



Town Council

Meeting Minutes - Final
March 26, 2025, 6:00 PM
Library, Meeting Room A

Mayor Jessica Anderson
Mayor pro tem Amy Ryan
Council Member Camille Berry
Council Member Melissa McCullough
Council Member Paris
Miller-Foushee

Council Member Theodore Nollert
Council Member Adam Searing
Council Member Elizabeth Sharp
Council Member Karen Stegman

For interpretation or translation services, call 919-969-5105.	ဘာသာပြန်ဆိုခြင်းနှင့် စကားပြန်ခြင်းအတွက်၊ (၉၁၉) ၉၆၉ ၅၁၀၅ ကိုဖုန်းခေါ်ပါ။	如需口头或书面翻译服务，请拨打 919-969-5105。	လာတင်ကတိကျပြီးထံမှတစ်ဆင့် မှီလ်လာတင်ကွဲကျိုးထံအတိမ်အစင်အင်္ဂါ ကိးဘတ် ၉၁၉-၉၆၉ ၅၁၀၅	Para servicios de interpretación o traducción, llame al 919 969-5105.
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In-Person Meeting Notification

View the Meeting

- Public attendance is welcome, and limited to room capacity
- We will not live stream the event, but will provide the Post-Meeting Video <https://www.townofchapelhill.org/councilvideo/>
- The Town of Chapel Hill wants to know more about who participates in its programs and processes, including Town Council meetings.
- Participate in a voluntary demographic survey before viewing online or in person - <https://www.townofchapelhill.org/demosurvey>

Parking and Entry

- Parking is available at the Library lots. The Library is served by CL Route, D Route, and GoTriangle Routes of Chapel Hill Transit
- Meeting Room A is to the left from the main entrance.
- Please do not bring signs.

ROLL CALL

Present: 9 - Mayor Jessica Anderson, Mayor pro tem Amy Ryan, Council Member Camille Berry, Council Member Paris Miller-Foushee, Council Member Adam Searing, Council Member Karen Stegman, Council Member Theodore Nollert, Council Member Melissa McCullough, and Council Member Elizabeth Sharp

OTHER ATTENDEES

Interim Town Manager Mary Jane Nirdlinger, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Affordable Housing and Community Connections Director Sarah Viñas, Business Management Assistant Director Matthew Brinkley, Business Management Director Amy Oland, Communications Manager Alex Carrasquillo, Police Officer Danny Lloyd, and Assistant Town Clerk Brenton Hodge.

OPENING

Mayor Anderson called the work session to order at 6:00 p.m., focusing the Council's attention on the FY 2026 Town budget, with Orange County set to present a recent property revaluation on April 16th and the budget adoption scheduled for mid-June.

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.01 Council Member Miller-Foushee Welcomes the Month of Ramadan.

Council Member Miller-Foushee recognized and honored Ramadan by wishing "Ramadan Mubarak" and "Eid Mubarak" to all who were celebrating.

0.02 Council Member Stegman Regarding Budget Process.

Council Member Stegman expressed concerns about discussing the annual budget too early, given the limited information received from staff. Mayor Anderson acknowledged this and encouraged Council members to clearly communicate their information and data needs to the staff.

AGENDA ITEM(S)

1. FY 2026 Budget Update.

Interim Town Manager Mary Jane Nirdlinger presented the status of the FY 2026 Town Budget, which would tie performance measures to the following priority areas: Environmental Stewardship, Economic and Financial Stewardship, Affordable Housing, Connected Community, Healthy and Inclusive Community, Safe Community, and Employee Recruitment and Retention. She highlighted three metrics for measuring priority areas and mentioned staff would discuss scenarios and trade-offs on April 16th

Council Members commented on the importance of making data understandable to the public, tying information to future funding needs, prioritizing only useful data, and making tradeoffs confirming that more than three metrics could be applied, if desired.

The Mayor and Council discussed the need to refine and reaffirm their priorities and goals, seeking a shared understanding and asked staff to provide information on which services could manage a pause in funding.

Director of Business Management Amy Oland discussed the challenges of building the base budget amid a property revaluation, highlighting a \$6.4 million budget gap driven by rising departmental costs and a significant decline in sales tax revenue. She noted that the Town could no longer rely on lapsed salaries or excess fund balance to cover the shortfall and was considering budget cuts. The Mayor and Council emphasized the need to inform the community about the potential loss of federal funding, asked staff to provide a chart showing the Town's efforts to adopt a revenue-neutral tax rate and its impact on residential and commercial entities, and requested more detailed information on potential departmental cuts.

Ms. Oland presented information on funding gaps and backlogs for "big rock" items, including vehicle replacements (\$13 million backlog), facility maintenance (\$14 million backlog), street resurfacing (\$14.6 million backlog), and fire capital (\$13.3 million backlog), comparing current annual funding to the amounts needed to achieve sustainability in each category.

Mayor Anderson asked staff to provide a realistic sense of what is acceptable, rather than what is ideal, including additional information on areas needing repairs and a reasonable level of maintenance. Council Members discussed the importance of treating all goals equally and requested information on how the Town's values are reflected in its core services.

Ms. Oland reviewed the status of the Town's Enterprise Funds, including the Parking, Transit, Stormwater, and Public Housing Funds. She highlighted the Parking Fund's current annual allocation of \$6.7 million and noted the lack of parking fee revenue due to construction delays resulting in a projected shortfall of \$1-\$1.5 million. She discussed the Town's annual contribution of \$36.6 million to the regional Transit Fund, which is grappling with rising costs and uncertain supplemented grants. She explained that fees for the Stormwater Fund have not been increased since 2020. Lastly, she noted The Public Housing Fund receives \$2.7 million annually from the federal government and also relies on tenant rents.

Ms. Oland emphasized that losing federal funding for public housing, community development, traffic, greenways, and/or police would require the Town to find ways to fill the resulting gaps. She advised against spending the entire \$3.5 million in the fund balance, suggesting that the Town identify other resources to cover the shortfall. She also mentioned

that the Town's debt fund does not account for future borrowing needed for coal ash removal at 828 Martin Luther King Jr Boulevard.

Mayor and Council Members requested staff to provide information on the Rosemary Parking Deck shortfall, to see each Town department's draft budget, priorities, and proposed cuts, along with more benchmarking of progress, context for the numbers, and details on the history of staff pay increases, a review of the Visitors Bureau's contract, and data to provide context regarding the cost of delaying maintenance.

Mayor Anderson suggested that the Council consider how the Town is prioritizing critical services. She emphasized the need for a sustainable budget plan that no longer relies on fund balance or lapsed salaries and wanted to know what the Town actually needs rather than aiming for the gold standard. Council Members requested a clear chart showing when different items might become sustainable and budget information that explains the cumulative burden on residents due to property revaluation and other regional fee and tax increases.

Ms. Nirdlinger noted most of the information could be provided, but making it available a week in advance would be challenging. Mayor Anderson responded that the Council primarily wanted to know in advance that staff had heard their requests, stressed the importance of avoiding departmental cuts that would overburden Town employees, and communicating the unprecedented changes at federal, state, and local levels to the public.

This item was received as presented.

REQUEST FOR CLOSED SESSION TO DISCUSS ECONOMIC DEVELOPMENT, PROPERTY ACQUISITION, PERSONNEL, AND/OR LITIGATION MATTERS

A motion was made by Council Member Stegman, seconded by Council Member Berry, that the Council entered Into closed session as authorized by General Statute Section 143-318.11(3) to consult the Town Attorney. The motion carried by a unanimous vote.

ADJOURNED

The council recessed the meeting at 9:02 p.m. and adjourned the meeting at the conclusion of the closed session.