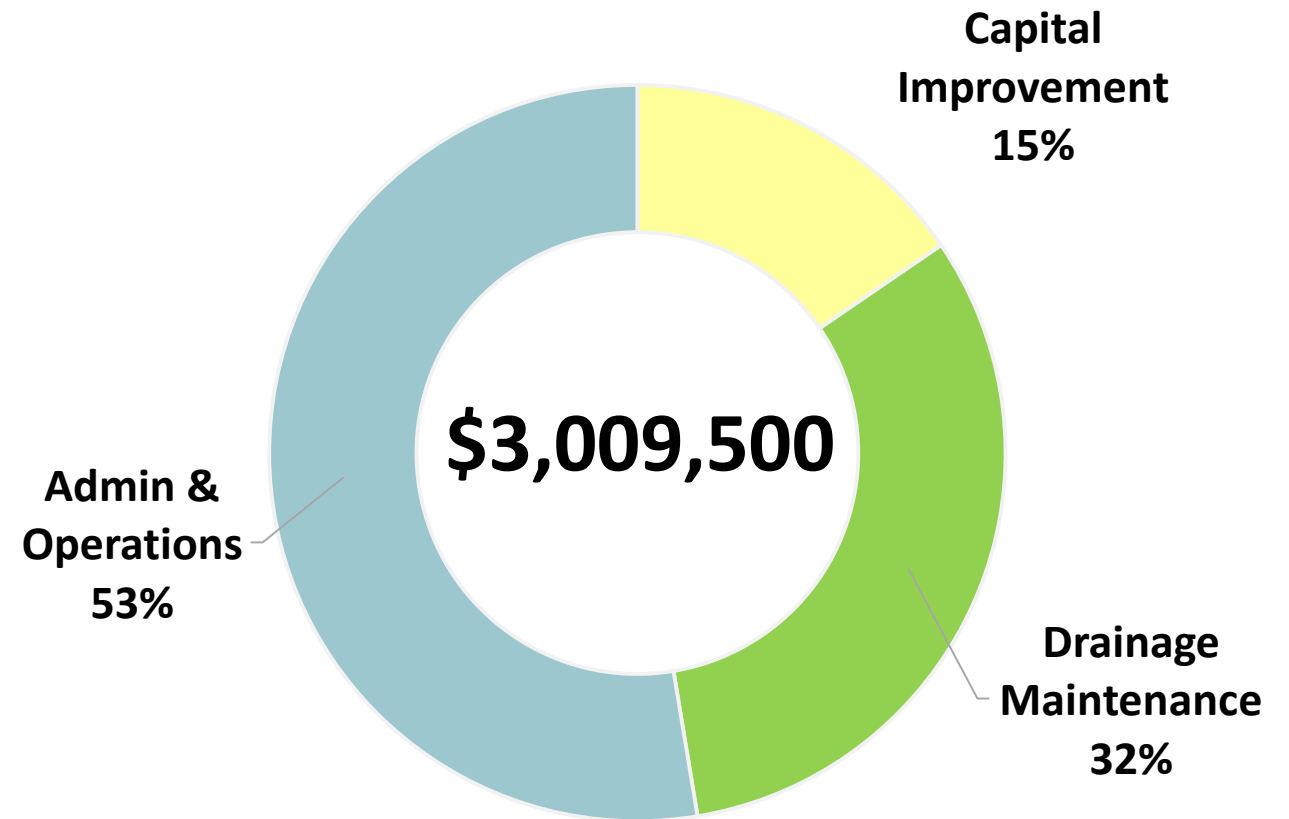
Housing Fund Revenues FY 2021-22

- Flat budget (no change)
- 53% of housing expenses are covered with HUD Operating Subsidy
- 47% of housing expenses are covered with tenant rents
- Housing Fund in good fiscal condition assuming federal monies remain stable



Stormwater Fund Expenses FY 2021-22

- Flat Budget (\$1,000)
- No stormwater fee increase proposed
- Continuation of existing services
- Stormwater Fund in good fiscal condition



Dates for Budget Process

May 5	Presentation of Manager's Recommended Budget
May 12	Budget Work Session
May 19	Budget Public Hearing
May 26	Regular Meeting (budget item to be included if needed)
June 2	Budget Work Session (if needed)
June 9	Budget Adoption

2021-22 Budget Development Page

www.townofchapelhill.org/budget