

# Manager's Recommended Budget

## FY 2025-26

Town of Chapel Hill







## Chapel Hill Town Council | 2025-2026



Top Row: Council Members Adam Searing, Melissa McCullough, Theodore Nollert, and Elizabeth Sharp.

Bottom Row: Council Members Camille Berry, and Karen Stegman, Mayor Jessica Anderson, and Council Members Amy Ryan and Paris Miller- Foushee.

### **Interim Town Manager**

Mary Jane Nirdlinger

### **Finance Officer**

Amy Oland





## Table of Contents

Budget message.....	i
Summaries.....	1
General Fund.....	7
General Government.....	19
Environment & Development.....	37
Public Safety.....	55
Leisure.....	67
Debt.....	79
Transit.....	83
Stormwater.....	101
Parking.....	105
Public Housing.....	109
Capital Program.....	115
Other Funds	
Affordable Housing.....	121
Climate Action.....	122
Grants.....	123
Downtown Service District.....	124
Library Gift.....	126
Vehicle Replacement.....	127
Fleet Management.....	128
Computer Replacement.....	130
Performance Agreements with Other Agencies.....	131







MANAGER'S OFFICE  
Town of Chapel Hill  
405 Martin Luther King Jr. Blvd.  
Chapel Hill, NC 27514-5705

phone (919) 968-2743 fax (919) 969-2063  
[www.townofchapelhill.org](http://www.townofchapelhill.org)

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**Letter of Transmittal**

To the Honorable Mayor and  
Members of Town Council  
Town of Chapel Hill, North Carolina

Greetings:

I present to you the Town of Chapel Hill, North Carolina Annual Budget for Fiscal Year 2025-26. The budget includes a total recommended combined property tax rate of 50.0 cents per \$100 of assessed value. The property tax rate for the Downtown Service District is 5.5 cents per \$100 of assessed value.

The Recommended Budget for 2025-26 recognizes Council's most important goals and invests in strategic initiatives to achieve those objectives, even during these challenging and unprecedented times. We look forward to working with Council to continue offering the core services our residents expect.

This Recommended Budget document includes the fund summaries that utilize the governmental budget practices recommended by the Government Finance Officers Association of the United States and Canada.

Respectfully submitted,

Mary Jane Nirdlinger  
Interim Town Manager

May 7, 2025







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May 7, 2025

Mayor and Council:

Tonight, we will present to you the FY2025-2026 recommended budget. This year's property tax revaluation reflects significant growth in values for both residential and commercial properties. We are also facing challenges related to low sales tax revenues, inflation, uncertainty about federal actions, and our limited sources of revenue—primarily property taxes.

The Town has used a five-year outlook to inform their tax rate decisions in recent years. Increasing the rate has addressed some core needs, including Affordable Housing, Parks and Recreation, Transit, and the rising costs of doing business.

By continuing to stabilize our financial base and strengthening our organization, we will be stronger and more resilient during this time. We continue to need to invest in maintaining our buildings and facilities, streets, and fleet to support the services the community values, as well as supporting the ongoing operations of the Town, as outlined in the five-year outlook.

During the last several months, the Council has discussed the Town's critical needs, the tax rate, areas of focus, and community needs. We know that these are difficult decisions, and we also know that maintaining a stable organization is key to providing the services our community will rely on in the upcoming years.

We have been thoughtful about including service changes and reductions in our operating needs, prioritizing the most important needs, and we will be creative with our budget in the upcoming year. To accomplish our shared interests, we have arrived at a proposed budget with these highlights:

- The Total Budget is nearly \$164 million dollars for all our funds, with the general fund accounting for roughly \$94.9 million.
  - That is a 4% increase from the FY 2025 budget.
- We are proposing a tax rate 5.8 cents above the revenue neutral tax rate of 44.2 cents.
  - This would lower our property tax rate from 59.2 cents to 50.0 cents.
  - 5.5 cents for the General Fund will:

- continue with year 3 of the 5-year budget outlook, addressing critical needs,
  - account for declining sales tax revenues,
  - and lessen the Town's reliance on fund balance.
- The remaining 0.3 cents will provide funding for capital and the increased cost of operations for the Transit Fund.
- We are proposing a 5% of market pay increase for our employees as part of the implementation of our last Pay and Classification study, since a stable work force is key to delivering the Town's services.

We have updated the Five-Year Outlook to show how this proposed budget could impact future budget years.

We recognize that a higher tax bill impacts our property owners, and we also acknowledge that we must have sufficient revenues to carry out the Town's vision. The recommended budget is a measured step in addressing the Town's priorities and building a good foundation for the future.

## **FEDERAL UNCERTAINTY**

We have evaluated our federal funding and although we do not know with certainty which funds will be reduced or eliminated, we anticipate changes.

1. We are freezing or holding vacant positions to cover some of our federally funded positions.
2. We have identified fund-balance to be used in case of emergencies.
3. We have repurposed a vacant position for a previously grant-funded position in our Language Access program and included new funding for our two grant-funded Crisis Assistance, Response, and Engagement (CARE) positions in the Police Department. Should we receive grants for any of these positions, the allocated funding will offset other unfunded needs.

## **REDUCTIONS**

We strive to be good stewards of the public's resources, and as part of this year's process, we evaluated our operations for possible reductions. While most reductions would result in decreased services to the community, we did identify some opportunities to discontinue infrequently used services and to change service delivery methods that will generate cost savings now, and into the future. Some examples include, but are not limited to:

- Discontinue renting large yard-waste containers. The cost savings will be applied to other operational needs.
- Change leaf collection and yard-waste collection methods. We will phase these changes in, with adequate communications and a transition plan. More efficient service will avoid the cost of future equipment replacement. It will also provide an opportunity for our street and construction maintenance staff to address other key needs such as road and sidewalk maintenance.
- Pass credit-card fees for Town services to the users so the community at-large does not have to absorb those costs.
- Evaluate our pool operations for coordination with summer camps and review our

schedules for efficiency without impacting the vast majority of our users.

- Identified vacant or soon-to-be vacant positions that can be converted to meet more critical needs throughout the fiscal year.

## **SERVICES**

In any given year, we face the challenge of addressing the average 3-5% increases to "the cost of doing business." This includes everything from cleaning and landscape contracts to software platforms and the numerous other services that are provided by outside vendors. In recent years, departments had to absorb these costs into their budgets – but with sustained, historic inflation, this is no longer a sustainable approach.

With this budget, we have a new \$413,615 allocation to address some of the cost-of-doing business increases and to expand a few critical services that create operating efficiencies.

## **FACILITIES and STREETS**

Just as our community expects high quality services, they also expect well-maintained, high-quality buildings, facilities, and streets. And as you've heard from us throughout budget season, we have a significant amount of deferred maintenance – and the cost of labor and supplies to repair and maintain facilities has gone up. If we do not address some of these needs now, the deferred costs will escalate.

With this budget, we have allocated an additional \$150,000 towards deferred maintenance and an additional \$150,000 towards street resurfacing.

## **FLEET**

To get our business done, we need a fleet of vehicles across departments and divisions – and as stewards of public dollars, we need to keep that fleet well-maintained. As we've shared with you, we have aging vehicles, and our maintenance costs have increased with inflation. And as you know, we are committed to electrifying our fleet – and that will take additional resources. With the new \$150,000 allocation included in this budget, we can continue to make strides on the vehicle replacement front.

## **PEOPLE**

Our employees are our most important asset because they carry out the operations of the Town and deliver our services. We have improved our pay in recent years, and the most recent pay and classification study shows that we have an opportunity this year to match the market for our employees, and address the challenges we experience when we cannot attract or retain our talent. By having competitive wages, we will reduce our overtime expenditures in key departments, we will retain the investment we make in recruiting and training our employees, and we will have a more stable work force. We are proposing a phased implementation of our pay and class study findings, with an increase for all employees in July, and targeted adjustments for employees whose pay remains below the study recommendations in January.

We face known challenges—especially employee burnout and exhaustion, a competitive job market, inflation, and the high cost of living – especially here in Chapel Hill. We also know that

a stable work force helps us reduce overtime costs and training costs for hiring replacements when employees we've invested in leave the organization. We care about providing the best services with the best people, and providing a sustainable workplace for our employees because they are the people delivering services to the community.

Included in the recommended FY 2026 budget:

- 5% of market pay adjustment. This pay adjustment will be a percentage of market pay rather than base pay, in order to move employees closer to the market rate for their jobs.
- 5% pay increase for the Mayor and each Council member.
- 0.75% mandatory increase to the employer share of the retirement system contribution.
- 6% increase for the cost of employee medical insurance.
- \$205,151 to implement the recommendations of the Pay and Classification study in January, 2026, which will bring our remaining front-line employees to an appropriate pay level for their qualifications.
- With no new money going to staffing in the General Fund, we are not recommending any new positions. However, we plan to convert vacant or soon-to-be vacant positions to address critical department needs, including a Traffic Operations Services Coordinator in Public Works, and a shared Payroll and HR Systems Analyst Position, which will benefit the entire organization and free up capacity for increasing our analytics capacity. We will continue to evaluate positions throughout the year.

## **AFFORDABLE HOUSING**

The FY 2026 recommended budget includes nearly 3 pennies for affordable housing initiatives, continuing the Council's previous direction. The Affordable Housing Development Reserve allocation, along with federal funds, the recently launched Affordable Housing Loan Fund, and Affordable Housing Bond funds move us closer to securing resources to meet our funding goal to implement the Town's Affordable Housing Plan to expand and preserve affordable housing.

## **ENTERPRISE FUNDS**

*The Transit budget* is down by 0.5% overall over the current year budget due to discontinuing a large contracted services contract for bus driver support and not appropriating any fund balance. The budget includes a 0.3 cent tax rate above revenue neutral for the Chapel Hill contribution and the corresponding partner contribution increases from UNC & Carrboro. This combined funding will cover Transit's basic operating needs and provide some funding for capital. It does not provide for new positions this year.

*The Parking Fund budget* is up 18.4% overall from the current year due to a *larger* transfer from the Debt Service Fund (which offsets the debt service payment on the 2021 and 2024 LOBS) as a result of parking revenues continuing to rebound from the pandemic. We anticipate this transfer will not be needed once the East Rosemary parking deck has been open for a few years.

*The Public Housing budget* is up 6.8% which is driven by increases in anticipated tenant rents and one-time appropriation of fund balance for additional property repairs.

*The Stormwater budget* is up 13.1%. We are recommending a stormwater fee increase of \$5.30 per ERU, of which \$3.80 per ERU will cover the fund's debt service on the issuance of the final \$3.2 million in general obligation bonds and of which \$1.50 per ERU will fund a Stormwater Analyst position, to maintain compliance with our mandatory permitting requirements and to address stormwater infrastructure planning and implementation needs, which is one of the Town's critical needs.

We believe that the budget before you tonight positions the Town well for the future. By stabilizing the base of our budget, investing in our core operations, and continuing to fund the big, bold goals of the community, the Council provides the Town with resilience this year and into the future. We appreciate the thoughtful conversation that has already informed this recommended budget, and we look forward to your questions.

Sincerely,

Mary Jane Nirdlinger  
Interim Town Manager, Chapel Hill NC

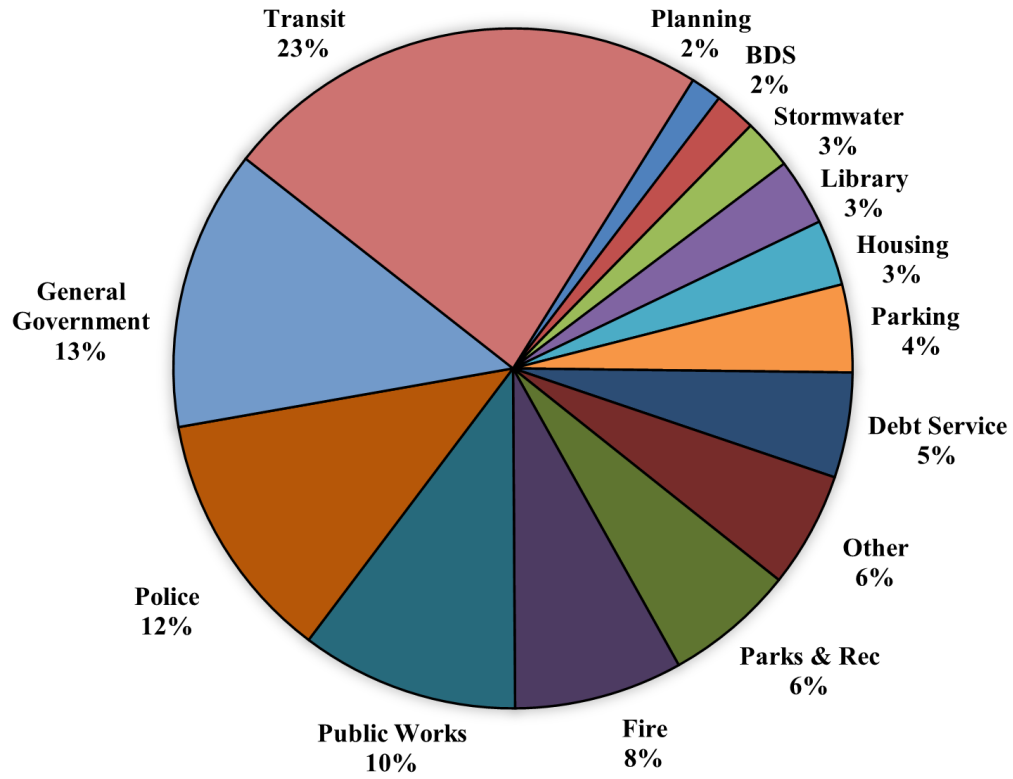




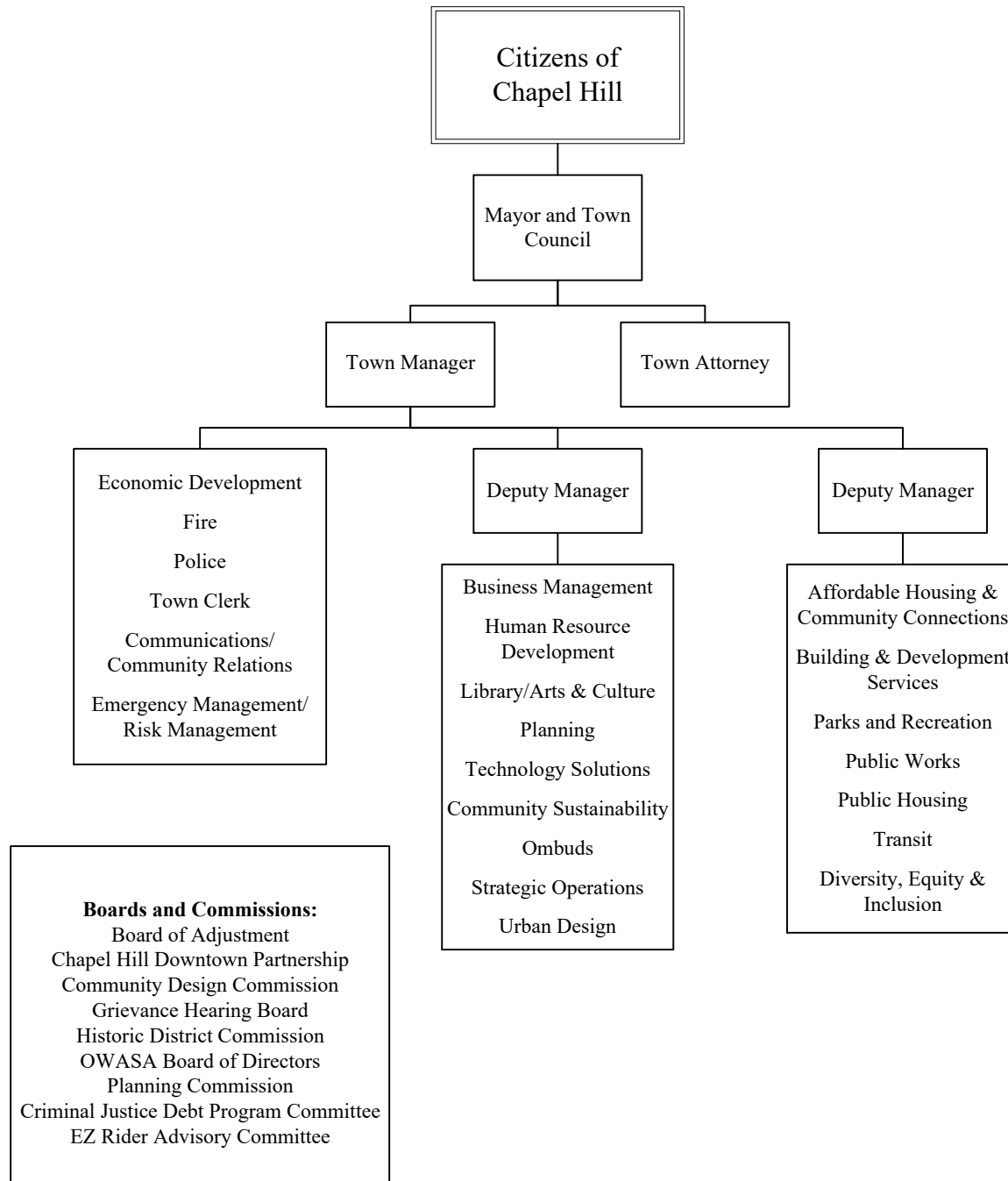
# ***ALL FUNDS SUMMARY***

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**TOTAL BUDGET EXPENDITURES \$156,524,865  
(NET OF TRANSFERS)**



# TOWN OF CHAPEL HILL ORGANIZATION CHART



***ALL FUNDS***  
***SUMMARY OF APPROPRIATIONS***  
***Recommended Budget 2025-26***

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<b>Fund</b>	<b>Appropriations</b>	<b>Less Transfers to Other Funds</b>	<b>Net Appropriations</b>
<b>General Fund</b>	\$ 94,883,000	\$ 5,116,319	\$ 89,766,681
<b>Transit Funds</b>			
Transit	36,481,975	-	36,481,975
Transit Capital Reserve Fund	-	-	-
<b>Stormwater Management Fund</b>	3,713,100	-	3,713,100
<b>Parking Fund</b>	6,525,673	-	6,525,673
<b>Housing Funds</b>			
Public Housing Fund	2,882,324	-	2,882,324
<b>Debt Service Fund</b>	9,784,100	1,957,868	7,826,232
<b>Capital Projects</b>			
Capital Improvements Fund	2,895,996	28,320	2,867,676
<b>Other Funds</b>			
Affordable Housing Reserve Fund	722,003	-	722,003
Climate Action Fund	804,259	-	804,259
Grants Fund	-	-	-
Downtown Service District Fund	593,500	-	593,500
Library Gift Fund	220,814	45,000	175,814
Vehicle Replacement Fund	1,810,000	-	1,810,000
Fleet Management Fund	2,215,752	-	2,215,752
Computer Replacement Fund	139,876	-	139,876
<b>TOTAL</b>	<b>\$ 163,672,372</b>	<b>\$ 7,147,507</b>	<b>\$ 156,524,865</b>

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# ***ALL FUNDS STAFFING SUMMARY***

Personnel costs make up 60% of the Town's operating budget across all funds. Personnel costs in the General Fund make up 70% of total expenditures. The Staffing Summary represents a snapshot of the FTE's on which the FY26 Recommended Budget is based.

## ***2025-26 STAFFING BY DEPARTMENT IN FULL-TIME EQUIVALENTS***

<b><i>DEPARTMENTS</i></b>	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Mayor	1.00	1.00	1.00
Manager	26.00	26.00	30.00
Clerk's Office (formerly Governance Services) <sup>1</sup>	4.53	4.50	-
Human Resource Development	8.00	8.00	8.00
Business Management	18.00	18.00	19.00
Technology Solutions	16.00	16.00	16.00
Attorney	3.00	3.00	3.00
Planning <sup>2</sup>	16.80	16.30	16.30
Public Works <sup>2</sup>	91.70	91.20	92.20
Building & Development Services	20.00	20.50	20.50
Affordable Housing and Community Connections <sup>3</sup>	8.70	9.80	8.80
Police	121.00	121.00	123.00
Fire	97.00	97.00	97.00
Parks & Recreation	54.80	54.80	54.80
Library	34.66	34.53	34.53
Transit	208.66	211.66	212.66
Stormwater <sup>2</sup>	15.55	15.55	16.55
Parking	9.80	9.75	9.00
Public Housing <sup>3</sup>	16.50	16.40	16.40
Downtown Service District	1.00	1.00	1.00
Fleet Management	7.75	7.75	7.75
Total FTE's	780.45	783.74	787.49

<sup>1</sup> This department has been absorbed into the Manager's Office as of FY24-25.

<sup>2</sup> One employee in Planning and three employees in Public Works also work in Stormwater. They have been split-coded to reflect time spent in each department.

<sup>3</sup> As of FY24-25, several employees are split-coded between the Affordable Housing & Community Connections department and the Public Housing fund.

# ***TAX RATES AND TAX COLLECTIONS***

## ***Recommended 2025-26***

	2023-24 Actual	2024-25 Budget	2024-25 Estimated	2025-26 Recommended
<b>Assessed Value of Real and Personal Property</b>	<b>\$ 9,662,979,000</b>	<b>\$ 9,787,420,000</b>	<b>\$ 9,787,420,000</b>	<b>\$ 13,250,450,000</b>
<b>Tax Rate Per \$100 Valuation</b>				
General Fund	42.2	43.7	43.7	38.1
Transit Fund	6.2	6.7	6.7	5.3
Debt Service Fund	8.8	8.8	8.8	6.6
<b>Total Tax Rate (cents)</b>	<b>57.2</b>	<b>59.2</b>	<b>59.2</b>	<b>50.0</b>
<b>Tax Levy</b>	<b>55,272,240</b>	<b>57,942,000</b>	<b>57,942,000</b>	<b>66,252,000</b>
<b>Estimated Collections at 99%</b>	<b>\$ 55,112,000</b>	<b>\$ 57,774,000</b>	<b>\$ 57,774,000</b>	<b>\$ 66,059,900</b>
<b>Distribution</b>				
General Fund	40,658,505	42,650,000	42,650,000	50,340,000
Transit Fund	5,975,794	6,540,000	6,540,000	7,000,000
Debt Service Fund	8,478,626	8,590,000	8,590,000	8,720,000
<b>Downtown Service District Fund</b>				
Tax Rate (cents)	6.4	6.4	6.4	5.5
<b>Assessed Value of Real and Personal Property</b>	<b>\$ 638,000,000</b>	<b>\$ 644,500,000</b>	<b>\$ 644,500,000</b>	<b>\$ 762,700,000</b>
<b>Tax Levy</b>	<b>408,000</b>	<b>412,000</b>	<b>412,000</b>	<b>419,000</b>
<b>1¢ of the Tax Rate Equals (to nearest 1,000)</b>	<b>\$ 963,000</b>	<b>\$ 976,000</b>	<b>\$ 976,000</b>	<b>\$ 1,321,000</b>



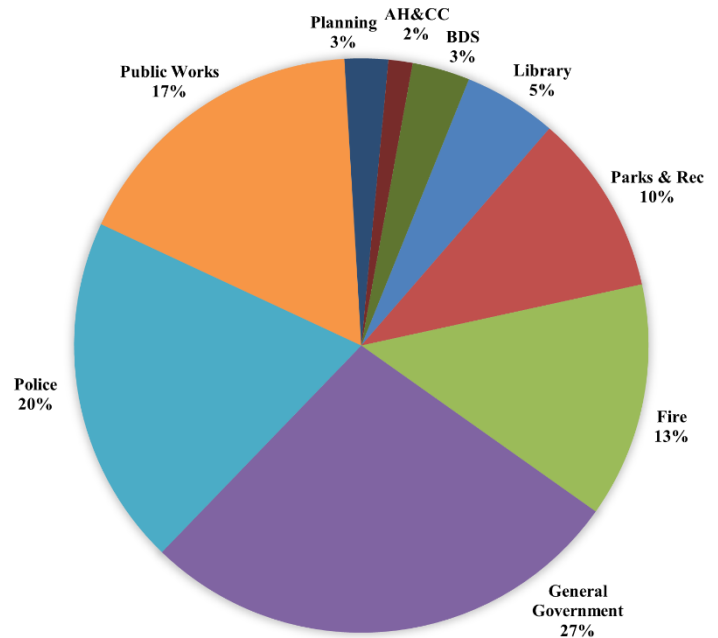


# GENERAL FUND

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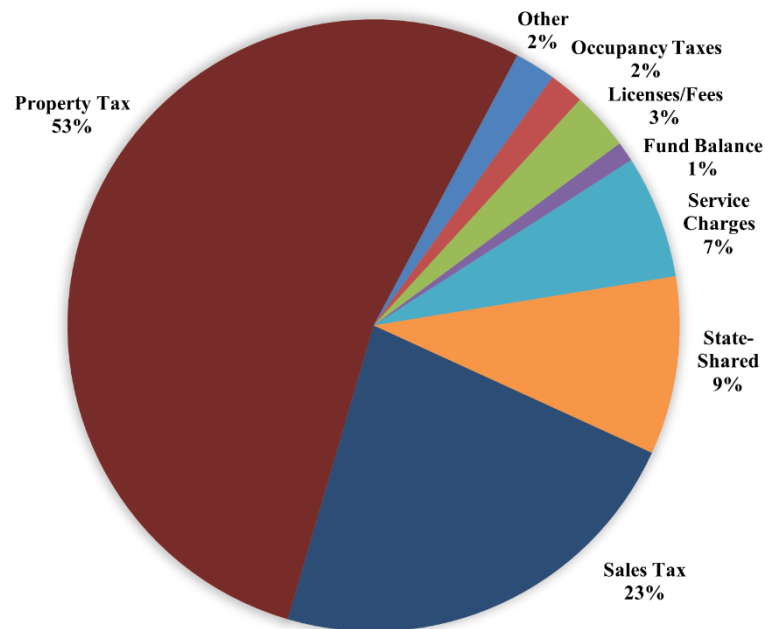
The General Fund is the general operating fund of the Town and is used to account for all revenues and expenditures except those required to be accounted for in another fund. The fund is established at the inception of a government and exists throughout the government's life.

**General Fund Expenditures**



**Total \$94,883,000**

**General Fund Revenues**





## **GENERAL FUND**

### **BUDGET SUMMARY**

#### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Government	\$ 23,734,982	\$ 24,389,825	\$ 25,843,628	\$ 23,237,614	\$ 26,002,682	6.6%
Environment & Development	20,101,239	22,004,866	22,585,008	20,633,891	22,927,421	4.2%
Public Safety	27,887,326	29,201,360	29,303,458	29,146,035	31,275,697	7.1%
Leisure	12,951,341	13,876,949	13,954,010	13,481,166	14,677,200	5.8%
Total	\$ 84,674,888	\$ 89,473,000	\$ 91,686,104	\$ 86,498,706	\$ 94,883,000	6.0%

#### **REVENUES**

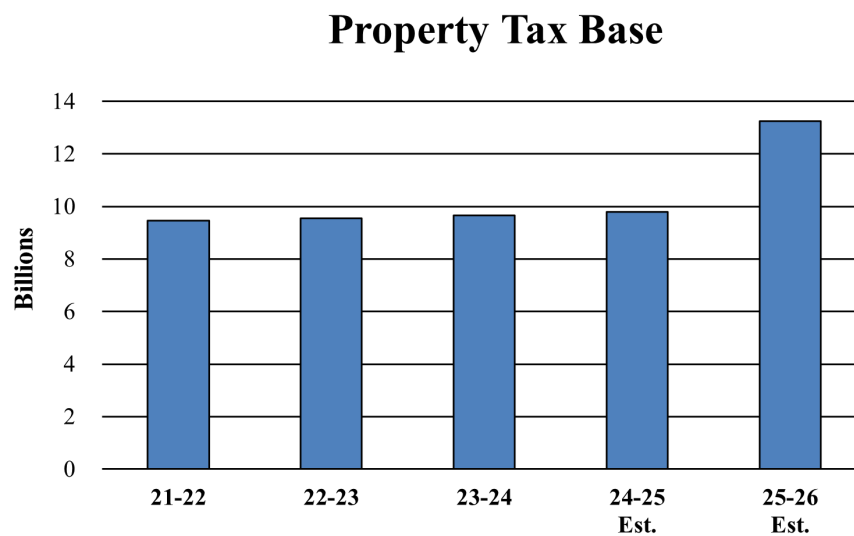
	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues:						
Property Taxes	\$ 40,839,106	\$ 42,835,000	\$ 42,835,000	\$ 42,944,985	\$ 50,530,000	18.0%
Sales Taxes	21,166,868	22,993,152	22,993,152	21,528,427	21,528,427	-6.4%
Occupancy Tax	1,763,710	1,700,000	1,700,000	1,763,280	1,750,000	2.9%
Other Tax and Licenses	99,008	100,000	100,000	91,760	100,000	0.0%
State-Shared Revenues	8,560,959	8,313,708	8,313,708	8,913,636	8,927,339	7.4%
Interest on Investments	1,412,490	750,000	750,000	1,144,560	750,000	0.0%
Other Revenues	843,501	421,100	439,602	483,364	407,962	-3.1%
Grants	825,217	749,862	817,658	787,620	750,083	0.0%
Charges for Services	5,537,916	5,616,827	5,616,827	5,965,448	6,173,959	9.9%
Licenses/Permits/Fines	3,024,839	3,462,693	3,462,693	2,830,626	2,920,230	-15.7%
Transfers/Other Sources	295,000	45,000	45,000	45,000	45,000	0.0%
Appropriated						
Fund Balance	306,274	2,485,658	4,612,464	-	1,000,000	-59.8%
Total	\$ 84,674,888	\$ 89,473,000	\$ 91,686,104	\$ 86,498,706	\$ 94,883,000	6.0%

# GENERAL FUND

## Major Revenue Sources - Descriptions and Estimates

### Property Tax

The largest component of the property tax is the levy on real property. The property tax consists of three components – General Fund, Debt Service Fund, and Transit Fund. We have based our estimate on historic trends and current information from Orange and Durham Counties for the overall tax base. The tax base for 2025-26 is estimated to be \$13,250,450,000 with 1 cent on the tax rate equivalent to about \$1,321,000.



The combined property tax revenue we anticipate for 2025-26 totals about \$66 million, with \$50.34 million of that supporting the General Fund.

### Other Local Taxes

Revenue from the 3 percent Hotel/Motel occupancy tax is expected to total \$1,763,280 in the current year and \$1,750,000 in 2025-26. Generally, revenue trends are affected by University events and overall economic conditions.

# GENERAL FUND

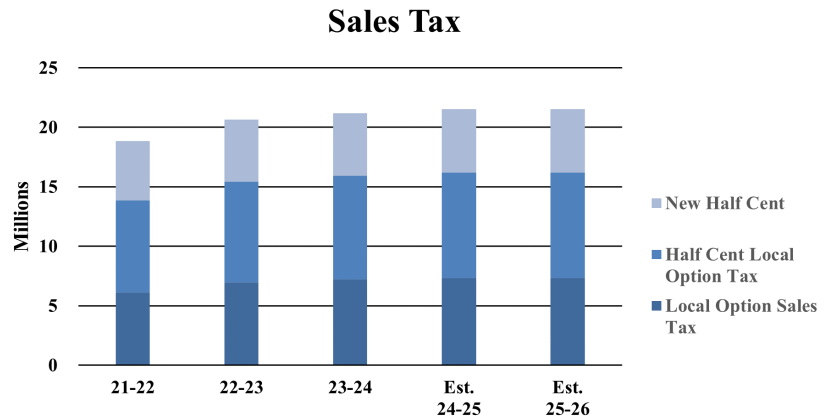
## Major Revenue Sources - Descriptions and Estimates

### State-Collected Revenues

#### Sales Taxes

Sales tax revenue is expected to come in under budget in 2024-25. Based on past growth, an increase of 4.5% was budgeted for FY25. Sales tax receipts are growing at a slower rate versus the previous year through the first seven months. Based on this trend, we anticipate little to no growth through the remainder of the fiscal year. We are

estimating a decrease of 6.4% in projected sales tax revenue for FY26 compared to the FY25 adopted budget. We estimate combined sales taxes of about \$21,528,527 for 2024-25. Orange County has the option to change the allocation method for sales taxes from per capita to ad valorem, which would result in a significant reduction in sales tax receipts for the Town.



#### Motor Fuel Taxes (known as Powell Bill funds)

Motor fuel tax revenue is based on receipts of  $1\frac{3}{4}$  cents of the State gasoline tax allocated to local governments, based on population and local street mileage in each jurisdiction. This revenue is anticipated to total \$1,975,625 in 2024-25, about \$188,000 more than last year. For 2025-26, we anticipate revenues will remain flat at \$1,975,625.

#### State Fire Protection Funds

We are expecting about \$1,025,000 in State Fire Protection Funds in the current year, and we expect that figure to hold at \$1,025,000 in 2025-26.

#### Utility Sales Tax

Utility sales taxes are derived from a 3 percent tax on gross revenues from public utilities in each jurisdiction and are collected by the State for distribution to cities and towns. Because the fees are dependent upon utility charges, they are affected by weather conditions and can vary from year to year. In 2007, the State changed the distribution method for cable franchise fees and included them in the utility sales tax distribution. We estimate that we will receive approximately \$5,000,000 in the current year in utility sales taxes. We anticipate that revenues will remain flat at \$5,000,000 in 2025-26.

# GENERAL FUND

## Major Revenue Sources - Descriptions and Estimates

### Solid Waste Disposal Tax

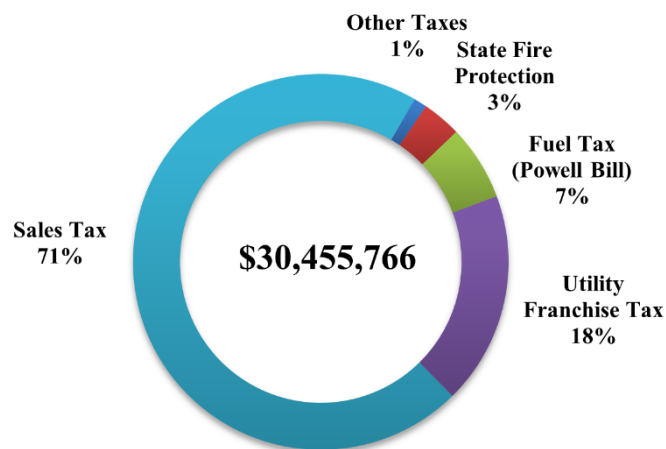
The Solid Waste Disposal Tax went into effect on July 1, 2008. This \$2 per-ton tax is charged on municipal solid waste and construction debris that is deposited in a landfill in the state or transferred at a transfer station for disposal outside of the state. 18.75% of this tax is distributed to cities and towns on a per capita basis. We anticipate receiving around \$46,500 for the current year and \$46,500 next year.

### Beer and Wine Taxes

Assuming full receipt of the Beer and Wine tax revenue normally distributed in May to cities and counties, we estimate allocations from this source of about \$300,000 for the current year and \$300,000 next year.

In summary, we estimate State-collected revenues would total about \$30,455,766 for next year.

### State Collected Revenues



### Other Revenue Sources

#### Grants

This category of revenue includes certain recurring local and State grants totaling about \$750,000 for 2025-26. Beginning in 2004-05, we began using a separate Grants Fund for non-recurring grants.

Local grants include an appropriation from Orange County to supplement the Town's Parks and Recreation programs and the Town's Library. The recommended budget for 2025-26 includes level funding from the County at \$83,760 for the Parks and Recreation supplement. The recommended 2025-26 budget includes \$621,323 in Orange County funding to support the Chapel Hill Library, which has remained flat compared to the current year's allocation. The State appropriation for Library services is budgeted at \$39,000.

#### Charges for Services

Service Charges for various Town services and programs (including zoning compliance review and Parks and Recreation programs) are estimated to come in over budget in the current year by about \$350,000. This is driven by higher than anticipated development-related revenues and charges for CHPD Student Resource Officer services provided to Chapel Hill-Carrboro City Schools. Charges for services are expected to increase from a budgeted amount of \$5,616,827 in 2024-25 to \$6,173,959 for 2025-26 due to projected activity.



# ***GENERAL FUND***

## ***Major Revenue Sources - Descriptions and Estimates***

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This category also reflects amounts transferred from other Town funds to the General Fund, primarily to recover administrative and indirect costs from other Town enterprise funds and services. For 2025-26, these include \$86,843 from Parking, \$172,625 from the Stormwater Management Fund, and \$1,879,369 from the Transit Enterprise Fund.

### *Licenses/Permits/Fines & Forfeitures*

Revenue from licenses, permits, and fines are expected to come in significantly under the current year's budget by about \$630,000, mainly due to smaller than anticipated revenues from Fire and Inspections. Total licenses and permits are expected to increase from about \$2.83 million in 2024-25 to \$2.92 million in 2025-26.

### *Interest on Investments*

The General Fund share of interest earned on the Town's investments is recorded in this category. Investment income in the current year's budget was originally estimated at \$750,000. Due to several factors, interest is anticipated to come in over budget at \$1.14 million for 2024-25. The Town anticipates \$750,000 in interest income in 2025-26 based on current trends.

## **Miscellaneous, Transfers, Net Assets (Fund Balance)**

### *Miscellaneous Revenues*

The primary miscellaneous revenues include mutual aid reimbursements, court cost reimbursements, donations, insurance claims, and sales tax refunds. Miscellaneous revenues are expected to total about \$483,000 for 2024-25 and \$408,000 for 2025-26.

### *Transfers*

Transfers include a transfer of \$45,000 for 2025-26 from the Library Gift Fund for Library purposes.

### *Fund Balance*

This appropriation represents a use of net assets (fund balance) for general operations. We are currently budgeted to use about \$4.6 million of fund balance in 2024-25, but through cost-cutting measures, we anticipate using no fund balance in the current fiscal year. This is based on conservative revenue estimates and departmental end-of-year expenditure estimates. The annual budget includes the use of \$1,000,000 in 2025-26 to maintain service levels.

# ***GENERAL FUND***

## ***Major Revenue Sources - Descriptions and Estimates***

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### **Summary of Revenues**

In summary, the annual budget includes \$94.88 million in General Fund revenues, including the use of \$1,000,000 of fund balance.

The table below shows comparative estimates of total General Fund revenues for the current year and next year.

	24-25 Revised Budget	24-25 Estimated	25-26 Recommended Budget
Property Taxes	\$ 42,835,000	\$ 42,944,985	\$ 50,530,000
Sales Taxes	22,993,152	21,528,427	21,528,427
Occupancy Tax	1,700,000	1,763,280	1,750,000
Other State-Collected	100,000	91,760	100,000
Other Revenues	9,503,310	10,541,560	10,085,301
Grants	817,658	787,620	750,083
Licenses/Permits	3,462,693	2,830,626	2,920,230
Service Charges	5,616,827	5,965,448	6,173,959
Interfund Transfers	45,000	45,000	45,000
Fund Balance	<u>4,612,464</u>	<u>-</u>	<u>1,000,000</u>
<b>Total</b>	<b>\$ 91,686,104</b>	<b>\$ 86,498,706</b>	<b>\$ 94,883,000</b>

# GENERAL FUND

## Major Expenditures - Descriptions and Estimates

The General Fund provides basic services for Town citizens including police and fire protection, environment and development services (including planning, public works, engineering, and inspections), general administration, and planning for growth and development in the community.

The pie chart below shows the relative proportions of expenditures for the various functions and departments in the General Fund budget totaling \$94,883,000 for the 2025-26 budget.

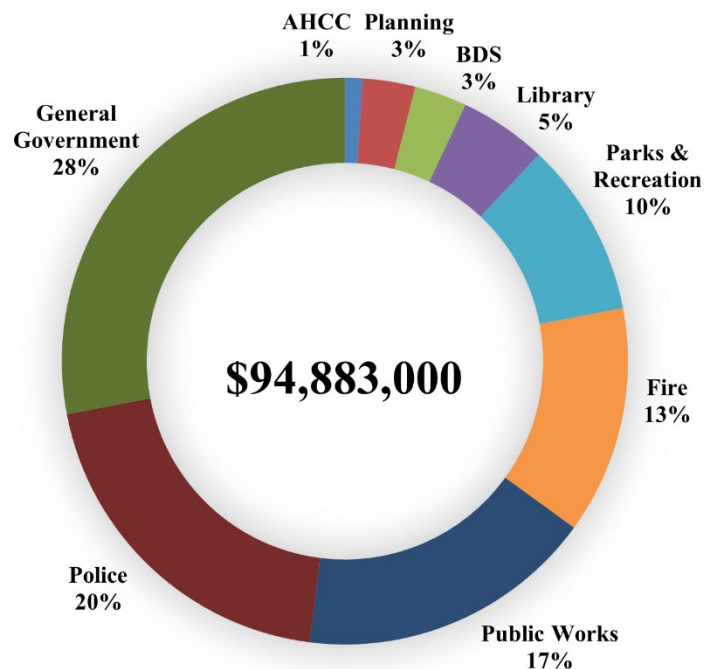
The largest category of expenditures for the General Fund is Public Safety services, with Police Department expenditures of about \$18.7 million and Fire Department expenditures of about \$12.6 million.

Environment and Development comprises about \$22.9 million, including Planning, Affordable Housing & Community Connections, Building & Development Services, and Public Works, which provide services of affordable housing, planning for growth, engineering, solid waste collection, maintenance of streets, and maintenance of Town facilities.

Police, Fire, and Public Works together comprise about 50% of total General Fund expenditures.

Other General Fund services include Parks and Recreation programs totaling about \$9.7 million, Library services of just under \$5 million, and General Governmental activities (Administration, Governance Services, Human Resources, Business Management, Technology Solutions, and Attorney) totaling about \$14.8 million.

Non-departmental expenditures total \$11.2 million. \$2,019,975 is included in the recommended budget for distribution to other agencies in support of human services, cultural and arts programs, economic development, and development of affordable housing as adopted by the Council. The non-departmental budget also includes funding for “penny for housing” (\$722,003) and legal funds (\$100,000). The budget for liability and property insurance totals \$650,000.



# **GENERAL FUND**

## ***Major Expenditures - Descriptions and Estimates***

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The 2025-26 budget includes changes to the Town's contribution to employee retirement. This amount went up by \$311,686, which reflects a 0.75% increase to the contribution over the prior year. Other personnel increases to the budget include a 5% of market rate salary adjustment starting July 1, 2025 (\$2,348,245) and a 6% health insurance increase (\$280,573). Additionally, \$205,151 is being set aside for the implementation of the pay study.

The 2025-26 budget includes increased funding for vehicle replacement (\$150,000) and additional funding in various areas for cost of services increases (\$413,615). The recommended budget includes additional funding for the Police Department related to their new facility (\$250,000), \$204,948 for the Rogers Road commitment, \$175,000 for increased tax collection fees, \$192,671 for higher Street Lighting Electricity costs, and \$65,000 for election-related expenses. Related to personnel, the recommended budget includes funding for three previously grant-funded positions (\$300,188).

Additional increases to the FY26 budget include \$250,000 for Fire Capital costs, \$150,000 for increased facility maintenance, and \$150,000 for streets maintenance. Vehicle Maintenance is up over FY25, by about \$92,000, and liability insurance is also up by \$75,000 over the prior year.

The 2025-26 Recommended Budget continues to fund retiree medical costs on a pay-as-you-go basis (\$1,852,000) and contribute \$250,000 towards the post-employment benefit (OPEB) liability.

The table below shows expenditure levels for General Fund personnel, operating costs, and capital outlay.

<b>EXPENDITURES</b>						
	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 58,600,859	\$ 63,312,079	\$ 63,104,441	\$ 62,110,384	\$ 66,707,228	5.4%
Operating Costs	25,866,964	25,830,921	28,290,087	24,160,034	27,595,772	6.8%
Capital Outlay	207,065	330,000	291,576	228,288	580,000	75.8%
Total	\$ 84,674,888	\$ 89,473,000	\$ 91,686,104	\$ 86,498,706	\$ 94,883,000	6.0%

**GENERAL FUND**  
**EXPENDITURES BY DEPARTMENT**

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
<b>General Government</b>						
Mayor/Council	\$ 602,639	\$ 598,708	\$ 603,211	\$ 587,751	\$ 681,796	13.9%
Town Manager	3,821,556	4,218,938	4,768,981	4,692,560	5,333,500	26.4%
Clerk's Office (formerly Governance Services)	801,917	893,545	823,512	801,873	-	-100.0%
Human Resource Development	1,630,555	1,644,761	1,731,712	1,559,402	1,716,928	4.4%
Business Management	2,718,301	2,942,653	3,024,287	2,933,981	3,389,911	15.2%
Technology Solutions	2,602,484	3,007,190	3,128,225	2,997,712	2,921,485	-2.9%
Town Attorney	628,238	675,203	675,203	647,637	711,636	5.4%
Non-Departmental	10,929,292	10,408,827	11,088,497	9,016,698	11,247,426	8.1%
<b>Subtotal</b>	<b>\$ 23,734,982</b>	<b>\$ 24,389,825</b>	<b>\$ 25,843,628</b>	<b>\$ 23,237,614</b>	<b>\$ 26,002,682</b>	<b>6.6%</b>
<b>Environment &amp; Development</b>						
Planning	\$ 2,134,956	\$ 2,198,321	\$ 2,759,023	\$ 2,100,481	\$ 2,323,849	5.7%
Affordable Housing and Community Connections	971,901	1,362,724	1,304,990	1,194,540	1,291,081	-5.3%
Public Works	14,488,044	15,575,463	15,657,302	14,597,582	16,236,025	4.2%
Building & Development Services	2,506,338	2,868,358	2,863,693	2,741,288	3,076,466	7.3%
<b>Subtotal</b>	<b>\$ 20,101,239</b>	<b>\$ 22,004,866</b>	<b>\$ 22,585,008</b>	<b>\$ 20,633,891</b>	<b>\$ 22,927,421</b>	<b>4.2%</b>
<b>Public Safety</b>						
Police	\$ 16,535,893	\$ 17,307,866	\$ 17,364,300	\$ 17,241,326	\$ 18,724,176	8.2%
Fire	11,351,433	11,893,494	11,939,158	11,904,709	12,551,521	5.5%
<b>Subtotal</b>	<b>\$ 27,887,326</b>	<b>\$ 29,201,360</b>	<b>\$ 29,303,458</b>	<b>\$ 29,146,035</b>	<b>\$ 31,275,697</b>	<b>7.1%</b>
<b>Leisure</b>						
Parks and Recreation	\$ 8,415,902	\$ 9,123,072	\$ 9,195,423	\$ 8,822,003	\$ 9,694,655	6.3%
Library	4,535,439	4,753,877	4,758,587	4,659,163	4,982,545	4.8%
<b>Subtotal</b>	<b>\$ 12,951,341</b>	<b>\$ 13,876,949</b>	<b>\$ 13,954,010</b>	<b>\$ 13,481,166</b>	<b>\$ 14,677,200</b>	<b>5.8%</b>
<b>General Fund Total</b>	<b>\$ 84,674,888</b>	<b>\$ 89,473,000</b>	<b>\$ 91,686,104</b>	<b>\$ 86,498,706</b>	<b>\$ 94,883,000</b>	<b>6.0%</b>





## **GENERAL GOVERNMENT BUDGET SUMMARY**

*This section includes management, human resources, finance, information technology, and legal functions to support all Town departments, as well as budget for non-departmental expenses.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Mayor/Council	\$ 602,639	\$ 598,708	\$ 603,211	\$ 587,751	\$ 681,796	13.9%
Town Manager	3,821,556	4,218,938	4,768,981	4,692,560	5,333,500	26.4%
Clerk's Office/Governance Svcs	801,917	893,545	823,512	801,873	-	-100.0%
Human Resources	1,630,555	1,644,761	1,731,712	1,559,402	1,716,928	4.4%
Business Management	2,718,301	2,942,653	3,024,287	2,933,981	3,389,911	15.2%
Technology Solutions	2,602,484	3,007,190	3,128,225	2,997,712	2,921,485	-2.9%
Town Attorney	628,238	675,203	675,203	647,637	711,636	5.4%
Non-Departmental	10,929,292	10,408,827	11,088,497	9,016,698	11,247,426	8.1%
Total	\$ 23,734,982	\$ 24,389,825	\$ 25,843,628	\$ 23,237,614	\$ 26,002,682	6.6%

### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 23,734,982	\$ 24,389,825	\$ 25,843,628	\$ 23,237,614	\$ 26,002,682	6.6%
Total	\$ 23,734,982	\$ 24,389,825	\$ 25,843,628	\$ 23,237,614	\$ 26,002,682	6.6%

***MAYOR***  
***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	2023-24 ADOPTED	2024-25 ADOPTED	2025-26 RECOMMENDED
Mayoral Aide	1.00	1.00	1.00
Mayor's Office Totals	1.00	1.00	1.00

## **MAYOR**

### **BUDGET SUMMARY**

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*The recommended budget for the Mayor's Office reflects a 4.7% increase from the 2024-25 budget. Personnel costs increased 5.5%, reflecting a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. Operating costs remained mostly flat.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 127,888	\$ 145,130	\$ 145,130	\$ 142,815	\$ 153,078	5.5%
Operating Costs	14,094	21,533	18,646	21,737	21,353	-0.8%
Total	\$ 141,982	\$ 166,663	\$ 163,776	\$ 164,552	\$ 174,431	4.7%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 141,982	\$ 166,663	\$ 163,776	\$ 164,552	\$ 174,431	4.7%
Total	\$ 141,982	\$ 166,663	\$ 163,776	\$ 164,552	\$ 174,431	4.7%

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## **COUNCIL**

### **BUDGET SUMMARY**

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*The recommended budget for the Town Council reflects an increase of 17.4% from the 2024-25 budget, primarily due to an increase in operating expenses because FY25-26 is an election year. Personnel expenses went up due to an increase in insurance costs and a salary increase.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 279,384	\$ 287,860	\$ 287,860	\$ 280,665	\$ 291,185	1.2%
Operating Costs	181,273	144,185	151,575	142,534	216,180	49.9%
Total	\$ 460,657	\$ 432,045	\$ 439,435	\$ 423,199	\$ 507,365	17.4%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 460,657	\$ 432,045	\$ 439,435	\$ 423,199	\$ 507,365	17.4%
Total	\$ 460,657	\$ 432,045	\$ 439,435	\$ 423,199	\$ 507,365	17.4%

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# ***TOWN MANAGER'S OFFICE***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Town Manager	1.00	1.00	1.00
Deputy Town Manager	2.00	2.00	2.00
Economic Development Director	1.00	1.00	1.00
Senior Ombuds	1.00	0.00	0.00
Grants Administrator	1.00	1.00	0.00
Ombuds	0.00	1.00	1.00
Director of Employee Engagement & Organizational Development	0.00	1.00	0.00
Strategic Operations Manager	1.00	0.00	0.00
Strategic Operations Analyst	1.00	1.00	1.00
Human Relations Officer	1.00	1.00	1.00
Human Relations Program Manager	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
Economic Development Manager	1.00	1.00	1.00
Economic Development Marketing & Comms Coordinator	1.00	1.00	1.00
Urban Designer	1.00	1.00	1.00
Community Relations Manager	1.00	1.00	1.00
Sustainability Program Analyst <sup>1</sup>	1.00	1.00	1.00
Sustainability Outreach Coordinator <sup>1</sup>	1.00	1.00	1.00
Executive Director - Strategic Communications	1.00	1.00	1.00
Graphic Artist	1.00	1.00	1.00
Digital Content Coordinator	1.00	1.00	1.00
Risk Manager	1.00	1.00	1.00
Risk Claims Administrator	1.00	1.00	1.00
Community Sustainability Manager <sup>1</sup>	1.00	1.00	1.00
Strategic Project Manager	1.00	1.00	1.00
Director of Emergency Preparedness and Risk Management	1.00	1.00	1.00
Emergency Management Coordinator	1.00	1.00	1.00
Community Connections Manager <sup>2</sup>	0.00	0.00	1.00
Town Clerk <sup>3</sup>	0.00	0.00	1.00
Town Clerk - Deputy <sup>3</sup>	0.00	0.00	1.00
Assistant Town Clerk <sup>3</sup>	0.00	0.00	1.00
Records Retention Manager <sup>3</sup>	0.00	0.00	1.00
Community Connections Coordinator <sup>4</sup>	0.00	0.00	1.00
Town Manager's Office Totals	26.00	26.00	30.00

<sup>1</sup> These positions are paid out of the Climate Action Fund

<sup>2</sup> This position moved from Affordable Housing & Community Connections in FY24-25.

<sup>3</sup> These positions moved from the Clerk's Office, formerly Governance Services, in FY24-25.

<sup>4</sup> This position was grant-funded through FY24-25 but is a Town-funded position starting in FY25-26.

## **TOWN MANAGER**

### **BUDGET SUMMARY**

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*The recommended budget for the Manager's Office reflects a 26.4% increase from the 2024-25 budget. The 15.5% increase in personnel expenses captures the cost of the Clerk's Office, formerly known as Governance Services, being absorbed into the Manager's Office, a position from Affordable Housing & Community Connections moving in, the addition of a formerly grant-funded Community Connections Coordinator position, the removal of two full-time positions and one part-time position, changes to Program Support allocations, in addition to a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. The 114.6% increase in operating expenses is due to the department taking on the Clerk's Office operating budget, as well as added funding for a downtown bathroom pilot program, full funding for the Town's Language Access Program, and technology-related additions to the budget.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 3,298,346	\$ 3,755,271	\$ 3,803,001	\$ 3,853,451	\$ 4,338,638	15.5%
Operating Costs	523,210	463,667	965,980	839,109	994,862	114.6%
Total	\$ 3,821,556	\$ 4,218,938	\$ 4,768,981	\$ 4,692,560	\$ 5,333,500	26.4%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 3,821,556	\$ 4,218,938	\$ 4,768,981	\$ 4,692,560	\$ 5,333,500	26.4%
Total	\$ 3,821,556	\$ 4,218,938	\$ 4,768,981	\$ 4,692,560	\$ 5,333,500	26.4%

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***CLERK'S OFFICE (FORMERLY GOVERNANCE SERVICES)***  
***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Town Clerk (formerly Governance Services Director)	1.00	1.00	0.00
Town Clerk - Deputy	1.00	1.00	0.00
Assistant Town Clerk	1.00	1.00	0.00
Records Retention Manager	1.00	1.00	0.00
Office Assistant	0.53	0.50	0.00
Clerk's Office Department Totals	4.53	4.50	0.00

\*This department has been absorbed into the Manager's Office during FY24-25.

## ***CLERK'S OFFICE (FORMERLY GOVERNANCE SERVICES)***

### ***BUDGET SUMMARY***

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*The Clerk's Office, formerly known as Governance Services, has been moved in full to reside within the Manager's Office, which is why the 2025-26 recommended budget shows a 100% decrease in both personnel and operations.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 528,076	\$ 578,337	\$ 578,337	\$ 544,453	\$ -	-100.0%
Operating Costs	273,841	315,208	245,175	257,420	-	-100.0%
Total	\$ 801,917	\$ 893,545	\$ 823,512	\$ 801,873	\$ -	-100.0%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 801,917	\$ 893,545	\$ 823,512	\$ 801,873	\$ -	-100.0%
Total	\$ 801,917	\$ 893,545	\$ 823,512	\$ 801,873	\$ -	-100.0%

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***HUMAN RESOURCE DEVELOPMENT DEPARTMENT  
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Human Resource Development Director	1.00	1.00	1.00
Assistant Director	1.00	1.00	1.00
Human Resources Technician	1.00	1.00	1.00
Human Resources Consultant	3.00	3.00	3.00
Administrative Assistant	1.00	1.00	1.00
Office Assistant	1.00	1.00	1.00
Human Resource Development Totals	8.00	8.00	8.00

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## ***HUMAN RESOURCE DEVELOPMENT BUDGET SUMMARY***

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*The recommended budget for the Human Resource Development department reflects a 4.4% increase from the 2024-25 budget. Personnel expenses increased by 4.6% due to a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. Operating expenses increased 4.1%, accounting for increased software and telephone costs, as well as added budget for mandatory fees and safety supplies.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 941,147	\$ 994,269	\$ 994,269	\$ 890,734	\$ 1,040,043	4.6%
Operating Costs	689,408	650,492	737,443	668,668	676,885	4.1%
Total	\$ 1,630,555	\$ 1,644,761	\$ 1,731,712	\$ 1,559,402	\$ 1,716,928	4.4%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 1,630,555	\$ 1,644,761	\$ 1,731,712	\$ 1,559,402	\$ 1,716,928	4.4%
Total	\$ 1,630,555	\$ 1,644,761	\$ 1,731,712	\$ 1,559,402	\$ 1,716,928	4.4%

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# ***BUSINESS MANAGEMENT***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Director - Business Management	1.00	1.00	1.00
Assistant Director - Business Management	1.00	1.00	1.00
Financial Systems Manager	1.00	1.00	1.00
Financial Systems Analyst	1.00	1.00	1.00
Data & Analytics Analyst	1.00	1.00	1.00
Budget & Management Analyst	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00
Accounting Projects Manager	1.00	1.00	1.00
Accounting Supervisor - Payroll & Payables	1.00	1.00	1.00
Accountant - Housing	1.00	1.00	1.00
Purchasing & Contracts Manager	1.00	1.00	1.00
Procurement Analyst	1.00	1.00	1.00
Payroll Coordinator	1.00	1.00	1.00
Payroll Specialist	1.00	1.00	1.00
Accounts Payable Coordinator	1.00	1.00	1.00
Administrative Specialist	1.00	1.00	1.00
Revenue Coordinator	1.00	1.00	1.00
Revenue Collector	1.00	1.00	1.00
Payroll and HR Systems Analyst	0.00	0.00	1.00
Business Management Department Totals	18.00	18.00	19.00

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## ***BUSINESS MANAGEMENT BUDGET SUMMARY***

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*The recommended budget for the Business Management department reflects a 15.2% increase from the 2024-25 budget. Personnel expenses increased by 11.4% due to a 0.75% retirement increase, a 6% increase in insurance costs, a salary increase, and a new Payroll/HR Systems Analyst position. Operating costs increased 27.9% due to added software for the new position and anticipated higher county tax collection fees following the 2025 property tax revaluation.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 1,982,793	\$ 2,266,085	\$ 2,266,085	\$ 2,195,238	\$ 2,524,681	11.4%
Operating Costs	735,508	676,568	758,202	738,743	865,230	27.9%
Total	\$ 2,718,301	\$ 2,942,653	\$ 3,024,287	\$ 2,933,981	\$ 3,389,911	15.2%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 2,718,301	\$ 2,942,653	\$ 3,024,287	\$ 2,933,981	\$ 3,389,911	15.2%
Total	\$ 2,718,301	\$ 2,942,653	\$ 3,024,287	\$ 2,933,981	\$ 3,389,911	15.2%

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# ***TECHNOLOGY SOLUTIONS***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Executive Director - Technology Solutions	1.00	1.00	1.00
Systems Administrator	1.00	1.00	1.00
Network Engineer	1.00	1.00	1.00
IT Operations Manager	1.00	1.00	1.00
Management Analyst/Senior Business Analyst	1.00	1.00	1.00
Information Technology Analyst	2.00	1.00	1.00
Senior Information Technology Analyst	2.00	3.00	3.00
Web Administrator	1.00	0.00	0.00
Business Analyst	0.00	1.00	1.00
IT Manager, Solutions Architecture and Applications	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
Chief Information Security Officer	1.00	1.00	1.00
Senior GIS Analyst	1.00	1.00	1.00
GIS Analyst	1.00	1.00	1.00
GIS Manager	1.00	1.00	1.00
Technology Solutions Department Totals	16.00	16.00	16.00

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## TECHNOLOGY SOLUTIONS

### BUDGET SUMMARY

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*The recommended budget for the Technology Solutions department reflects a 2.9% decrease from the 2024-25 budget. Personnel expenses increased by 5.6% due to a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. Operating expenses decreased by 26.2% due to the re-allocation of technology-related expenses across the organization, as well as reduced costs for certain contracts and software. Capital outlay remains flat.*

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### EXPENDITURES

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Personnel	\$ 2,034,646	\$ 2,163,433	\$ 2,163,433	\$ 2,136,402	\$ 2,284,397	5.6%
Operating Costs	567,838	788,757	926,147	806,310	582,088	-26.2%
Capital Outlay	-	55,000	38,645	55,000	55,000	0.0%
Total	\$ 2,602,484	\$ 3,007,190	\$ 3,128,225	\$ 2,997,712	\$ 2,921,485	-2.9%

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### REVENUES

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
General Revenues	\$ 2,602,484	\$ 3,007,190	\$ 3,128,225	\$ 2,997,712	\$ 2,921,485	-2.9%
Total	\$ 2,602,484	\$ 3,007,190	\$ 3,128,225	\$ 2,997,712	\$ 2,921,485	-2.9%

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***TOWN ATTORNEY***  
***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Town Attorney	1.00	1.00	1.00
Assistant Town Attorney	1.00	1.00	1.00
Legal Services Administrator	1.00	1.00	1.00
Attorney Department Totals	3.00	3.00	3.00

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# **TOWN ATTORNEY**

## **BUDGET SUMMARY**

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*The recommended budget for the Attorney's Office reflects a 5.4% increase from the 2024-25 budget. Personnel expenses increased 5.4% due to a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. Operating expenses increased 5.5% due to increased budget for professional services as well as business meetings and training.*

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### **EXPENDITURES**

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Personnel	\$ 618,131	\$ 643,712	\$ 643,712	\$ 624,921	\$ 678,409	5.4%
Operating Costs	10,107	31,491	31,491	22,716	33,227	5.5%
Total	\$ 628,238	\$ 675,203	\$ 675,203	\$ 647,637	\$ 711,636	5.4%

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### **REVENUES**

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
General Revenues	\$ 628,238	\$ 675,203	\$ 675,203	\$ 647,637	\$ 711,636	5.4%
Total	\$ 628,238	\$ 675,203	\$ 675,203	\$ 647,637	\$ 711,636	5.4%

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## NON-DEPARTMENTAL DIVISION

### BUDGET SUMMARY

The Non-Departmental Division is used to account for activities in the General Fund that are not allocated to other departmental functions. These activities include contributions to other agencies, transfers to other funds, and liability insurance. The Town does not receive grants until mid-late May, so that line item will be adjusted for the adopted budget once the Town has received the grants.

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### EXPENDITURES

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Retiree Medical Insurance	\$ 1,742,258	\$ 1,675,000	\$ 1,675,000	\$ 1,822,374	\$ 1,852,000	10.6%
Other Personnel Costs	30,146	-	-	10,870	215,151	N/A
Liability Insurance	510,196	575,000	575,000	648,776	650,000	13.0%
Transfer to Affordable Housing	826,850	722,003	722,003	175,000	722,003	0.0%
Operations	1,309,118	981,981	1,037,435	838,625	968,981	-1.3%
Supplemental PEG Fees	143,072	175,000	175,000	148,580	175,000	0.0%
Transfer to Other Funds	194,710	17,000	17,000	17,000	221,948	1205.6%
Transfer to Downtown Service District Fund	100,000	100,000	100,000	100,000	100,000	0.0%
Transfer to Capital Improvement Funds	2,248,903	2,557,903	2,586,623	2,070,623	2,737,403	7.0%
Transfer to Debt Fund	445,100	445,100	445,100	-	445,100	0.0%
OPEB Liability Contributions	250,000	250,000	250,000	250,000	250,000	0.0%
Transfer to Climate Action Fund	804,259	804,259	804,259	433,773	804,259	0.0%
Grant Matching Funds	109,895	85,606	99,247	99,247	85,606	0.0%
Agency Contributions	2,214,785	2,019,975	2,401,830	2,401,830	2,019,975	0.0%
Orange County Contribution	-	-	200,000	-	-	N/A
Total	\$ 10,929,292	\$ 10,408,827	\$ 11,088,497	\$ 9,016,698	\$ 11,247,426	8.1%

### REVENUES

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
General Revenues	\$ 10,929,292	\$ 10,408,827	\$ 11,088,497	\$ 9,016,698	\$ 11,247,426	8.1%
Total	\$ 10,929,292	\$ 10,408,827	\$ 11,088,497	\$ 9,016,698	\$ 11,247,426	8.1%



## ***ENVIRONMENT & DEVELOPMENT***

### ***BUDGET SUMMARY***

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*This section includes the Planning, Affordable Housing & Community Connections, Public Works, and Building & Development Services Departments.*

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#### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Planning	\$ 2,134,956	\$ 2,198,321	\$ 2,759,023	\$ 2,100,481	\$ 2,323,849	5.7%
Affordable Housing & Community Connections	971,901	1,362,724	1,304,990	1,194,540	1,291,081	-5.3%
Public Works	14,488,044	15,575,463	15,657,302	14,597,582	16,236,025	4.2%
Building & Development Services	2,506,338	2,868,358	2,863,693	2,741,288	3,076,466	7.3%
Total	\$ 20,101,239	\$ 22,004,866	\$ 22,585,008	\$ 20,633,891	\$ 22,927,421	4.2%

#### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 16,200,912	\$ 17,654,084	\$ 18,229,226	\$ 16,527,806	\$ 19,077,918	8.1%
State-Shared Revenues	48,439	46,500	46,500	46,500	46,500	0.0%
Grants	10,340	-	-	-	-	N/A
Charges for Services	1,311,293	1,481,589	1,481,589	1,722,688	1,448,273	-2.2%
Licenses/Permits/Fines	2,351,722	2,762,693	2,762,693	2,255,586	2,283,730	-17.3%
Other Revenues	178,532	60,000	65,000	81,311	71,000	18.3%
Total	\$ 20,101,239	\$ 22,004,866	\$ 22,585,008	\$ 20,633,891	\$ 22,927,421	4.2%

# ***PLANNING DEPARTMENT***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Director - Planning	1.00	1.00	1.00
Assistant Director - Planning	1.00	1.00	1.00
Mobility & Greenways Manager <sup>1</sup>	2.00	1.00	1.00
Zoning Administrator	0.00	1.00	1.00
Planner/Planner II/Principal Planner/Senior Planner <sup>2</sup>	8.00	8.00	8.00
Commute Solutions Manager <sup>3</sup>	1.00	0.00	0.00
Administrative Coordinator <sup>4</sup>	0.80	0.80	0.80
Planning Technician	2.00	2.00	2.00
Mobility & Greenways Planner <sup>2</sup>	1.00	1.00	1.00
Senior Engineer <sup>5</sup>	0.00	0.50	0.50
Planning Department Totals	16.80	16.30	16.30

<sup>1</sup> Mobility & Greenways Manager is grant-funded.

<sup>2</sup> Some Planner positions are partially grant-funded in FY25-26.

<sup>3</sup> This position moved to Transit during FY23-24.

<sup>4</sup> This position is partially grant-funded and also split in part with the Public Housing fund.

<sup>5</sup> This position moved to Planning from Public Works - Engineering during FY23-24. It is split with the Stormwater fund.

## ***PLANNING***

### ***BUDGET SUMMARY***

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*The recommended budget for the Planning Department reflects a 5.7% increase from the 2024-25 budget. The 6.7% increase in personnel expenses is due to a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. Operating expenses increased 1.7% due to higher conference, software, and cell phone costs, as well as increased budget for notification mailings.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 1,428,136	\$ 1,767,167	\$ 1,767,167	\$ 1,738,061	\$ 1,885,204	6.7%
Operating Costs	706,820	431,154	991,856	362,420	438,645	1.7%
Total	\$ 2,134,956	\$ 2,198,321	\$ 2,759,023	\$ 2,100,481	\$ 2,323,849	5.7%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 1,779,081	\$ 1,483,144	\$ 2,043,846	\$ 1,151,594	\$ 1,706,136	15.0%
Charges for Services	323,941	702,089	702,089	906,688	601,273	-14.4%
Licenses/Permits/Fines	25,618	8,088	8,088	29,626	10,440	29.1%
Other Revenues	6,316	5,000	5,000	12,573	6,000	20.0%
Total	\$ 2,134,956	\$ 2,198,321	\$ 2,759,023	\$ 2,100,481	\$ 2,323,849	5.7%

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# ***PUBLIC WORKS DEPARTMENT***

## ***STAFFING COMPARISONS - IN FULL TIME EQUIVALENTS***

	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
<b><u>Administration</u></b>			
Director - Public Works	1.00	1.00	1.00
Management Analyst/Business Services Manager	1.00	1.00	1.00
Administrative Analyst	2.00	2.00	2.00
Assistant Director	1.00	1.00	1.00
Occupational Health and Safety Officer	1.00	1.00	1.00
Accounting Technician II	1.00	1.00	1.00
Administrative Assistant	2.00	2.00	2.00
Division Totals	9.00	9.00	9.00
<b><u>Engineering and Design Services</u></b>			
<b>Engineering and Infrastructure</b>			
Manager of Engineering & Infrastructure	1.00	1.00	1.00
Engineering Coordinator - Sr	1.00	1.00	1.00
Professional Land Surveyor <sup>1</sup>	0.75	0.75	0.75
Senior Engineer <sup>2</sup>	0.50	0.00	0.00
Engineering Inspector	1.00	1.00	1.00
Engineering Inspector - Sr <sup>1</sup>	0.70	0.70	0.70
Engineering Technician	1.00	1.00	1.00
Capital Projects Manager	1.00	1.00	1.00
Engineer III <sup>1</sup>	0.50	0.50	0.50
Unit Totals	7.45	6.95	6.95
<b>Transportation Engineering and Operations</b>			
Transportation Engineering Manager	1.00	1.00	1.00
Assistant Transportation Engineer	1.00	1.00	1.00
Engineering Technician	1.00	1.00	1.00
Traffic Signal Systems Analyst	1.00	1.00	1.00
Lead Traffic Signal Tech	1.00	1.00	1.00
Traffic Signal Technician (Levels I-III)	3.00	3.00	3.00
Lead Sign & Marking Tech	1.00	1.00	1.00
Sign and Marketing Technician (Levels I-II)	2.00	2.00	2.00
Traffic Operations Services Coordinator	0.00	0.00	1.00
Unit Totals	11.00	11.00	12.00
Division Totals	18.45	17.95	18.95

*continued*

# ***PUBLIC WORKS DEPARTMENT***

## ***STAFFING COMPARISONS - IN FULL TIME EQUIVALENTS***

	2023-24 ADOPTED	2024-25 ADOPTED	2025-26 RECOMMENDED
<b><u>Streets and Construction Services</u></b>			
<b>Construction</b>			
Supervisor - Construction Crew	1.00	1.00	1.00
Construction Worker (Levels I - IV)	4.00	4.00	4.00
Senior Heavy Equipment Operator	1.00	1.00	1.00
Unit Totals	6.00	6.00	6.00
<b>Streets</b>			
Superintendent - Streets/Construction/Services	1.00	1.00	1.00
Streets Supervisor	1.00	1.00	1.00
Street Inspector	1.00	1.00	1.00
Streets Crew Supervisor	1.00	1.00	1.00
Construction Worker (Levels I-IV)	8.00	8.00	8.00
Senior Heavy Equipment Officer	1.00	1.00	1.00
Lead Construction Worker	1.00	1.00	1.00
Unit Totals	14.00	14.00	14.00
Division Totals	20.00	20.00	20.00
<b><u>Facilities Management</u></b>			
Facilities Manager	1.00	1.00	1.00
Facilities Supervisor	1.00	1.00	1.00
Sr. Project Manager	1.00	1.00	1.00
Building Maintenance Mechanic (Levels I-III)	6.00	6.00	6.00
Facilities Systems Technician	1.00	1.00	1.00
Fleet Systems Technician <sup>3</sup>	0.25	0.25	0.25
Division Totals	10.25	10.25	10.25
<b><u>Solid Waste</u></b>			
Solid Waste Services Manager	1.00	1.00	1.00
Solid Waste Operating Services Coordinator	1.00	1.00	1.00
Solid Waste Services Crew Supervisor	2.00	2.00	2.00
Solid Waste Equipment Operator III	4.00	4.00	4.00
Solid Waste Equipment Operator II	10.00	10.00	10.00
Solid Waste Equipment Operator I	3.00	3.00	3.00
Solid Waste Collector	13.00	13.00	13.00
Division Totals	34.00	34.00	34.00
Public Works Totals	91.70	91.20	92.20

<sup>1</sup> The Stormwater fund assumes a portion of the salaries for the Professional Land Surveyor, Sr. Engineering Inspector, and Engineer III.

<sup>2</sup> The General Fund portion of this position moved to the Planning Department during FY23-24.

<sup>3</sup> Position is split between Facilities Management division and the Fleet Management fund.

Note: Fleet Management employees are supervised by Public Works, but included with the Fleet Management Fund Staffing Summary.

## ***PUBLIC WORKS***

### ***BUDGET SUMMARY***

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*The recommended budget for the Public Works Department reflects a 4.2% increase from the 2024-25 budget. Personnel expenses in the recommended budget reflect a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase.*

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#### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Administration	\$ 1,319,610	\$ 1,401,248	\$ 1,381,884	\$ 1,298,570	\$ 1,550,760	10.7%
Engineering & Design	716,584	905,975	905,195	760,582	972,292	7.3%
Transportation Engineering	2,079,079	2,222,357	2,280,189	2,370,717	2,524,876	13.6%
Construction	727,696	717,224	717,668	529,118	807,659	12.6%
Streets	2,821,806	2,973,538	2,913,951	2,187,840	3,055,419	2.8%
Facilities Management	2,200,418	2,299,847	2,391,078	2,385,157	2,274,845	-1.1%
Solid Waste	4,622,851	5,055,274	5,067,337	5,065,598	5,050,174	-0.1%
Total	\$ 14,488,044	\$ 15,575,463	\$ 15,657,302	\$ 14,597,582	\$ 16,236,025	4.2%

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#### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 13,177,530	\$ 14,525,238	\$ 14,602,077	\$ 13,473,784	\$ 15,123,825	4.1%
State Shared	48,439	46,500	46,500	46,500	46,500	0.0%
Charges for Services	987,352	779,500	779,500	816,000	847,000	8.7%
Licenses/Permits/Fines	102,507	169,225	169,225	192,560	153,700	-9.2%
Other Revenues	172,216	55,000	60,000	68,738	65,000	18.2%
Total	\$ 14,488,044	\$ 15,575,463	\$ 15,657,302	\$ 14,597,582	\$ 16,236,025	4.2%

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## ***PUBLIC WORKS - Administration Division***

### ***BUDGET SUMMARY***

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*The recommended budget for the Administration Division of the Public Works Department reflects a 10.7% increase from the 2024-25 budget. Personnel expenses increased by 7.8% due to position realignment, a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. Operating expenses increased 27.4% primarily due to added budget for a new vehicle for the division in FY26.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 1,141,531	\$ 1,193,234	\$ 1,187,737	\$ 1,115,155	\$ 1,285,720	7.8%
Operating Costs	178,079	208,014	194,147	183,415	265,040	27.4%
Total	\$ 1,319,610	\$ 1,401,248	\$ 1,381,884	\$ 1,298,570	\$ 1,550,760	10.7%

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## ***PUBLIC WORKS - Engineering***

### ***BUDGET SUMMARY***

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*The recommended budget for the Engineering Division of the Public Works Department reflects a 7.3% increase from the 2024-25 budget. Personnel costs have increased 2.8% due to a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. This is somewhat offset by employee turnover. Operating expenses went up 106% due to added budget for a new vehicle for the division in FY26.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 684,927	\$ 866,638	\$ 866,638	\$ 729,281	\$ 891,242	2.8%
Operating Costs	31,657	39,337	38,557	31,301	81,050	106.0%
Total	\$ 716,584	\$ 905,975	\$ 905,195	\$ 760,582	\$ 972,292	7.3%

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## ***PUBLIC WORKS - Transportation Engineering***

### ***BUDGET SUMMARY***

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*The recommended budget for the Transportation Engineering Division of the Public Works Department reflects a 13.6% increase from the 2024-25 budget. Personnel expenses increased by 11.8% due to a 0.75% retirement increase, a 6% increase in insurance costs, a salary increase, and a new Traffic Operations Services Coordinator position. Operating expenses increased by 15.8% primarily due to higher street lighting electricity costs.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 1,051,327	\$ 1,232,178	\$ 1,277,178	\$ 1,242,174	\$ 1,378,111	11.8%
Operating Costs	1,008,062	990,179	1,003,011	1,128,543	1,146,765	15.8%
Capital Outlay	19,690	-	-	-	-	N/A
Total	\$ 2,079,079	\$ 2,222,357	\$ 2,280,189	\$ 2,370,717	\$ 2,524,876	13.6%

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## ***PUBLIC WORKS - Construction***

### ***BUDGET SUMMARY***

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*The recommended budget for the Construction Division of the Public Works Department reflects a 12.6% increase from the 2024-25 budget. Personnel expenses increased by 4% due to a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. Operating expenses increased by 30% due to the planned replacement of a truck within the division.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 378,501	\$ 479,524	\$ 479,524	\$ 398,118	\$ 498,559	4.0%
Operating Costs	349,195	237,700	238,144	131,000	309,100	30.0%
Total	\$ 727,696	\$ 717,224	\$ 717,668	\$ 529,118	\$ 807,659	12.6%

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## ***PUBLIC WORKS - Streets***

### ***BUDGET SUMMARY***

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*The recommended budget for the Streets division reflects an overall expenditure increase of 2.8% from the 2024-25 budget. The 4.6% increase in personnel is due to a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. The operating budget increased by 1.4% due to an increase in street resurfacing funds, offset by less budget for vehicle replacement compared to last year. Capital outlay remains flat.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 1,124,092	\$ 1,281,248	\$ 1,236,248	\$ 1,208,061	\$ 1,340,529	4.6%
Operating Costs	1,678,024	1,667,290	1,652,703	954,779	1,689,890	1.4%
Capital Outlay	19,690	25,000	25,000	25,000	25,000	0.0%
Total	\$ 2,821,806	\$ 2,973,538	\$ 2,913,951	\$ 2,187,840	\$ 3,055,419	2.8%

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## ***PUBLIC WORKS - Facilities Management***

### ***BUDGET SUMMARY***

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*The recommended budget for the Facilities Management division reflects a 1.1% decrease from the 2024-25 budget. The 4.7% increase in personnel costs reflects a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. The 7.1% decrease in operations reflects decreased costs in several areas, including fleet usage charges, telephone costs, electricity, and less budget for vehicle replacement compared to last year. Additionally, planned facility maintenance funds were moved from this division to the Capital Improvements Fund.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 1,150,439	\$ 1,177,942	\$ 1,185,439	\$ 1,192,213	\$ 1,232,960	4.7%
Operating Costs	1,049,979	1,121,905	1,205,639	1,192,944	1,041,885	-7.1%
Total	\$ 2,200,418	\$ 2,299,847	\$ 2,391,078	\$ 2,385,157	\$ 2,274,845	-1.1%

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## ***PUBLIC WORKS - Solid Waste Services***

### ***BUDGET SUMMARY***

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*The recommended budget for the Solid Waste Services division reflects an overall expenditure decrease of 0.1% from last year's budget. The 4.2% increase in personnel costs is due to a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. The 5.6% decrease in operating costs is due to less budget for vehicle replacement compared to last year, somewhat offset by added funding for temporary agency labor costs.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 2,633,299	\$ 2,827,664	\$ 2,793,664	\$ 2,782,147	\$ 2,947,264	4.2%
Operating Costs	1,989,552	2,227,610	2,273,673	2,283,451	2,102,910	-5.6%
Total	\$ 4,622,851	\$ 5,055,274	\$ 5,067,337	\$ 5,065,598	\$ 5,050,174	-0.1%

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## ***AFFORDABLE HOUSING & COMMUNITY CONNECTIONS***

### ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Director - Affordable Housing & Community Connections <sup>1</sup>	1.00	0.80	0.80
Assistant Director - Affordable Housing & Community Connections <sup>1</sup>	1.00	0.50	0.50
Assistant Director - Administration <sup>1</sup>	0.00	0.50	0.50
Administrative Coordinator <sup>2</sup>	0.20	0.00	0.00
Community Connections Manager <sup>3</sup>	1.00	1.00	0.00
Community Connections Coordinator	1.00	1.00	1.00
Affordable Housing Manager	1.00	1.00	1.00
Affordable Housing Development Coordinator	1.00	1.00	1.00
Community Development Program Manager	1.00	0.00	0.00
Funding Programs Coordinator	0.00	1.00	1.00
Community Connections Manager (formerly Human Svcs Coordinator)	1.00	1.00	1.00
Maintenance Mechanic <sup>1</sup>	0.50	0.50	0.50
Management Analyst <sup>1</sup>	0.00	0.50	0.50
Housing Program Coordinator	0.00	1.00	1.00
Department Totals	8.70	9.80	8.80

<sup>1</sup> These positions are split between AH&CC and the Public Housing fund.

<sup>2</sup> The portion of this position formerly funded by AH&CC moved to Public Housing as of FY24-25.

<sup>3</sup> This position moved to the Manager's Office during FY24-25.



## ***AFFORDABLE HOUSING & COMMUNITY CONNECTIONS***

### ***BUDGET SUMMARY***

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*The recommended budget reflects an overall decrease of 5.3% from the previous fiscal year's budget. The 6% decrease in personnel costs is attributed to a position moving to the Manager's Office as of FY24-25. Operating costs increased by 8.5% due to increased computer costs and added budget for business meetings and training.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 859,665	\$ 1,291,027	\$ 1,160,349	\$ 1,079,611	\$ 1,213,282	-6.0%
Operating Costs	112,236	71,697	117,153	87,441	77,799	8.5%
Capital Outlay	-	-	27,488	27,488	-	N/A
Total	\$ 971,901	\$ 1,362,724	\$ 1,304,990	\$ 1,194,540	\$ 1,291,081	-5.3%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 961,561	\$ 1,362,724	\$ 1,304,990	\$ 1,194,540	\$ 1,291,081	-5.3%
Grants	10,340	-	-	-	-	N/A
Total	\$ 971,901	\$ 1,362,724	\$ 1,304,990	\$ 1,194,540	\$ 1,291,081	-5.3%

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# ***BUILDING & DEVELOPMENT SERVICES***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Director - Building & Development Services	1.00	1.00	1.00
Assistant Director - Building & Development Services	1.00	1.00	1.00
Code Enforcement Officer	1.00	1.00	1.00
Building Operations Manager	1.00	1.00	1.00
Commercial Plans Reviewer	1.00	0.00	0.00
Commercial Plans Reviewer - Sr.	2.00	2.00	2.00
Code Compliance Manager	0.00	1.00	1.00
Development Technician	2.00	1.50	1.50
Administrative Assistant	1.00	1.00	1.00
Inspector	7.00	7.00	7.00
Permit Center Coordinator	1.00	1.00	1.00
Planning Manager	1.00	1.00	0.00
Planner I	1.00	1.00	1.00
Apprentice Inspector	0.00	1.00	1.00
Code Enforcement Officer - Sr.	0.00	0.00	1.00
BDS Department Totals	20.00	20.50	20.50

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## ***BUILDING & DEVELOPMENT SERVICES BUDGET SUMMARY***

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*The recommended budget for the Building & Development Services department reflects an overall expenditure increase of 7.3% from the 2024-25 budget. Personnel expenses increased 5.8% due to a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. Operating costs went up 22.5% mostly because of a new vehicle for the Code Enforcement division.*

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### **EXPENDITURES**

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Personnel	\$ 2,311,088	\$ 2,611,046	\$ 2,611,046	\$ 2,508,083	\$ 2,761,253	5.8%
Operating Costs	195,250	257,312	252,647	233,205	315,213	22.5%
Total	\$ 2,506,338	\$ 2,868,358	\$ 2,863,693	\$ 2,741,288	\$ 3,076,466	7.3%

### **REVENUES**

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
General Revenues	\$ 282,741	\$ 282,978	\$ 278,313	\$ 707,888	\$ 956,876	238.1%
Licenses/Permits/Fines	2,223,597	2,585,380	2,585,380	2,033,400	2,119,590	-18.0%
Total	\$ 2,506,338	\$ 2,868,358	\$ 2,863,693	\$ 2,741,288	\$ 3,076,466	7.3%



## ***PUBLIC SAFETY BUDGET SUMMARY***

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*Public Safety includes the Town's Police and Fire Departments.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Police	\$ 16,535,893	\$ 17,307,866	\$ 17,364,300	\$ 17,241,326	\$ 18,724,176	8.2%
Fire	11,351,433	11,893,494	11,939,158	11,904,709	12,551,521	5.5%
Total	\$ 27,887,326	\$ 29,201,360	\$ 29,303,458	\$ 29,146,035	\$ 31,275,697	7.1%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 25,664,636	\$ 27,168,282	\$ 27,202,584	\$ 27,003,143	\$ 29,079,674	7.0%
State-Shared Revenues	1,025,214	1,025,000	1,025,000	1,025,214	1,025,214	0.0%
Grants	71,015	6,000	73,796	43,758	6,000	0.0%
Charges for Services	898,929	756,078	756,078	949,270	982,309	29.9%
Licenses/Permits/Fines	226,500	245,000	245,000	123,900	181,500	-25.9%
Other Revenues	1,032	1,000	1,000	750	1,000	0.0%
Total	\$ 27,887,326	\$ 29,201,360	\$ 29,303,458	\$ 29,146,035	\$ 31,275,697	7.1%

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# ***POLICE DEPARTMENT***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
<b>Support Services</b>			
Police Chief/Executive Director for Community Safety	1.00	1.00	1.00
Police Legal Advisor	2.00	2.00	2.00
Police Analyst	1.00	1.00	1.00
Crisis Unit Supervisor	1.00	1.00	1.00
Lead Crisis Counselor	1.00	1.00	1.00
Crisis Counselor	5.00	5.00	7.00
Administrative Assistant	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00
Media Relations Manager	1.00	1.00	1.00
Community Safety Specialist	1.00	1.00	1.00
Records Technician	3.00	3.00	3.00
Peer Support Specialist	1.00	1.00	1.00
Community Services Planner	1.00	1.00	1.00
Crash Assistance Responder	0.00	0.00	2.00
Division Totals	20.00	20.00	24.00
<b>Operations</b>			
Assistant Police Chief	2.00	2.00	2.00
Police Captain	4.00	4.00	5.00
Police Lieutenant	8.00	9.00	8.00
Police Sergeant	12.00	11.00	12.00
Forensic and Evidence Specialist	2.00	1.00	1.00
Police Officer	73.00	74.00	71.00
Division Totals	101.00	101.00	99.00
Police Department Totals	121.00	121.00	123.00

## **POLICE**

### **BUDGET SUMMARY**

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*While the Police Department generates revenues from grants, charges for services, and licenses, permits and fines, the majority of the revenues are not department specific. Most grant revenues were moved to a separate Grants Fund in 2007-08.*

*Personnel expenditure increases are attributed to a 0.75% retirement increase, a 6% increase in insurance costs, a salary increase, and two new Crisis Counselor positions. Operating budget increases are attributed to costs associated with the new PD facility, increased IT infrastructure & security costs, Orange County Animal Services charges, software, and vehicle replacement.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 14,506,563	\$ 14,981,461	\$ 14,874,661	\$ 14,928,290	\$ 16,001,620	6.8%
Operating Costs	2,029,330	2,326,405	2,489,639	2,313,036	2,722,556	17.0%
Total	\$ 16,535,893	\$ 17,307,866	\$ 17,364,300	\$ 17,241,326	\$ 18,724,176	8.2%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 15,871,445	\$ 16,801,288	\$ 16,857,722	\$ 16,552,706	\$ 17,999,867	7.1%
Grants	8,933	6,000	6,000	3,000	6,000	0.0%
Charges for Services	618,325	467,578	467,578	660,770	693,809	48.4%
Licenses/Permits/Fines	36,158	32,000	32,000	24,100	23,500	-26.6%
Other Revenues	1,032	1,000	1,000	750	1,000	0.0%
Total	\$ 16,535,893	\$ 17,307,866	\$ 17,364,300	\$ 17,241,326	\$ 18,724,176	8.2%

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## ***POLICE - Support Services Division***

### ***BUDGET SUMMARY***

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*The recommended budget for the Support Services division reflects an overall expenditure increase of 26.9% from last year's budget. The 21% increase in personnel is due to two positions being moved from the Operations division to Support Services, a 0.75% retirement increase, a 6% increase in insurance costs, a salary increase, and two new Crisis Counselor positions. There is a 42.5% increase in the operating budget due to increased costs associated with the new PD facility, higher charges for Orange County Animal Services, an increase in IT infrastructure & security costs, and added budget for software.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 2,210,428	\$ 2,333,807	\$ 2,227,007	\$ 2,544,080	\$ 2,823,620	21.0%
Operating Costs	855,832	885,436	982,859	886,617	1,261,590	42.5%
Total	\$ 3,066,260	\$ 3,219,243	\$ 3,209,866	\$ 3,430,697	\$ 4,085,210	26.9%

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## ***POLICE - Operations Division***

### ***BUDGET SUMMARY***

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*The Operations Division reflects a 4.1% increase from the 2024-25 budget. The 4.2% increase to the personnel budget is attributed to a 0.75% increase in retirement costs, a 6% insurance increase, and a salary increase. This is somewhat offset by two positions moving to the Support Services division. Operating costs increased 3.2% due to vehicle replacement.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 12,296,135	\$ 12,647,654	\$ 12,647,654	\$ 12,384,210	\$ 13,178,000	4.2%
Operating Costs	1,151,335	1,391,119	1,505,651	1,425,290	1,435,766	3.2%
Total	\$ 13,447,470	\$ 14,038,773	\$ 14,153,305	\$ 13,809,500	\$ 14,613,766	4.1%

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## ***POLICE - Special Events***

### ***BUDGET SUMMARY***

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*The Special Events division tracks the cost of additional police presence at special events, including impromptu University of North Carolina student celebrations, Halloween, and Festifall. The recommended budget for 2025-26 has decreased 49.4%. This is due to realized savings stemming from successful efforts to contain the downtown Halloween celebration for the past several years.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Operating Costs	\$ 22,163	\$ 49,850	\$ 1,129	\$ 1,129	\$ 25,200	-49.4%
Total	\$ 22,163	\$ 49,850	\$ 1,129	\$ 1,129	\$ 25,200	-49.4%

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# ***FIRE DEPARTMENT***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
<b>Administration</b>			
Fire Chief	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00
Division Totals	3.00	3.00	3.00
<b>Emergency Operations</b>			
Deputy Fire Chief	1.00	1.00	1.00
Battalion Fire Chief	6.00	6.00	6.00
Fire Captain	18.00	18.00	18.00
Training Captain	1.00	1.00	1.00
Fire Logistics Officer	1.00	1.00	1.00
Assistant Fire Chief of Operations	1.00	1.00	1.00
Assistant Fire Chief of Training	1.00	1.00	1.00
Fire Equipment Operator/Lieutenant	21.00	21.00	21.00
Firefighter/Master	37.00	37.00	37.00
Division Totals	87.00	87.00	87.00
<b>Life Safety</b>			
Fire Marshall - Assistant Chief	1.00	1.00	1.00
Fire Inspector	2.00	2.00	2.00
Deputy Fire Marshal	2.00	2.00	2.00
Assistant Fire Marshal	1.00	1.00	1.00
Community Risk Reduction Coordinator	1.00	1.00	1.00
Division Totals	7.00	7.00	7.00
Fire Department Totals	97.00	97.00	97.00

## ***FIRE***

### ***BUDGET SUMMARY***

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*While the Fire Department generates revenues from grants and charges for services, licenses, permits, and fines, the majority of revenues are not department specific. Changes related to expenditures are noted on division summaries.*

*Fire Department costs have increased 5.5% due to retirement, insurance, and salary increases, as well as vehicle replacement, and increased software and contract costs. Capital outlay increased as part of the 5-year outlook, working towards the goal of creating a sustainable funding source for the replacement of fire apparatus.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 9,796,270	\$ 10,370,806	\$ 10,370,806	\$ 10,426,254	\$ 10,655,791	2.7%
Operating Costs	1,446,820	1,272,688	1,389,609	1,366,455	1,395,730	9.7%
Capital Outlay	108,343	250,000	178,743	112,000	500,000	100.0%
Total	\$ 11,351,433	\$ 11,893,494	\$ 11,939,158	\$ 11,904,709	\$ 12,551,521	5.5%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 9,793,191	\$ 10,366,994	\$ 10,344,862	\$ 10,450,437	\$ 11,079,807	6.9%
State-Shared Revenues	1,025,214	1,025,000	1,025,000	1,025,214	1,025,214	0.0%
Grants	62,082	-	67,796	40,758	-	N/A
Charges for Services	280,604	288,500	288,500	288,500	288,500	0.0%
Licenses/Permits/Fines	190,342	213,000	213,000	99,800	158,000	-25.8%
Total	\$ 11,351,433	\$ 11,893,494	\$ 11,939,158	\$ 11,904,709	\$ 12,551,521	5.5%

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## ***FIRE - Administration Division***

### ***BUDGET SUMMARY***

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*The recommended budget for the Administration division reflects an overall expenditure decrease of 3.2% from last year's budget. The slight increase in personnel costs is the result of retirement, insurance, and salary increases offset by staff turnover. The operating budget decreased 21.3% because software-related costs were moved to the Emergency Operations division.*

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### **EXPENDITURES**

		<b>2023-24</b>	<b>2024-25</b>	<b>2024-25</b>		<b>2025-26</b>	<b>% Change</b>
		<b>Actual</b>	<b>Original</b>	<b>Revised</b>	<b>2024-25</b>	<b>Recommended</b>	<b>from</b>
			<b>Budget</b>	<b>Budget</b>	<b>Estimated</b>	<b>Budget</b>	<b>2024-25</b>
Personnel	\$	592,223	\$ 458,512	\$ 401,336	\$ 370,365	\$ 459,524	0.2%
Operating Costs		130,357	88,124	102,797	94,078	69,358	-21.3%
Total	\$	722,580	\$ 546,636	\$ 504,133	\$ 464,443	\$ 528,882	-3.2%

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## ***FIRE - Emergency Operations Division***

### ***BUDGET SUMMARY***

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*The recommended budget for the Emergency Operations Division reflects a 6.2% increase overall. Personnel expenditures experienced a 3.2% increase due to a 0.75% retirement costs increase, a 6% increase in insurance costs, and a salary increase. This is slightly offset by staff turnover. Operating expenditures saw a 9% increase, reflecting increases in fleet usage charges as well as software and contract costs. Capital outlay expenditures increased as part of the 5-year outlook, working towards the goal of creating a sustainable funding source for the replacement of fire apparatus.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 8,441,833	\$ 9,019,178	\$ 9,181,354	\$ 9,347,961	\$ 9,310,868	3.2%
Operating Costs	1,230,928	1,093,719	1,219,531	1,208,297	1,191,811	9.0%
Capital Outlay	108,343	250,000	178,743	112,000	500,000	100.0%
Total	\$ 9,781,104	\$ 10,362,897	\$ 10,579,628	\$ 10,668,258	\$ 11,002,679	6.2%

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## ***FIRE - Life Safety Division***

### ***BUDGET SUMMARY***

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*The recommended budget for the Life Safety division reflects an overall expenditure increase of 3.7% from the 2024-25 budget. The 0.9% decrease in personnel is mainly due to staff retirements and turnover. The operating budget went up 48.1% primarily because of planned replacement of a vehicle within the division.*

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### **EXPENDITURES**

	2023-24		2024-25		2024-25		2025-26		% Change
	Actual		Original Budget		Revised Budget		Recommended Budget		from 2024-25
Personnel	\$	762,214	\$	893,116	\$	788,116	\$	885,399	-0.9%
Operating Costs		85,535		90,845		67,281		134,561	48.1%
Total	\$	847,749	\$	983,961	\$	855,397	\$	1,019,960	3.7%





## ***LEISURE***

### ***BUDGET SUMMARY***

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*Leisure includes the Parks & Recreation Department and the Chapel Hill Public Library.*

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#### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Parks and Recreation	\$ 8,415,902	\$ 9,123,072	\$ 9,195,423	\$ 8,822,003	\$ 9,694,655	6.3%
Library	4,535,439	4,753,877	4,758,587	4,659,163	4,982,545	4.8%
Total	\$ 12,951,341	\$ 13,876,949	\$ 13,954,010	\$ 13,481,166	\$ 14,677,200	5.8%

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#### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 10,509,371	\$ 11,694,321	\$ 11,757,880	\$ 11,285,864	\$ 12,283,577	5.0%
Grants	743,862	743,862	743,862	743,862	744,083	0.0%
Charges for Services	1,530,091	1,363,766	1,363,766	1,356,054	1,570,540	15.2%
Other Revenues	123,017	30,000	43,502	50,386	34,000	13.3%
Transfers/Other Sources	45,000	45,000	45,000	45,000	45,000	0.0%
Total	\$ 12,951,341	\$ 13,876,949	\$ 13,954,010	\$ 13,481,166	\$ 14,677,200	5.8%

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# ***PARKS & RECREATION DEPARTMENT***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

	2023-24 ADOPTED	2024-25 ADOPTED	2025-26 RECOMMENDED
<b>Administration</b>			
Director - Parks & Recreation	1.00	1.00	1.00
Assistant Director - Parks and Recreation	1.00	1.00	1.00
Senior Manager of Planning & Parks Operations	1.00	1.00	1.00
Senior Recreation Supervisor	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
Recreation Manager	1.00	1.00	1.00
Administrative Assistant	2.00	2.00	2.00
Business Operations Manager	1.00	1.00	1.00
Marketing & Resource Development Administrator	1.00	1.00	1.00
Division Totals	10.00	10.00	10.00
<b>Landscape Services and Park Maintenance</b>			
Parks Maintenance Superintendent	1.00	1.00	1.00
Parks Maintenance Supervisor	3.00	3.00	3.00
Parks Outreach Specialist	1.00	1.00	1.00
Municipal Arborist	1.00	1.00	1.00
Principial Planner	1.00	1.00	1.00
Assistant Arborist	1.00	1.00	1.00
Senior Heavy Equipment Operator	1.00	1.00	1.00
Park Maintenance Specialist/Crew Leader <sup>1</sup>	16.00	16.00	16.00
Administrative Coordinator	1.00	1.00	1.00
Division Totals	26.00	26.00	26.00
<b>Athletics</b>			
Senior Recreation Supervisor	1.00	1.00	1.00
Specialized Recreation Coordinator	1.00	1.00	1.00
Specialized Recreation Coordinator - Certified	1.00	1.00	1.00
Recreation Specialist	1.50	1.50	1.50
Division Totals	4.50	4.50	4.50
<b>Community Center</b>			
Recreation Supervisor	1.00	1.00	1.00
Assistant Recreation Supervisor	1.00	1.00	1.00
Recreation Specialist	0.50	0.50	0.50
Recreation Assistant	2.00	2.00	2.00
Division Totals	4.50	4.50	4.50

*continued*

# ***PARKS & RECREATION DEPARTMENT***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

	2023-24 ADOPTED	2024-25 ADOPTED	2025-26 RECOMMENDED
<b>Aquatics Center</b>			
Senior Recreation Supervisor	1.00	1.00	1.00
Assistant Recreation Supervisor	1.00	1.00	1.00
Aquatics Specialist	3.00	3.00	3.00
Division Totals	5.00	5.00	5.00
<b>Hargraves Center</b>			
Recreation Supervisor	1.00	1.00	1.00
Assistant Recreation Supervisor	1.00	1.00	1.00
Recreation Specialist	1.80	1.80	1.80
Recreation Assistant	1.00	1.00	1.00
Division Totals	4.80	4.80	4.80
Parks & Recreation Department Totals	54.80	54.80	54.80

<sup>1</sup> One additional Park Maintenance Specialist position is funded by the Downtown Service District.

## ***PARKS & RECREATION***

### ***BUDGET SUMMARY***

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*The recommended budget for Parks & Recreation has increased by 6.3% overall. The personnel budget includes a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. The 10.9% increase in operations is mostly due to vehicle replacement for the Parks Maintenance division.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 6,192,502	\$ 6,769,934	\$ 6,785,164	\$ 6,396,394	\$ 7,085,433	4.7%
Operating Costs	2,164,058	2,353,138	2,388,559	2,416,809	2,609,222	10.9%
Capital Outlay	59,342	-	21,700	8,800	-	N/A
Total	\$ 8,415,902	\$ 9,123,072	\$ 9,195,423	\$ 8,822,003	\$ 9,694,655	6.3%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Revenues	\$ 6,763,071	\$ 7,722,546	\$ 7,781,395	\$ 7,412,803	\$ 8,091,855	4.8%
Grants	83,760	83,760	83,760	83,760	83,760	0.0%
Charges for Services	1,459,270	1,296,766	1,296,766	1,289,054	1,498,540	15.6%
Other Revenues	109,801	20,000	33,502	36,386	20,500	2.5%
Total	\$ 8,415,902	\$ 9,123,072	\$ 9,195,423	\$ 8,822,003	\$ 9,694,655	6.3%

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## ***PARKS & RECREATION - Administration Division***

### ***BUDGET SUMMARY***

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*The recommended budget for the Administration division reflects an overall expenditure increase of 6.1% from the 2024-25 budget. The 6.6% increase in personnel costs is attributed to a 0.75% retirement increase, a 6% increase in insurance costs, a salary increase, and employee advancement. The operating budget has an increase of 4.2% due to increased costs for supplies and contracted services.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 1,095,122	\$ 1,329,963	\$ 1,329,963	\$ 1,306,898	\$ 1,417,336	6.6%
Operating Costs	303,472	352,701	424,129	394,265	367,662	4.2%
Capital Outlay	-	-	8,800	8,800	-	N/A
Total	\$ 1,398,594	\$ 1,682,664	\$ 1,762,892	\$ 1,709,963	\$ 1,784,998	6.1%

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## ***PARKS & RECREATION - Parks Maintenance***

### ***BUDGET SUMMARY***

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*The recommended budget for the Parks Maintenance division reflects an overall expenditure increase of 10.5% from last year's budget. The 4.6% increase in personnel costs is due to a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. Operating costs increased 26.4% due to vehicle replacement, accounting for the replacement of four pickup trucks, a Skid Steer, and four mowers.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 2,066,601	\$ 2,335,432	\$ 2,335,432	\$ 2,249,102	\$ 2,443,123	4.6%
Operating Costs	765,050	859,791	849,658	909,515	1,086,632	26.4%
Capital Outlay	59,342	-	12,900	-	-	N/A
Total	\$ 2,890,993	\$ 3,195,223	\$ 3,197,990	\$ 3,158,617	\$ 3,529,755	10.5%

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## ***PARKS & RECREATION - Athletics***

### ***BUDGET SUMMARY***

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*The recommended budget for the Athletics division reflects an overall expenditure increase of 3.9% from the 2024-25 budget. The 5.5% increase in personnel costs reflects a 0.75% retirement increase, a 6% increase in insurance costs, a salary increase, and increased program support funding. The 1.6% increase in operating costs is attributed to added budget for athletic field maintenance and turf management, somewhat offset by a decrease in electricity costs.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 672,917	\$ 634,714	\$ 634,714	\$ 577,376	\$ 669,678	5.5%
Operating Costs	425,641	441,096	442,886	446,800	448,175	1.6%
Total	\$ 1,098,558	\$ 1,075,810	\$ 1,077,600	\$ 1,024,176	\$ 1,117,853	3.9%

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## ***PARKS & RECREATION - Community Center***

### ***BUDGET SUMMARY***

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*The recommended budget for the Community Center division reflects an overall expenditure increase of 1.3% from the 2024-25 budget. The 2.1% increase in personnel costs reflects increased retirement and insurance costs and a salary increase, offset by staff turnover. Operating costs decreased by 2.7% due to various small reductions, including reduced budget for contracted custodial services and programming, as well as reduced electricity costs.*

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### **EXPENDITURES**

		<b>2023-24</b>	<b>2024-25</b>	<b>2024-25</b>		<b>2025-26</b>	<b>% Change</b>
		<b>Actual</b>	<b>Original</b>	<b>Revised</b>	<b>2024-25</b>	<b>Recommended</b>	<b>from</b>
			<b>Budget</b>	<b>Budget</b>	<b>Estimated</b>	<b>Budget</b>	<b>2024-25</b>
Personnel	\$	657,922	\$ 667,628	\$ 639,628	\$ 658,817	\$ 681,963	2.1%
Operating Costs		151,632	151,216	149,326	148,800	147,170	-2.7%
Total	\$	809,554	\$ 818,844	\$ 788,954	\$ 807,617	\$ 829,133	1.3%

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## ***PARKS & RECREATION - Aquatics***

### ***BUDGET SUMMARY***

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*The recommended budget for the Aquatics division reflects an overall expenditure increase of 0.1% from last year's budget. The 0.7% increase in personnel costs is due to retirement, insurance, and salary increases, which are offset due to staff turnover. The 1.5% drop in operating costs is attributed to decreased custodial contract costs.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 944,489	\$ 1,043,502	\$ 1,016,502	\$ 843,958	\$ 1,050,982	0.7%
Operating Costs	332,542	385,113	348,758	337,607	379,525	-1.5%
Total	\$ 1,277,031	\$ 1,428,615	\$ 1,365,260	\$ 1,181,565	\$ 1,430,507	0.1%

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## ***PARKS & RECREATION - Hargraves***

### ***BUDGET SUMMARY***

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*The recommended budget for the Hargraves division reflects an overall expenditure increase of 8.7% from the 2024-25 budget. The 8.4% increase in personnel costs reflects a 0.75% retirement increase, a 6% increase in insurance costs, a salary increase, and added budget for Teen Center Program Support. Operating costs increased by 10.3% due to increased costs for telephone service, electricity, and contracted custodial services.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 755,451	\$ 758,695	\$ 828,925	\$ 760,243	\$ 822,351	8.4%
Operating Costs	185,721	163,221	173,802	179,822	180,058	10.3%
Total	\$ 941,172	\$ 921,916	\$ 1,002,727	\$ 940,065	\$ 1,002,409	8.7%

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# ***LIBRARY DEPARTMENT***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

	2023-24 ADOPTED	2024-25 ADOPTED	2025-26 RECOMMENDED
<b>Library</b>			
Director - Library	1.00	1.00	1.00
Assistant Director - Library/Head of Public Services	1.00	1.00	1.00
Acquisitions & Collections Manager	1.00	1.00	1.00
Library Experience Manager	1.00	1.00	1.00
Children's & Family Outreach Coordinator	1.00	1.00	1.00
Project Manager - Community History	1.00	1.00	1.00
Youth & Family Experience Manager	1.00	1.00	1.00
Library Accounts Coordinator	1.00	1.00	1.00
Administrative Services Manager	1.00	1.00	1.00
Library Experience Coordinator - Adult Programming	1.00	1.00	1.00
Library Experience Specialist	4.00	3.50	3.50
Library Experience Assistant	11.66	12.03	12.03
Library Experience Technician	3.00	3.00	3.00
Library Systems Coordinator	1.00	1.00	1.00
Marketing & Communications Coordinator	1.00	1.00	1.00
Division Total	30.66	30.53	30.53
<b>Community Arts &amp; Culture</b>			
Public Art Coordinator	1.00	1.00	1.00
Marketing & Communications Coordinator	1.00	1.00	1.00
Special Events Coordinator	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
Division Total	4.00	4.00	4.00
Library Department Totals	34.66	34.53	34.53

## ***LIBRARY***

### ***BUDGET SUMMARY***

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*The recommended budget for the Library reflects an overall expenditure increase of 4.8% from the 2024-25 budget. The 5.4% increase in personnel is the result of a 0.75% retirement increase, a 6% increase in insurance costs, a salary increase, and added Program Support funding. The operating budget increased 2.8% due to increases in IT infrastructure & security costs, electricity, and additional funding for facility maintenance.*

*Library revenues reflect support from Orange County in the amount of \$621,323. Transfer from the Library Gift Fund remains at the historic level of \$45,000 in 2025-26.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 3,509,704	\$ 3,703,113	\$ 3,701,993	\$ 3,614,619	\$ 3,902,678	5.4%
Operating Costs	1,025,735	1,050,764	1,056,594	1,044,544	1,079,867	2.8%
Total	\$ 4,535,439	\$ 4,753,877	\$ 4,758,587	\$ 4,659,163	\$ 4,982,545	4.8%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
General Fund	\$ 3,746,300	\$ 3,971,775	\$ 3,976,485	\$ 3,873,061	\$ 4,191,722	5.5%
Grants	660,102	660,102	660,102	660,102	660,323	0.0%
Charges for Services	70,821	67,000	67,000	67,000	72,000	7.5%
Other Revenues	13,216	10,000	10,000	14,000	13,500	35.0%
Transfers/Other Sources	45,000	45,000	45,000	45,000	45,000	0.0%
Total	\$ 4,535,439	\$ 4,753,877	\$ 4,758,587	\$ 4,659,163	\$ 4,982,545	4.8%

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## ***DEBT FUND***

As of March 31, 2025, the Town had about \$117.9 million in debt outstanding.

The Town issued \$16.5 million in Limited Obligation Bonds which is closed in June 2024, to complete the East Rosemary Parking Deck, purchase a ladder truck, and upfit the new police station.

The Town plans to issue \$13.83 million in G.O. bonds in June 2025 for affordable housing, public facilities, streets & sidewalks, parks & recreation, and stormwater.

The Town has issued all the G.O. bond authority remaining from the 2018 Referendum. There is \$7.9 million of G.O. bond authority remaining from the 2015 Referendum that the Town does not plan to issue and will lapse in November 2025. After the first issuance in June 2025, there will be \$33.4 million remaining from the November 2024 Referendum.

Long-Term Debt March 31, 2025	
<b>Governmental Debt</b>	
General obligation debt	\$ 40,341,000
Limited Obligation Bonds	9,076,000
Installment debt	3,144,000
Separation allowance	7,288,000
Compensated absences	<u>3,515,000</u>
<b>Total</b>	<b>\$ <u>63,364,000</u></b>
<b>Proprietary Fund Debt</b>	
Enterprise Funds	
General obligation debt	\$ 1,755,000
Limited Obligation Bonds	43,098,000
Installment debt	8,849,000
Compensated absences	<u>868,000</u>
<b>Total</b>	<b>\$ <u>54,570,000</u></b>

### **Major Revenue Sources**

The chief revenue source for the Debt Fund is the dedicated property tax rate. Due to the revaluation, the recommended tax rate for FY26 is down from 8.8 cents to 6.6 cents. Total Debt Fund tax revenues are expected to be \$8,739,000.

The Debt Fund will receive a transfer from the General Fund of \$445,100 for the Ephesus Fordham District Tax Increment Financing (TIF). A TIF was used to fund public road improvements in the Ephesus Fordham (Blue Hill) District. The transfer represents the increase in the General Fund property taxes generated in the district over the FY2013-14 base assessment year.

As a result of favorable interest rates, interest income is estimated to be \$600,000.

## ***DEBT FUND***

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### **Major Expenditures**

Debt service payments due in FY26 total \$6,809,429 between principal and interest.

A transfer to the Parking Fund of \$1,957,868 in FY 2026 represents the portion of the 2021 and 2024 Limited Obligation Bonds (LOBs) used to pay for the debt service on the new East Rosemary Parking Deck during construction. The deck opened fall 2024 and the plan is to return these funds once sufficient revenue is generated.

The fund is balanced with a contribution to reserve of \$1,016,803.

## ***DEBT SERVICE FUND BUDGET SUMMARY***

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*The Debt Service Fund is used to account for debt payments on the Town's general obligation bonds issued for capital improvement projects and on the limited obligation bonds. In FY 2008-09, a portion of the property tax rate was allocated to debt service payments to pay the Town's debt service. Due to the revaluation, the FY 2025-26 budget sees the Debt Service Fund tax rate reduced to 6.6 cents.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Principal Payments	\$ 8,323,000	\$ 5,988,000	\$ 6,392,000	\$ 6,392,000	\$ 4,910,000	-18.0%
Interest Expense	3,266,913	1,955,754	2,117,691	2,117,691	1,899,429	-2.9%
Bond Issuance Costs	15,000	-	-	-	-	N/A
Transfer to Parking Fund	-	431,121	431,121	431,121	1,957,868	354.1%
Contribution to Reserve	-	1,279,225	713,288	945,270	1,016,803	-20.5%
Total	\$ 11,604,913	\$ 9,654,100	\$ 9,654,100	\$ 9,886,082	\$ 9,784,100	1.3%

### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Property Taxes	\$ 8,489,995	\$ 8,609,000	\$ 8,609,000	\$ 8,571,082	\$ 8,739,000	1.5%
Transfer from General Fund	445,100	445,100	445,100	-	445,100	0.0%
Interest Income	2,579,116	600,000	600,000	1,315,000	600,000	0.0%
Appropriated Fund Balance	90,702	-	-	-	-	N/A
Total	\$ 11,604,913	\$ 9,654,100	\$ 9,654,100	\$ 9,886,082	\$ 9,784,100	1.3%





# TRANSIT FUND

## Major Revenue Sources - Descriptions and Estimates

The Town provides public transit services for the Town of Chapel Hill and the neighboring Town of Carrboro and the University of North Carolina. The two towns and the university share annual operating costs of the transit system on a contractual basis. In 2001, the transit system initiated fare free services, eliminating fare box and pass sale revenues previously collected for the basic system. (Exceptions are fares for specific routes to Hillsborough and the Tar Heel Express service provided for athletic and other special events for the University.)

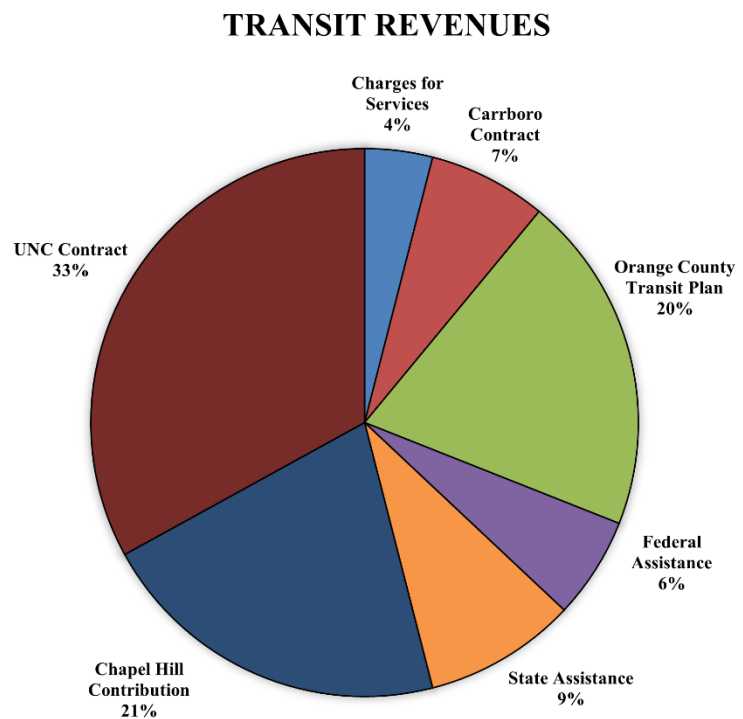
The recommended budget for the Transit Fund for fiscal year 2025-26 totals about \$36.5 million, a decrease of 0.5% from 2024-25. Below is a description of the major revenue sources for the Transit Fund and the pie chart below shows the major revenue sources for fiscal year 2025-26. Please note that due to the partnership between the Town of Chapel Hill, Town of Carrboro, and the University of North Carolina, some financial aspects are still being discussed by the partners and are subject to change.

### Federal Operating Assistance

The Transit system receives an operating assistance allocation each year from the federal government based on a variety of factors and funding formulas. We estimate federal funding for operations to remain level at \$2.3 million in FY25-26. A further \$52,000 is anticipated in federal operating grants. Additional operating grants will be sought for 2025-26 as opportunities arise and will be added to the budget through amendment if awarded.

### State Operating Assistance

The Transit system also receives an operating assistance allocation each year from the State based on a formula involving various operating statistics for the system. This allocation is also anticipated to remain level in 2025-26 at \$3.4 million.



# TRANSIT FUND

## Major Revenue Sources - Descriptions and Estimates

### University Contract

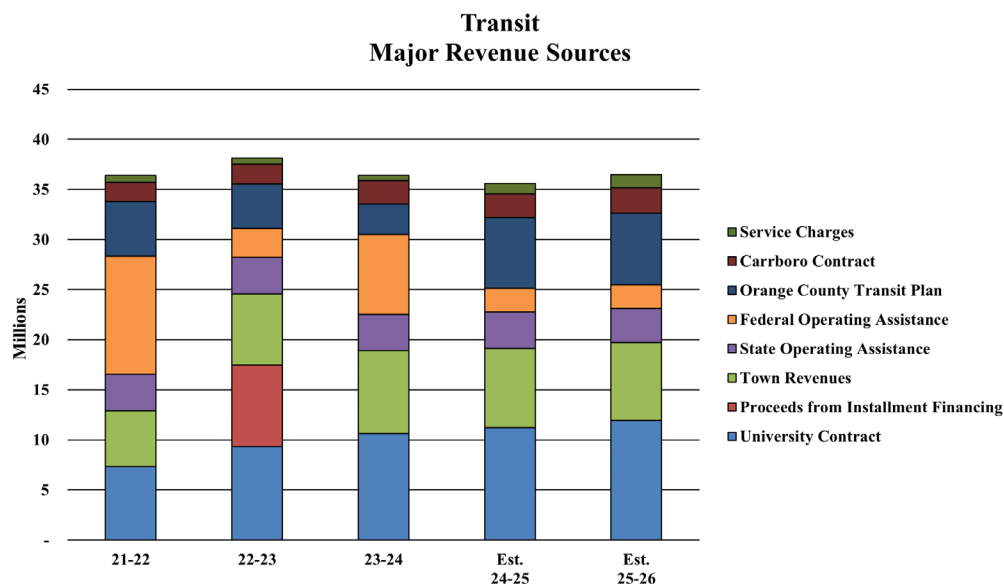
The University of North Carolina contracts with the Town for bus service for routes on and surrounding the campus of the University and UNC Health Care System. The University contract also covers routes determined to serve mainly students and employees of the University. The cost of these services is based on cost sharing arrangements among the Town, the University, and Carrboro, as agreed to in an annual contract. The University's contracted share was about \$10.6 million in 2023-24 and \$11.2 million in 2024-25. UNC's allocation for 2025-26 is up to \$11.9 million.

### Carrboro Contract

The Town of Carrboro also contracts with the Town for transit service with costs also based on the Memorandum of Understanding. Carrboro's cost for 2024-25 was about \$2.4 million and the budget for 2025-26 increased to \$2.5 million based on the funding formula.

### Town Revenues

The Town's share of cost for the Transit system is funded primarily by a property tax levy for transit. The cost share in the recommended budget for the Transit Fund in fiscal year 2025-26 is about \$7.78 million. Also included in Town revenues are interest income and \$450,000 for vehicle license fees.



# ***TRANSIT FUND***

## ***Major Revenue Sources - Descriptions and Estimates***

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### **Charges for Service**

The recommended budget for 2025-26 includes fees for use of park and ride lots. The University charges a fee for the lots they operate, which would result in overflow to our lots if they remained free of charge. The 2025-26 recommended budget includes fee revenues of \$32,000.

Other revenues expected for the system include about \$531,000 in fares for the Tar Heel Express service, up from the previous year due to a recommended fee increase; about \$375,000 in services for the Orange County Transit Plan; and \$290,000 in bus advertising revenue, which is also an increase due to recommended fee changes.

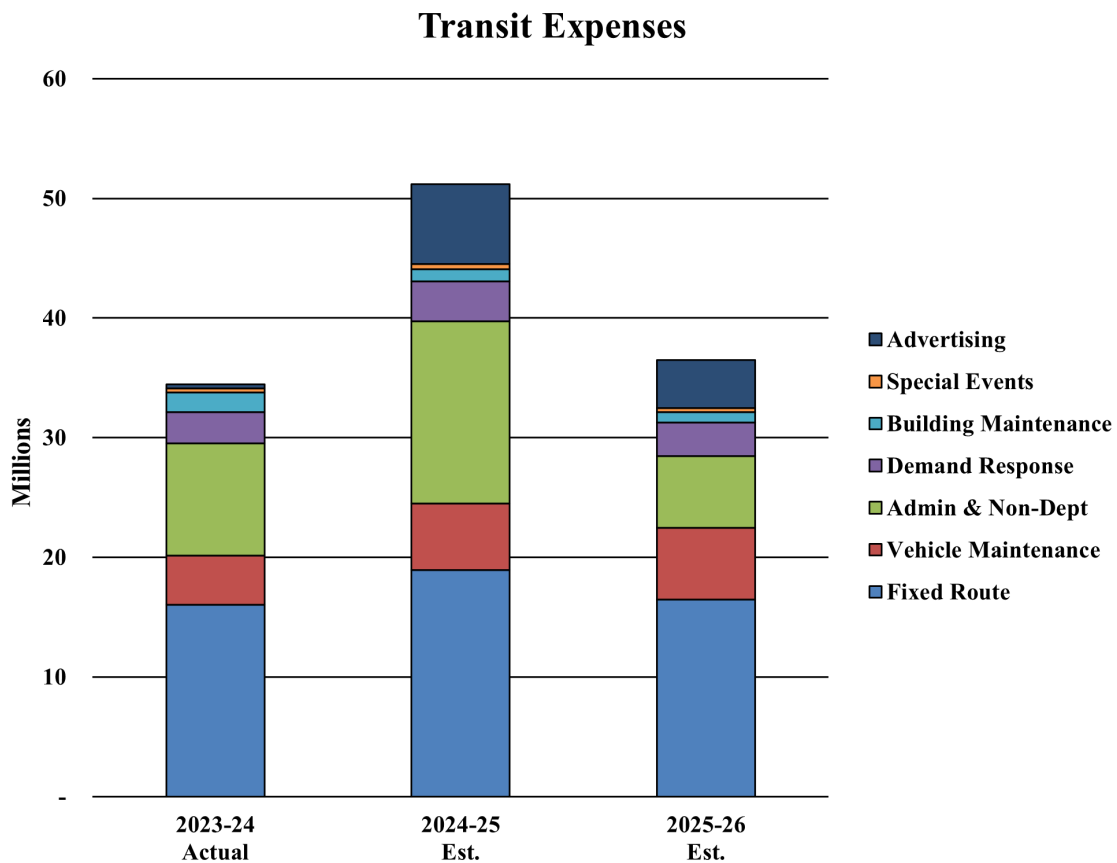
### **Fund Balance**

The 2025-26 recommended budget was balanced with no appropriation of fund balance.

# TRANSIT FUND

## Major Expenditures - Descriptions and Estimates

The recommended budget for Transit for 2025-26 continues fare free services for fixed routes in the system and totals \$36.5 million. Major expenditures of the system consist primarily of personnel, operating, and maintenance costs for a planned fleet of 99 buses, 20 cutaway EZ Rider vehicles, 20 operations support vehicles, and 4 maintenance service trucks that provide transit service to the entire community. Operational costs total about \$19.6 million and Maintenance costs total about \$6.9 million.



Expenditures for 2025-26 include a 5% of market pay increase, a 6% increase in insurance costs, and a 0.75% retirement increase. There is \$184,800 budgeted for other post-employment benefits (OPEB).

***TRANSIT DEPARTMENT***  
***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

	2023-24 ADOPTED	2024-25 ADOPTED	2025-26 RECOMMENDED
<b>Administration</b>			
Director - Transit	1.00	1.00	1.00
Deputy Director - Transit	1.00	1.00	1.00
Assistant Director - Admin Services	1.00	1.00	1.00
Business Services Manager	1.00	1.00	1.00
Community Outreach Manager	1.00	1.00	1.00
Administrative Analyst	1.00	1.00	1.00
Transit Project Manager	1.00	1.00	1.00
Grants Compliance Manager	1.00	1.00	1.00
Transit Development Manager II	1.00	1.00	1.00
Administrative Assistant	2.00	2.00	1.00
Human Resources Consultant	1.00	1.00	1.00
Human Resources Technician	1.00	0.00	0.00
Transit Planning Manager	1.00	1.00	1.00
Accounting Technician II	1.00	1.00	1.00
Information Tech Analyst	1.00	1.00	1.00
Commute Solutions Manager <sup>1</sup>	0.00	1.00	1.00
Transit Planner	0.00	1.00	1.00
Administrative Coordinator	0.00	0.00	1.00
Human Resources Assistant	0.00	0.00	1.00
Quality Assurance/Quality Control Analyst	0.00	0.00	1.00
Division Totals	16.00	17.00	19.00
<b>Operations</b>			
Occupational Health & Safety Officer	1.00	1.00	1.00
Transit Development Manager I	1.00	1.00	1.00
Lead Transit Supervisor	1.00	1.00	1.00
Crisis Counselor	1.00	1.00	1.00
Training Coordinator	1.00	1.00	1.00
Manager - Transit Operations	1.00	1.00	1.00
Deputy Operations Manager - Fixed Route	1.00	1.00	1.00
Assistant Operations Manager - Demand Response	1.00	1.00	1.00
Supervisor - Transit	10.00	10.00	10.00
Transit Operator - Demand Response	17.00	17.00	15.00
Transit Operator - Fixed Route	118.66	118.66	120.66
Service Attendant	1.00	1.00	0.00
Training & Safety Specialist	2.00	4.00	4.00
Administrative Assistant	1.00	1.00	1.00
Safety & Training Coordinator	1.00	0.00	0.00
Division Totals	158.66	159.66	158.66
<b>Maintenance</b>			
Maintenance Manager	1.00	1.00	1.00
Assistant Maintenance Manager	1.00	1.00	1.00
Mechanic Supervisor	3.00	3.00	3.00
Parts Supervisor	1.00	1.00	1.00
Mechanic (I-III)	15.00	15.00	15.00
Bus Service Technician	3.00	3.00	3.00
Administrative Coordinator	1.00	1.00	1.00
Parts Clerk	2.00	2.00	2.00
Service Attendant	7.00	7.00	7.00
Amenities & Facilities Specialist	0.00	1.00	1.00
Division Totals	34.00	35.00	35.00
Transit Department Totals	208.66	211.66	212.66

<sup>1</sup> Commute Solutions Manager, formerly known as Transportation Demand Management Community Manager, moved from Planning during FY23-24 and is 50% grant-funded.

## **TRANSIT**

### **BUDGET SUMMARY**

The budget for the Transit Department continues fare-free service. Federal and State assistance has remained flat for FY26, while partner revenues from the Town of Carrboro and the University of North Carolina at Chapel Hill have increased. The 2025-26 recommended budget also includes increased revenues from a proposed 0.3 cent tax increase, increased funding from the Orange County Transit plan, and increased fees for the FY26 Transit Fee Schedule. Cost increases include one new position, a 0.75% retirement increase, a 6% insurance increase, and a pay increase.

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### **EXPENDITURES**

	<b>2023-24</b>	<b>2024-25</b>	<b>2024-25</b>	<b>2024-25</b>	<b>2025-26</b>	<b>% Change</b>
	<b>Actual</b>	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Estimated</b>	<b>Recommended Budget</b>	<b>from 2024-25</b>
Admin & Non-Dept	\$ 9,350,540	\$ 4,889,574	\$ 21,403,088	\$ 15,264,153	\$ 6,025,407	23.2%
Grant-Funded	-	-	-	-	-	N/A
NSBRT Project	333,988	4,000,000	14,831,167	6,696,567	4,000,000	0.0%
Fixed Route	16,034,616	17,915,950	19,276,198	18,953,784	16,494,122	-7.9%
Demand Response	2,597,723	2,906,671	3,431,495	3,301,424	2,775,328	-4.5%
Special Events	315,026	317,845	329,056	403,971	318,125	0.1%
Vehicle Maintenance	4,134,700	5,697,185	5,911,950	5,534,815	5,968,547	4.8%
Building Maintenance	1,684,575	929,213	1,223,736	1,052,907	900,446	-3.1%
Total	\$ 34,451,168	\$ 36,656,438	\$ 66,406,690	\$ 51,207,621	\$ 36,481,975	-0.5%

### **REVENUES**

	<b>2023-24</b>	<b>2024-25</b>	<b>2024-25</b>	<b>2024-25</b>	<b>2025-26</b>	<b>% Change</b>
	<b>Actual</b>	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Estimated</b>	<b>Recommended Budget</b>	<b>from 2024-25</b>
Charges for Services	\$ 531,442	\$ 1,042,238	\$ 1,042,238	\$ 1,042,238	\$ 1,320,000	26.7%
Federal Assistance	2,647,836	2,300,000	2,300,000	2,300,000	2,300,000	0.0%
Federal Ops Grants	5,316,655	52,000	8,186,600	52,000	52,000	0.0%
State Assistance	3,631,704	3,400,000	3,400,000	3,631,704	3,400,000	0.0%
Orange County Transit Plan	3,051,310	7,069,936	7,069,936	7,069,936	7,159,936	1.3%
UNC Contract	10,630,812	11,211,816	11,211,816	11,211,816	11,952,960	6.6%
Carrboro Contract	2,308,917	2,366,281	2,366,281	2,366,281	2,514,824	6.3%
Chapel Hill Revenues	8,282,729	7,922,255	7,922,255	7,922,255	7,782,255	-1.8%
Appropriated Fund Balance	(1,950,237)	1,291,912	22,907,564	15,611,391	-	-100.0%
Total	\$ 34,451,168	\$ 36,656,438	\$ 66,406,690	\$ 51,207,621	\$ 36,481,975	-0.5%

## ***TRANSIT - Administration and Non-Departmental BUDGET SUMMARY***

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*The recommended budget for 2025-26 includes a 23.2% overall increase. Personnel has increased by 11.2% due to the addition of a Quality Assurance/Quality Control position funded by the Orange County Transit Plan, a Human Resources Assistant position moving into the division, a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase.*

*Operating costs increased by 1.4% due to increased dues and subscriptions as well as higher indirect costs.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 2,089,226	\$ 2,399,355	\$ 2,399,355	\$ 2,243,665	\$ 2,668,392	11.2%
Operating Costs	5,930,091	2,490,219	3,873,284	2,579,874	2,526,015	1.4%
Transfer to						
Capital Grant	1,331,223	-	2,281,899	2,281,899	-	N/A
Capital Outlay	-	-	8,242,715	8,158,715	831,000	N/A
Contribution to						
Reserve	-	-	4,605,835	-	-	N/A
Total	\$ 9,350,540	\$ 4,889,574	\$ 21,403,088	\$ 15,264,153	\$ 6,025,407	23.2%

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***TRANSIT - Grants***  
***BUDGET SUMMARY***

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*As of the time of the recommended budget, there were no planned grant related expenditures for 2025-26.*

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**EXPENDITURES**

	2023-24		2024-25		2024-25		2024-25		2025-26		% Change
	Actual		Original Budget		Revised Budget		Estimated		Recommended Budget		from 2024-25
Personnel	\$	-	\$	-	\$	-	\$	-	\$	-	N/A
Operating Costs		-		-		-		-		-	N/A
Total	\$	-	\$	-	\$	-	\$	-	\$	-	N/A



## ***TRANSIT - North-South Bus Rapid Transit Project***

### ***BUDGET SUMMARY***

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*The North-South Bus Rapid Transit (NSBRT) is the planned 8.2-mile line along one of the town's busiest and most vital thoroughfares. As the region's first BRT system, N-S BRT will connect employees, students, residents, and visitors to their regional connections and local destinations.*

*The recommended budget for 2025-26 includes funding for contracted services associated with the project, which are now separate from the Transit Admin/Non-Departmental division.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Operating Costs	333,988	4,000,000	14,831,167	6,696,567	4,000,000	0.0%
Total	\$ 333,988	\$ 4,000,000	\$ 14,831,167	\$ 6,696,567	\$ 4,000,000	0.0%

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## ***TRANSIT - Fixed Route***

### ***BUDGET SUMMARY***

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*The recommended budget reflects a 7.9% decrease in overall costs. Personnel is up 2.5% due to a 0.75% increase in retirement costs, a 6% insurance increase, and a salary increase. This is somewhat offset by a Service Attendant position being moved out of the division.*

*Operating expenses decreased by 30% largely due to the elimination of the contract for Transportation Support Services in FY26.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 10,528,337	\$ 12,146,914	\$ 12,146,914	\$ 11,173,615	\$ 12,454,634	2.5%
Operating Costs	5,299,339	5,769,036	5,320,329	5,971,214	4,039,488	-30.0%
Capital Outlay	206,940	-	1,808,955	1,808,955	-	N/A
Total	\$ 16,034,616	\$ 17,915,950	\$ 19,276,198	\$ 18,953,784	\$ 16,494,122	-7.9%

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## ***TRANSIT - Demand Response***

### ***BUDGET SUMMARY***

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*The recommended budget for the Demand Response division has a 4.5% decrease over the 2024-25 budget. Personnel expenditures decreased by 5.4% due to the reduction of two Demand Response operator positions during FY24-25 and also due to turnover. Operating expenses decreased by 1.5% due to decreased expenses related to cell phones and indirect costs.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 2,050,883	\$ 2,219,442	\$ 2,219,442	\$ 2,120,593	\$ 2,098,705	-5.4%
Operating Costs	546,840	687,229	712,053	680,831	676,623	-1.5%
Capital Outlay	-	-	500,000	500,000	-	N/A
Total	\$ 2,597,723	\$ 2,906,671	\$ 3,431,495	\$ 3,301,424	\$ 2,775,328	-4.5%

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## ***TRANSIT - Tarheel Express / Special Events***

### ***BUDGET SUMMARY***

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*The recommended budget for Tarheel Express & Special Events in 2025-26 remains mostly flat compared to the previous year.*

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### **EXPENDITURES**

	<b>2023-24</b>	<b>2024-25</b>	<b>2024-25</b>	<b>2024-25</b>	<b>2025-26</b>	<b>% Change</b>
	<b>Actual</b>	<b>Original</b>	<b>Revised</b>	<b>Estimated</b>	<b>Recommended</b>	<b>from</b>
		<b>Budget</b>	<b>Budget</b>		<b>Budget</b>	<b>2024-25</b>
Personnel	\$ 287,349	\$ 235,511	\$ 235,511	\$ 292,988	\$ 235,791	0.1%
Operating Costs	27,677	82,334	93,545	110,983	82,334	0.0%
Total	\$ 315,026	\$ 317,845	\$ 329,056	\$ 403,971	\$ 318,125	0.1%

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## ***TRANSIT - Vehicle Maintenance***

### ***BUDGET SUMMARY***

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*The recommended budget for 2025-26 represents a 4.8% increase in expenditures from the 2024-25 fiscal year. The 6.9% increase in personnel costs is due to a 0.75% increase in retirement costs, a 6% insurance increase, and a salary increase. Operating costs increased by 1.6% due to increased costs for vehicle maintenance and repair and also increased indirect costs.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 2,702,009	\$ 3,375,237	\$ 3,375,237	\$ 3,021,520	\$ 3,608,986	6.9%
Operating Costs	1,398,068	2,301,948	2,516,713	2,493,295	2,339,561	1.6%
Capital Outlay	34,623	20,000	20,000	20,000	20,000	0.0%
Total	\$ 4,134,700	\$ 5,697,185	\$ 5,911,950	\$ 5,534,815	\$ 5,968,547	4.8%

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## ***TRANSIT - Building Maintenance***

### ***BUDGET SUMMARY***

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*The recommended budget for Transit's Building Maintenance division reflects a 3.1% decrease overall. The 20% increase in personnel expenditures is related to new retiree medical expenses. The operating expenditures decreased by 3.2% because of reduced telephone, electricity, and natural gas costs.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 2,490	\$ 2,500	\$ 2,500	\$ 3,000	\$ 3,000	20.0%
Operating Costs	1,667,416	926,713	1,206,646	1,049,907	897,446	-3.2%
Capital Outlay	14,669	-	14,590	-	-	N/A
Total	\$ 1,684,575	\$ 929,213	\$ 1,223,736	\$ 1,052,907	\$ 900,446	-3.1%

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## ***TRANSIT CAPITAL RESERVE BUDGET SUMMARY***

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*The Transit Capital Reserve Fund is intended to accumulate funding to make capital purchases and to meet matching requirements for capital grants for replacement buses and other equipment. Matching funds for 2025-26 are estimates for grants historically received each year, but not yet awarded.*

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### **EXPENDITURES**

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	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Contribution to Capital Grant	\$ (148,525)	\$ -	\$ -	\$ -	\$ -	N/A
Reserve	189,836	-	-	-	-	N/A
Total	\$ 41,311	\$ -	\$ -	\$ -	\$ -	N/A

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### **REVENUES**

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	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Interest Income	\$ 41,311	\$ -	\$ -	\$ -	\$ -	N/A
Appropriated Fund Balance	-	-	-	-	-	N/A
Total	\$ 41,311	\$ -	\$ -	\$ -	\$ -	N/A

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# ***TRANSIT CAPITAL GRANT PROJECT ORDINANCES***

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Transit capital and planning grants awarded by the Federal Transit Administration are implemented pursuant to grant project ordinances authorized by General Statute 159-13.12. Budgets are adopted throughout the year as grant awards are received. Seven current project ordinances in the Transit Department are shown below:

## **2015-2016 Capital Grant 5339**

The project ordinance for the fiscal year 2015-2016 Section 5339 Transit Capital Grant was executed on May 14, 2018. The funds will be used to expand transit's employee/visitor parking lot, install a new security gate to the bus fleet yard, and fund a preliminary review and analysis of constructing a solar canopy over the bus yard. 80% is federally funded. 20% will be funded through local budget.

	Project Budget	Estimated Expenditures Through June 30, 2026
2015-16 Transit Capital Grant	\$534,037.00	\$82,788

## **2024 Area of Persistent Poverty Grant**

The project ordinance for the fiscal year 2024-2025 is for the planning of a micro-transit system.

	Project Budget	Estimated Expenditures Through June 30, 2026
2024 Planning Grant	\$437,500.00	\$437,500

## **FY19-FY20 Capital Grant 5339**

The project ordinance for the fiscal year 2021 Capital Investment plan covering: Automatic Vehicle Locator upgrades, Automatic Passenger Counter upgrades, and Radio System upgrades.

	Project Budget	Estimated Expenditures Through June 30, 2026
2020 Transit Capital Grant	\$657,654.00	\$376,047

## **FY22 5339**

This project ordinance for fiscal year 2022 is for the purchase of three (3) 20' Light Transit Vehicles (LTV) for the Demand Response Fleet.

	Project Budget	Estimated Expenditures Through June 30, 2026
2022 Transit Capital Grant	\$623,820	\$623,820



# ***TRANSIT CAPITAL GRANT PROJECT ORDINANCES***

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## **FY23 5339a**

This project ordinance for fiscal year 2023 is for the purchase of an architecture and engineering firm to provide up to 100% completion of construction plans for an expanded fleet yard and training center.

	Project Budget	Estimated Expenditures Through June 30, 2026
2023 Transit Planning Grant	\$298,324	\$298,324

## **FY17 – 21 5339 Capital Grant**

This project ordinance is for fiscal year 2017 – 2021. This grant is for lapsing funds from Orange Public Transit (via NCDOT) for their share of 5339a funding split. The funds were incorporated by the Town of Chapel Hill via a teleconference with FTA, NCDOT, and the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO). These funds are lapsing. FTA share: FY17 \$4,630.00, FY18: \$14,261.00, FY19: \$24,147.00, FY20: \$23,419.00, FY21: \$28,676.00. Total FTA Share: \$95,133.00. Local share: \$29,867.00.

	Project Budget	Estimated Expenditures Through June 30, 2026
2021 Transit Capital Grant	\$125,000	\$125,000

## **FY22 5309**

This project ordinance is for fiscal year 2022 is for the project development of the North South BRT

	Project Budget	Estimated Expenditures Through June 30, 2026
2022 Transit Capital Grant	\$10,168,250	\$10,168,250



# ***STORMWATER MANAGEMENT FUND***

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## **Major Revenue Sources – Descriptions and Estimates**

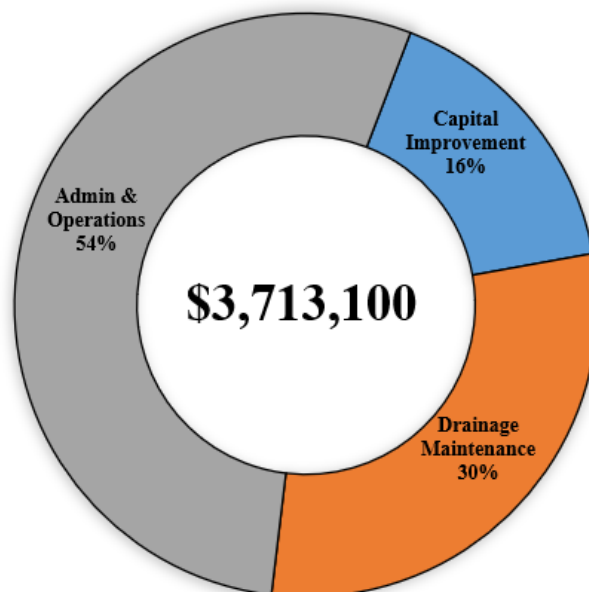
To continue the enhancement of stormwater management services currently provided by the Town, and to implement stormwater management activities necessary to comply with State and federal regulations, the Town established a Stormwater Management Fund in 2004-05. Stormwater management activities are funded by a fee charged to property owners based on the amount of impervious surface area on a property. The recommended budget includes a \$5.30 per equivalent rate unit (ERU) fee increase to fund the remaining balance associated with the debt service related to the 2015 Stormwater Bonds. This will bring the Stormwater fee to \$40.27 for each 1,000 square feet of impervious surface. At this rate, fees are estimated at just over \$3.5 million in 2025-26. In the current year, the budget is expected to be balanced with \$2,108,251 in fund balance. For 2025-26, the budget is balanced without the use of fund balance.

## **Major Expenditures and Estimates**

The budget for 2025-26 totals \$3,713,100. This represents a 13.1% increase from the FY25 budget. Changes to the budget include a pay increase, a 0.75% retirement rate increase, a 6% health insurance increase, a new Stormwater Analyst position, and debt service on the final issuance of the 2015 bonds. \$510,094 is in the recommended budget for the debt payment related to the G.O. bond issuance.

As indicated in the chart below, 30% of the 2025-26 budget provides for the Drainage division to conduct stormwater-related drainage and maintenance projects.

### **STORMWATER EXPENSES**



# ***STORMWATER MANAGEMENT FUND***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
<b>Stormwater</b>			
Senior Engineer <sup>1</sup>	1.50	1.50	1.50
Engineer II	1.00	1.00	1.00
Engineer III <sup>2</sup>	1.50	1.50	1.50
Senior Engineering Inspector <sup>2</sup>	0.30	0.30	0.30
Stormwater Specialist	1.00	1.00	1.00
Stormwater Analyst	1.00	1.00	2.00
Professional Land Surveyor <sup>2</sup>	0.25	0.25	0.25
Community Education Coordinator	1.00	1.00	1.00
Systems Specialist	1.00	1.00	1.00
Unit Totals	8.55	8.55	9.55
<b>Drainage</b>			
Stormwater Maintenance Supervisor	1.00	1.00	1.00
Drainage Crew Supervisor	1.00	1.00	1.00
Street Sweeper Equipment Operator	2.00	2.00	2.00
Senior Heavy Equipment Operator	2.00	2.00	2.00
Construction Worker III	1.00	1.00	1.00
Unit Totals	7.00	7.00	7.00
 Stormwater Management Fund Totals	 15.55	 15.55	 16.55

<sup>1</sup> The Planning department assumes half the salary of one of the Senior Engineer positions.

<sup>2</sup> The Engineering division of Public Works assumes a portion of salaries for Engineer III, Senior Engineering Inspector, and Professional Land Surveyor.

## ***STORMWATER MANAGEMENT FUND***

### ***BUDGET SUMMARY***

*The recommended budget for FY 2025-26 includes the continuation of existing services. The 10.8% increase in personnel expenditures includes a 0.75% retirement increase, a 6% increase in insurance costs, a salary increase, and the addition of a new Stormwater Analyst position. Operating costs increased by 24.9% largely due to debt service on the final issuance of the 2015 referendum. Capital Outlay decreased 33.8% due to no vehicle replacements in FY26.*

*The recommended budget includes a \$5.30 per ERU fee increase to issue the remaining \$3.2 million general obligation bonds and pay the related debt service for the 2015 Stormwater Bonds. This is the second fee increase, as another was implemented in FY20. The previous increase covered projects and increased operational costs, and the current increase allows us to cover the final issuance of the debt. The budget is balanced without the use of fund balance.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 1,721,805	\$ 1,789,291	\$ 1,789,291	\$ 1,729,680	\$ 1,982,357	10.8%
Operating Costs	1,105,165	1,308,922	3,257,832	3,194,856	1,634,477	24.9%
Capital Outlay	-	121,400	280,741	374,790	80,400	-33.8%
Capital Reserve	543,307	63,387	63,387	-	15,866	-75.0%
Total	\$ 3,370,277	\$ 3,283,000	\$ 5,391,251	\$ 5,299,326	\$ 3,713,100	13.1%

### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Stormwater Fees	\$ 3,088,054	\$ 3,100,000	\$ 3,100,000	\$ 3,008,075	\$ 3,530,100	13.9%
Fee Exemption	(9,710)	(17,000)	(17,000)	(10,000)	(17,000)	N/A
Transfer from General Fund	9,710	17,000	17,000	10,000	17,000	0.0%
Interest Income	268,223	175,000	175,000	175,000	175,000	0.0%
Other Income	14,000	8,000	8,000	8,000	8,000	0.0%
Appropriated Fund Balance	-	-	2,108,251	2,108,251	-	N/A
Total	\$ 3,370,277	\$ 3,283,000	\$ 5,391,251	\$ 5,299,326	\$ 3,713,100	13.1%

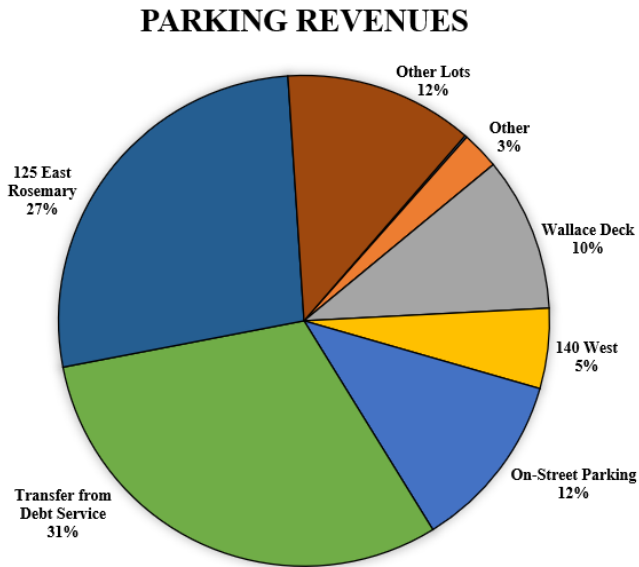


# ***PARKING SERVICES FUND***

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## **Major Revenue Sources – Descriptions and Estimates**

The Parking Services Fund, with a recommended budget of \$6,525,673 for 2025-26, accounts for revenues from the parking lots in the downtown area. Off-street parking revenues consist almost exclusively of the fees charged for parking in these lots. \$1,686,000, or about 27% of total parking revenues, is budgeted to come from the new 125 East Rosemary Deck. The deck at 140 West is budgeted to generate about \$330,000 in 2025-26.



On-street parking has two major revenue sources: parking meter fees and parking ticket fines. Meter fees are estimated to generate about \$425,000 and parking ticket fines about \$193,000 in 2025-26.

## **Major Expenditures and Estimates**

The primary expenditure of the Parking Services Fund is debt payments related to new parking lots. These debt expenditures total about \$4.2 million in FY26.

The other major expenditure in the Parking Services Fund is the cost of personnel to manage the lots. The personnel budget of \$965,123 includes a pay increase, a 6% increase in insurance costs, and a 0.75% increase in retirement.

## ***PARKING SERVICES***

### ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Parking Operations Administrator	1.00	1.00	1.00
Parking Services Supervisor	1.00	1.00	1.00
Assistant Parking Services Supervisor	1.00	1.00	1.00
Parking Enforcement Officer	3.00	3.00	3.00
Records Technician	0.80	0.75	2.00
Parking Attendant	2.00	2.00	0.00
Administrative Coordinator	1.00	1.00	1.00
Parking Fund Totals	9.80	9.75	9.00

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## **PARKING SERVICES BUDGET SUMMARY**

Parking revenues for the recommended 2025-26 budget increased 18.4% compared to FY25. This is mainly driven by an increase in the transfer from the Debt Fund.

The overall increase in expenditures for 2025-26 reflects an increase in personnel related to the 5% of market pay adjustment, 6% insurance increase, and 0.75% increase in retirement, as well as increases in liability insurance and debt payments.

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### **EXPENDITURES**

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
James Wallace Deck	\$ 622,001	\$ 604,634	\$ 651,521	\$ 730,337	\$ 531,963	-12.0%
Parking Lots	1,001,959	1,226,194	1,246,194	996,209	1,174,109	-4.2%
140 West Deck	51,562	53,183	54,806	56,183	53,855	1.3%
Administration	166,628	3,362,283	4,527,990	4,518,524	4,487,972	33.5%
Parking Capital	1,160	19,640	19,968	1,200	19,640	0.0%
On-Street Parking	209,549	244,187	291,833	248,270	258,134	5.7%
Total	\$ 2,052,859	\$ 5,510,121	\$ 6,792,312	\$ 6,550,723	\$ 6,525,673	18.4%

### **REVENUES**

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
James Wallace Deck	\$ 688,636	\$ -	\$ 635,000	\$ 635,000	\$ 635,000	N/A
Rosemary/Columbia Lot	302,419	275,000	275,000	302,000	303,000	10.2%
415 West Franklin Lot	55,373	82,000	82,000	55,365	55,000	-32.9%
West Rosemary Lot	37,927	10,000	10,000	37,030	10,000	0.0%
Rosemary/Sunset	47,325	58,500	58,500	47,150	62,000	6.0%
South Graham Lot	17,158	16,400	16,400	17,330	17,300	5.5%
West Franklin/Basnight Lot	91,888	85,000	85,000	91,000	98,000	15.3%
427 West Franklin Lot	49,832	51,000	51,000	50,200	50,000	-2.0%
Jones Park Lot	16,800	21,600	21,600	18,000	18,000	-16.7%
Mallette Lot	124,725	124,000	124,000	124,490	124,000	0.0%
Courtyard Lot	36,796	44,000	44,000	40,290	40,000	-9.1%
140 West Deck	302,984	331,000	331,000	300,000	330,000	-0.3%
125 East Rosemary	-	1,670,000	285,000	285,000	1,686,000	1.0%
205 Columbia Street	68,490	-	-	24,000	-	N/A
Interest Income	169,796	40,000	300,000	300,000	25,000	-37.5%
Miscellaneous Income	132,009	113,000	113,000	109,000	130,000	15.0%
On-Street Parking	716,448	657,500	657,500	729,000	734,000	11.6%
EV Charging Station Fees	-	-	-	9,300	9,200	N/A
UNC Leases - 125 East Rosemary	-	1,500,000	1,500,000	1,500,000	-	-100.0%
Transfer from Debt Service Fund	-	431,121	431,121	431,121	1,957,868	354.1%
Appropriated Fund Balance	(805,746)	-	1,772,191	1,445,447	241,305	N/A
Total	\$ 2,052,859	\$ 5,510,121	\$ 6,792,312	\$ 6,550,723	\$ 6,525,673	18.4%



## ***PUBLIC HOUSING FUND***

### ***Major Revenue Sources - Descriptions and Estimates***

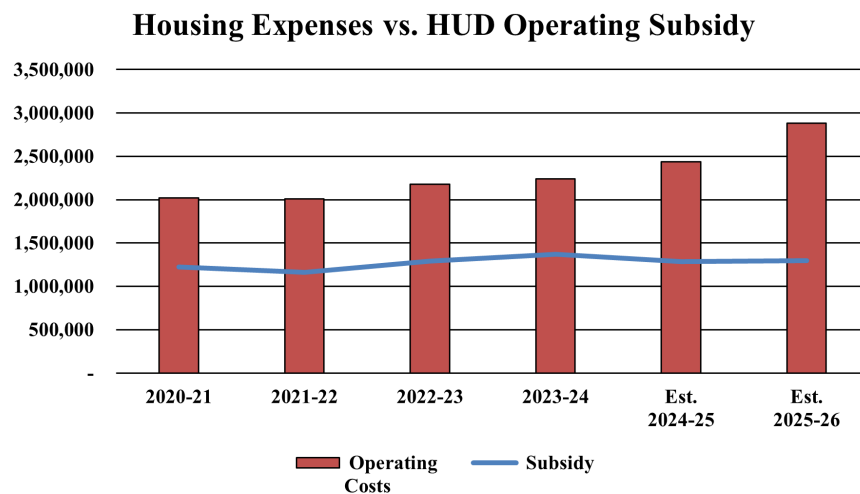
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The Town’s Public Housing program provides for the administration and operation of the Town's 296 public housing units and is funded primarily through federal grants and rents paid by residents.

In 1987, the Chapel Hill Public Housing Authority was abolished by the Chapel Hill Town Council. The Town’s public housing program was then operated as a Town Department administered by Town staff. During FY2023-24, the Public Housing department became part of the Affordable Housing & Community Connections department, with the Public Housing Fund remaining a separate enterprise fund.

Primary revenue sources include dwelling rents paid by residents and operating grants from the Department of Housing and Urban Development (HUD). In the fall of 2005, HUD adopted a “new Operating Fund final rule” which prescribed a phased series of changes to public housing management and reporting requirements. As a first step of implementation, HUD determined to begin budgeting on a calendar year basis. Difficulty with the new online reporting model delayed funding determination, and HUD has been funding housing agencies for a few months at a time since 2008.

Smaller housing agencies have been allowed to opt out of Asset Management since 2008. HUD has continued to provide the exception to smaller units, one year at a time. We believe that “opting out” will continue permanently, and so have prepared the budget for 2025-26 under a simpler budget model that more closely reflects the way we are reporting to HUD, eliminating the necessity of separating expenditures into AMPs or Asset Management Projects.



HUD has provided funding estimates for calendar year 2025 but we have no information about calendar year 2026. Based on interim allocations, our estimate of HUD’s subsidy for 2024-25 is \$1,295,000, a less than 1% increase from the 2023-24 subsidy of \$1,284,152.

The Public Housing division estimates dwelling rents, the largest source of revenue for the Public Housing Fund, at about \$1,410,000, which is a 2.7% increase from current year estimates.

## ***Major Expenditures and Estimates***

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Major expenditure categories include about \$1,682,276 for salaries and benefits, \$213,450 for utilities, \$77,500 for liability and flood insurance, and \$604,911 for maintenance of the units.

The personnel costs include a 5% of market pay increase, a 0.75% retirement contribution increase, and a 6% increase in insurance costs.

	2024-25 Original Budget	2025-26 Recommended Budget	% Change from 2024-25
Salary & Benefits - Administration	\$ 712,762	\$ 754,757	5.9%
Salary & Benefits - Maintenance	884,160	927,969	5.0%
Maintenance Costs	567,206	604,911	6.6%
Utilities	213,450	213,450	0.0%
Liability & Flood Insurance	77,500	77,500	0.0%
Other Expenses	244,322	303,737	24.3%
<b>Total Budget</b>	<b>\$ 2,699,400</b>	<b>\$ 2,882,324</b>	<b>6.8%</b>

# ***PUBLIC HOUSING***

## ***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	2023-24 ADOPTED	2024-25 ADOPTED	2025-26 RECOMMENDED
<b>Administration</b>			
Director - Public Housing	1.00	0.00	0.00
Assistant Director - Public Housing	1.00	0.00	0.00
Director - Affordable Housing & Community Connections <sup>1</sup>	0.00	0.20	0.20
Assistant Director - Administration <sup>1</sup>	0.00	0.50	0.50
Assistant Director - Affordable Housing & Community Connections <sup>1</sup>	0.00	0.50	0.50
Public Housing Manager	0.00	1.00	1.00
Management Analyst <sup>1</sup>	1.00	0.50	0.50
Administrative Coordinator <sup>2</sup>	0.00	0.20	0.20
Administrative Assistant	1.00	1.00	1.00
Housing Officer	2.00	2.00	2.00
Resident Services Coordinator	1.00	1.00	1.00
Division Totals	7.00	6.90	6.90
<b>Maintenance</b>			
Maintenance Supervisor	1.00	1.00	1.00
Maintenance Mechanic (Repair Worker, I, II, III) <sup>1</sup>	7.50	7.50	7.50
Administrative Coordinator	1.00	1.00	1.00
Division Totals	9.50	9.50	9.50
Housing Department Totals	16.50	16.40	16.40

<sup>1</sup> These positions are split between the Public Housing fund and Affordable Housing & Community Connections.

<sup>2</sup> The portion of this position formerly funded by AH&CC moved to Public Housing as of FY24-25.

## ***PUBLIC HOUSING BUDGET SUMMARY***

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*The Town's public housing units are funded primarily through federal grants from the U.S. Department of Housing and Urban Development and rents paid by residents. HUD's funding formula changed to implement Asset Based Budgeting in 2007-08, but each year, HUD has waived many Asset-based requirements for housing authorities of our size. We believe it is likely the waiver will be made permanent, so the budget for 2025-26 retains a simpler model that includes an Administrative Division and a Maintenance Division.*

*The 5.4% increase in personnel is the result of a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. The operating budget increased 19.9% due to increases in training, contracted services, landscaping expenses, and software. The budget for 2025-26 reflects an estimate of the HUD subsidy anticipated for calendar year 2025. The Town anticipates HUD subsidies will remain level and rental revenues will increase. The Town anticipates using \$138,924 in fund balance appropriation in 2025-26.*

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Revenue Summary						
HUD Contributions	\$ 1,284,152	\$ 1,295,000	\$ 1,295,000	\$ 1,295,000	\$ 1,295,000	0.0%
Rental Revenue	1,364,236	1,376,000	1,376,000	1,373,000	1,410,000	2.5%
Other Revenues	2,575	400	62,622	72,622	10,400	2500.0%
Interest Income	28,160	28,000	28,000	28,000	28,000	0.0%
Appropriated Fund Balance	1,063,395	-	35,584	-	138,924	N/A
Total Revenues	\$ 3,742,518	\$ 2,699,400	\$ 2,797,206	\$ 2,768,622	\$ 2,882,324	6.8%

### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 1,259,955	\$ 1,596,922	\$ 1,596,922	\$ 1,439,688	\$ 1,682,726	5.4%
Operating	982,563	1,000,797	1,040,381	998,547	1,199,598	19.9%
Contribution to Agencies	1,500,000	-	-	-	-	N/A
Capital	-	-	58,222	51,338	-	N/A
Contribution to Reserve	-	101,681	101,681	279,049	-	-100.0%
Total	\$ 3,742,518	\$ 2,699,400	\$ 2,797,206	\$ 2,768,622	\$ 2,882,324	6.8%

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***COMMUNITY DEVELOPMENT PROJECT ORDINANCES***  
***U.S. Department of Housing and Urban Development***  
***Community Development Program***  
***Summary of Activities***

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The Town became an "entitlement" Community Development city in 1984, which means that the Town is entitled to receive Community Development grant funds annually upon submission of a final statement. Community Development grants awarded by Housing and Urban Development are implemented pursuant to grant project ordinances authorized by General Statute 159-13.12. Budgets are adopted throughout the year as the grant awards are received.

The 2018 project ordinance budgets a \$418,344 grant and \$21,777 program income, for public housing improvements, homeownership assistance, homeowner housing improvement programs, code enforcement, neighborhood revitalization activities, summer youth employment programs, and homelessness case management.

The 2019 project ordinance budgets a grant of \$386,584 for homeownership assistance, housing improvement programs for homeowners, code enforcement, neighborhood revitalization activities, the summer youth employment program, youth counseling services, and homelessness case management.

The 2020 project ordinance budgets a \$417,591 grant and \$7,339 program income, for homeownership assistance, homeowner housing improvement programs, emergency housing assistance, the summer youth employment program, youth counseling services, and homelessness case management. There were also two COVID-19 related CDBG-CV ordinances in 2020:

- The Coronavirus funding round 3 project ordinance budgets a grant of \$290,902 for remote learning scholarships, neighborhood support centers and staffing and supplies for the food bank.

The 2021 project ordinance budgets a \$418,300 grant and \$7,339 program income, for affordable rental acquisition and rehabilitation, homeowner housing improvement programs, neighborhood revitalization activities, youth counseling services, and homelessness case management.

The 2022 project ordinance budgets a \$419,755 grant and \$51,964 program income, for homeownership assistance, homebuyer counseling, homeowner housing improvement programs, neighborhood revitalization, summer youth employment programs, youth counseling services and homelessness case management.

The 2023 project ordinance budgets a \$421,755 grant and \$12,817 program income, for homeownership assistance, homebuyer counseling, homeowner housing improvement programs, neighborhood revitalization, summer youth employment programs, youth counseling services and homelessness case management.

The 2024 project ordinance budgets a \$437,331 grant and \$7,338 program income, for homeownership assistance, homeowner housing improvement programs, summer youth employment programs, microenterprise development, and homelessness case management.



## ***CAPITAL IMPROVEMENTS FUND BUDGET SUMMARY***

*The budget for the Capital Improvements Program for 2025-26 totals \$2,895,996 and includes projects to be completed in 2025-26. Beginning in FY 2018-19, the Town began budgeting funds for facility maintenance in the General Fund. Each year, depending on the nature of the planned projects, a portion of those funds will be transferred into the Capital Improvements Fund.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Municipal Facilities	\$ 1,163,610	\$ 910,000	\$ 1,345,444	\$ 869,444	\$ 1,089,500	19.7%
Public Safety	747,085	-	228,720	228,720	-	N/A
Facilities Leased by Others	39,972	70,188	253,595	253,595	73,093	4.1%
Infrastructure	165,679	560,601	2,229,933	2,104,933	559,083	-0.3%
Parks/Public Use Facilities	770,296	1,146,000	1,507,647	1,467,647	1,146,000	0.0%
Transfers/Financing Costs	11,930	26,802	26,802	26,802	28,320	5.7%
Total	\$ 2,898,572	\$ 2,713,591	\$ 5,592,141	\$ 4,951,141	\$ 2,895,996	6.7%

### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Housing Rent Proceeds	\$ 72,337	\$ 70,188	\$ 70,188	\$ 70,188	\$ 73,093	4.1%
Cell Tower Rental Fees	67,439	70,000	70,000	70,000	70,000	0.0%
Interest on Investments	61,969	15,500	15,500	15,500	15,500	0.0%
Grants	50,000	-	1,125,000	1,000,000	-	N/A
Transfer from General Fund	2,248,903	2,557,903	2,586,623	2,070,623	2,737,403	7.0%
Appropriated Fund Balance	397,924	-	1,724,830	1,724,830	-	N/A
Total	\$ 2,898,572	\$ 2,713,591	\$ 5,592,141	\$ 4,951,141	\$ 2,895,996	6.7%

# ***CAPITAL IMPROVEMENTS FUND***

## ***DETAIL EXPENDITURES***

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget
<b>MUNICIPAL OPERATIONS FACILITIES</b>					
Extraordinary Maintenance, Emergency Repairs	\$ 148,450	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Teen Center	22,810	-	39,800	39,800	-
Homestead HVAC	-	-	158,200	158,200	-
Council Chamber Upgrade	153,944	-	32,056	32,056	-
Town Hall Parking Deck Repairs	310,935	-	-	-	-
Post Office/Courthouse	160,476	-	-	-	-
Plant Road Maintenance	-	-	40,000	40,000	-
Public Works Wash Bay	-	-	24,000	24,000	-
Public Works Roof	-	91,000	91,000	91,000	989,500
Facility Condition Assessment	26,021	-	-	-	-
Hargraves HVAC	-	460,000	514,000	267,000	-
Community Center Roof	257,645	-	51,125	51,125	-
Community Center HVAC	-	229,000	264,000	35,000	-
Parks Admin. HVAC	-	30,000	30,000	30,000	-
Town Operations Center	83,329	-	1,263	1,263	-
<b>Subtotal</b>	<b>\$ 1,163,610</b>	<b>\$ 910,000</b>	<b>\$ 1,345,444</b>	<b>\$ 869,444</b>	<b>\$ 1,089,500</b>
<b>PUBLIC SAFETY</b>					
Fire Truck	\$ 747,085	\$ -	\$ -	\$ -	\$ -
Fire Station #3 Design	-	-	228,720	228,720	-
<b>Subtotal</b>	<b>\$ 747,085</b>	<b>\$ -</b>	<b>\$ 228,720</b>	<b>\$ 228,720</b>	<b>\$ -</b>

# ***CAPITAL IMPROVEMENTS FUND***

## ***DETAIL EXPENDITURES***

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget
<b>TOWN FACILITIES LEASED BY OTHERS</b>					
Housing Maintenance	\$ 39,972	\$ 70,188	\$ 253,595	\$ 253,595	\$ 73,093
<b>Subtotal</b>	<b>\$ 39,972</b>	<b>\$ 70,188</b>	<b>\$ 253,595</b>	<b>\$ 253,595</b>	<b>\$ 73,093</b>
<b>INFRASTRUCTURE</b>					
Everywhere to Everywhere	\$ 2,878	\$ 401,403	\$ 1,799,929	\$ 1,799,929	\$ 401,403
Path, Trail and Lot Maintenance	50,000	25,000	25,000	25,000	25,000
Vision Zero	35,406	36,599	98,860	98,860	35,840
Curbs / ADA	36,104	36,000	36,000	36,000	36,000
Bike/Ped Safety	41,291	61,599	270,144	145,144	60,840
<b>Subtotal</b>	<b>\$ 165,679</b>	<b>\$ 560,601</b>	<b>\$ 2,229,933</b>	<b>\$ 2,104,933</b>	<b>\$ 559,083</b>
<b>PARKS AND OTHER PUBLIC USE FACILITIES</b>					
Greenways	\$ 39,235	\$ 50,000	\$ 52,435	\$ 52,435	\$ 50,000
Playground Replacement	17,572	50,000	50,000	50,000	50,000
Cemetery Beautification	30,279	20,000	20,000	20,000	20,000
Parks Maintenance	550,812	976,000	1,335,212	1,295,212	976,000
Small Park Improvements	132,398	50,000	50,000	50,000	50,000
<b>Subtotal</b>	<b>\$ 770,296</b>	<b>\$ 1,146,000</b>	<b>\$ 1,507,647</b>	<b>\$ 1,467,647</b>	<b>\$ 1,146,000</b>
<b>TRANSFER TO OTHER FUNDS AND FINANCING COSTS</b>					
Transfer to Grants Fund	\$ 11,930	\$ 26,802	\$ 26,802	\$ 26,802	\$ 28,320
<b>Subtotal</b>	<b>\$ 11,930</b>	<b>\$ 26,802</b>	<b>\$ 26,802</b>	<b>\$ 26,802</b>	<b>\$ 28,320</b>
<b>TOTALS</b>	<b>\$ 2,898,572</b>	<b>\$ 2,713,591</b>	<b>\$ 5,592,141</b>	<b>\$ 4,951,141</b>	<b>\$ 2,895,996</b>

***CAPITAL RESERVE FUND***  
***BUDGET SUMMARY***

*No appropriations are planned for the Capital Reserve Fund for 2025-26, which had a fund balance of \$230,634 as of June 30, 2024.*

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**EXPENDITURES**

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Reserved for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Transfer to Capital Improvements Fund	-	-	-	-	-	N/A
Transfer to General Fund	-	-	-	-	-	N/A
Total	\$ -	\$ -	\$ -	\$ -	\$ -	N/A

**REVENUES**

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Interest on Investments Appropriated	\$ 9,068	\$ -	\$ -	\$ -	\$ -	N/A
Fund Balance	(9,068)	-	-	-	-	N/A
Total	\$ -	\$ -	\$ -	\$ -	\$ -	N/A

## ***MAJOR CAPITAL BOND PROJECTS***

Several major capital improvement projects were approved by bond referenda in November 2003, November 2015, and November 2018 and limited obligation bonds in 2012, 2021, and 2024.

As authorized by General Statute 159.13.2, capital project ordinances were established for each of the projects for the life of the projects.

Expenditures for these projects through March 31, 2025, are shown in the table at the right.

<b>Major Capital Bond Projects</b>	<b>Budget</b>	<b>Expenditures as of March 31, 2025</b>
<b>2003 Bond Projects</b>		
Streets and Sidewalks	\$ 5,600,000	\$ 5,600,000
Parks and Recreation	5,000,000	4,980,000
Subtotal	\$ 10,600,000	\$ 10,580,000
<b>2015 Bond Projects</b>		
Streets and Sidewalks	\$ 16,200,000	\$ 10,129,000
Parks Trails	5,000,000	4,030,000
Parks Facilities	5,300,000	5,102,000
Subtotal	\$ 26,500,000	\$ 19,261,000
<b>2018 Bond Projects</b>		
Affordable Housing Projects	\$ 10,000,000	\$ 2,252,000
<b>2021 LOBS Projects</b>		
East Rosemary Deck	\$ 39,370,000	\$ 39,370,000
Elliott Road Reconstruction	6,480,000	6,480,000
Subtotal	\$ 45,850,000	\$ 45,850,000
<b>2023 Two-Third Bond Projects</b>	\$ 1,980,000	\$ 1,980,000
<b>2024 LOBS Projects</b>		
East Rosemary Deck	\$ 12,121,000	\$ 9,033,000
Fire Ladder Truck	2,323,000	1,706,000
PD Furniture & Fixtures	1,717,000	113,000
Subtotal	\$ 16,161,000	\$ 10,852,000
<b>TOTAL</b>	<b>\$ 111,091,000</b>	<b>\$ 90,775,000</b>



## ***AFFORDABLE HOUSING DEVELOPMENT RESERVE FUND BUDGET SUMMARY***

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*The Affordable Housing Development Reserve Fund is dedicated exclusively to the development and preservation of affordable housing. Funds had been budgeted annually in the General Fund through the "penny for Housing", but in September of 2017, the Town Council approved the creation of the Affordable Housing Development Reserve Fund. For FY26, the funding level remained the same.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Land Acquisitions	\$ 175,000	\$ -	\$ 175,000	\$ 175,000	\$ -	N/A
Rental Subsidies	28,875	-	162,889	162,889	-	N/A
Homeownership Assist.	-	-	67,000	67,000	-	N/A
Future Development	-	-	36,718	36,718	-	N/A
Contributions	-	-	1,090,695	1,090,695	-	N/A
Reserve	622,975	722,003	1,314,195	767,192	722,003	0.0%
Total	\$ 826,850	\$ 722,003	\$ 2,846,497	\$ 2,299,494	\$ 722,003	0.0%

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### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Transfer from General Fund	\$ 826,850	\$ 722,003	\$ 722,003	\$ 175,000	\$ 722,003	0.0%
Appropriated Fund Balance	-	-	2,124,494	2,124,494	-	N/A
Total	\$ 826,850	\$ 722,003	\$ 2,846,497	\$ 2,299,494	\$ 722,003	0.0%

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## CLIMATE ACTION FUND

### BUDGET SUMMARY

The Climate Action Fund was established in FY22 to dedicate funding for climate change. The recommended budget for the Climate Action Fund remained flat compared to the 2024-25 budget. The 5% increase in personnel costs reflects a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. Operating costs increased by 20.2% due to increases in consulting and contracted services. Capital costs decreased based on available resources.

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### EXPENDITURES

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Personnel	\$ 397,626	\$ 406,196	\$ 438,045	\$ 419,807	\$ 426,588	5.0%
Operating Costs	302,372	314,132	764,216	673,429	377,671	20.2%
Capital	2,493	83,931	507,044	245,583	-	-100.0%
Contribution to Reserve	135,442	-	-	-	-	N/A
Transfer to Vehicle Replacement Fund	-	-	129,200	129,200	-	N/A
Total	\$ 837,933	\$ 804,259	\$ 1,838,505	\$ 1,468,019	\$ 804,259	0.0%

### REVENUES

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Transfer from General Fund	\$ 804,259	\$ 804,259	\$ 804,259	\$ 433,773	\$ 804,259	0.0%
Grants	33,674	-	489,604	489,604	-	0.0%
Appropriated Fund Balance	-	-	544,642	544,642	-	0.0%
Total	\$ 837,933	\$ 804,259	\$ 1,838,505	\$ 1,468,019	\$ 804,259	0.0%



## GRANTS FUND

### BUDGET SUMMARY

*The Grants Fund was established in 2004-05 to account for grants previously included in the General Fund. Grants for 2025-26 had not been awarded at the time of this submission.*

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#### EXPENDITURES

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Police Grants	\$ 255,783	\$ 81,319	\$ 735,547	\$ 735,547	\$ -	-100.0%
Fire Grants	93,865	-	106,135	106,135	-	N/A
Planning Grants	572,133	520,576	886,151	886,151	-	-100.0%
AH&CC Grants	149,825	125,000	144,612	144,612	-	-100.0%
Technology Grants	-	-	187,778	187,778	-	N/A
Total	\$ 1,071,606	\$ 726,895	\$ 2,060,223	\$ 2,060,223	\$ -	-100.0%

#### REVENUES

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Grants	\$ 1,255,375	\$ 614,487	\$ 1,634,948	\$ 1,636,317	\$ -	-100.0%
Transfer from General Fund	109,895	85,606	99,247	99,247	-	-100.0%
Transfer from Capital Imp. Fund	11,930	26,802	26,802	26,802	-	-100.0%
Appropriated Fund Balance	(305,594)	-	299,226	297,857	-	N/A
Total	\$ 1,071,606	\$ 726,895	\$ 2,060,223	\$ 2,060,223	\$ -	-100.0%

# ***DOWNTOWN SERVICE DISTRICT FUND***

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## **Major Revenue Sources – Descriptions and Estimates**

The revenue source for the Downtown Service District is the special district property tax on the assessed value of \$762,700,000. The tax rate of 5.5 cents represents the revenue neutral rate based on the 2025 Orange County revaluation and is expected to yield a total of about \$419,000 in FY 2025-26. This represents an increase of \$7,000 from the current year estimates, due to the increase in value from new development in the downtown area and the revaluation.

FY26 continues funding from Orange County in the amount of \$73,500 for the “Launch” initiative, which is a partnership between Orange County, the University, and the Town of Chapel Hill with the goal of providing incentives to assist in small and local business development.

The FY 2025-26 budget also includes a transfer of \$100,000 from the General Fund to further support downtown initiatives.

Adjustments to the Downtown Service District border were last made for the 2006-07 fiscal year to account for changes in business status between commercial and residential uses.

## **Major Expenditures and Estimates**

The budget provides for continued funding for the Chapel Hill Downtown Partnership in the amount of \$150,000. The Chapel Hill Downtown Partnership brings the resources of the Town, University, and downtown community together to maintain, enhance, and promote downtown as the social, cultural, and spiritual center of Chapel Hill through economic development.

Additionally, there are expenses related to the “Launch” initiative (\$147,000) along with 140 West expenses (\$110,000). The FY26 budget continues funding for a groundskeeper (\$70,522) dedicated to the downtown area, and also includes a re-allocation of \$100,000 toward a Downtown Public Space Pilot in Lot 2.

## ***DOWNTOWN SERVICE DISTRICT FUND BUDGET SUMMARY***

*The recommended Downtown Service District Fund tax rate of 5.5 cents for 2025-26 provides for continued funding of the groundskeeper position dedicated to the downtown area. The recommended budget includes an allocation of just over \$500,000 for services related to the district, and includes expenses related to the "Launch" initiative (\$147,000) along with 140 West expenses (\$110,000).*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-2025</b>
Personnel	\$ 69,889	\$ 66,915	\$ 66,915	\$ 69,099	\$ 70,522	5.4%
CH DWTN Partnership	250,000	250,000	250,000	250,000	150,000	-40.0%
140 West Expenses	101,719	110,000	110,000	110,000	110,000	0.0%
Launch	147,000	147,000	147,000	147,000	147,000	0.0%
Lot 2 Pilot	-	-	-	-	100,000	N/A
Reserve	16,154	12,585	12,585	13,401	15,978	27.0%
Total	\$ 584,762	\$ 586,500	\$ 586,500	\$ 589,500	\$ 593,500	1.2%

### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Property Taxes	\$ 406,082	\$ 412,000	\$ 412,000	\$ 412,000	\$ 419,000	1.7%
Interest Income	4,546	-	-	3,000	-	N/A
Orange County Launch Contribution	73,500	73,500	73,500	73,500	73,500	0.0%
Interest on Receivable	634	1,000	1,000	1,000	1,000	0.0%
Transfer from General Fund	100,000	100,000	100,000	100,000	100,000	0.0%
Total	\$ 584,762	\$ 586,500	\$ 586,500	\$ 589,500	\$ 593,500	1.2%

## ***LIBRARY GIFT FUND***

### ***BUDGET SUMMARY***

*The recommended budget for the Library Gift Fund for 2025-26 remains flat compared to the previous year. 2025-26 expenses include additions to the collection, furniture, software costs, and other miscellaneous expenses. The Library Gift Fund continues to budget a transfer to the General Fund to support Library operations at an amount of \$45,000 for 2025-26.*

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#### **EXPENDITURES**

	<b>2023-24</b>	<b>2024-25</b>	<b>2024-25</b>	<b>2024-25</b>	<b>2025-26</b>	<b>% Change</b>
	<b>Actual</b>	<b>Original</b>	<b>Revised</b>	<b>Estimated</b>	<b>Recommended</b>	<b>from</b>
		<b>Budget</b>	<b>Budget</b>		<b>Budget</b>	<b>2024-25</b>
Computers/Database	\$ 9,585	\$ 8,225	\$ 109,471	\$ 87,269	\$ 8,225	0.0%
Furniture	26,837	23,308	-	10,557	23,308	0.0%
Collection Purchases	38,658	48,000	49,610	48,000	39,000	-18.8%
Other	129,618	82,375	203,640	217,606	81,500	-1.1%
Transfer to General Fund	45,000	45,000	45,000	45,000	45,000	0.0%
Contribution to Reserve	20,464	13,906	13,906	-	23,781	71.0%
Total	\$ 270,162	\$ 220,814	\$ 421,627	\$ 408,432	\$ 220,814	0.0%

#### **REVENUES**

	<b>2023-24</b>	<b>2024-25</b>	<b>2024-25</b>	<b>2024-25</b>	<b>2025-26</b>	<b>% Change</b>
	<b>Actual</b>	<b>Original</b>	<b>Revised</b>	<b>Estimated</b>	<b>Recommended</b>	<b>from</b>
		<b>Budget</b>	<b>Budget</b>		<b>Budget</b>	<b>2024-25</b>
Interest Income	\$ 11,043	\$ 1,406	\$ 1,406	\$ 5,750	\$ 1,406	0.0%
Friends' Donations	125,000	134,875	139,875	139,875	134,875	0.0%
Grants	80,197	-	46,406	68,347	-	N/A
Misc Donations	53,922	57,500	63,500	62,500	57,500	0.0%
Appropriated						
Fund Balance	-	27,033	170,440	131,960	27,033	0.0%
Total	\$ 270,162	\$ 220,814	\$ 421,627	\$ 408,432	\$ 220,814	0.0%

## **VEHICLE REPLACEMENT FUND**

### **BUDGET SUMMARY**

*The recommended budget for 2025-26 for the Vehicle Replacement Fund includes a list of the most critical capital equipment needs pending a comprehensive review of the Town's fixed assets. Included in the 2025-26 recommended budget is the replacement of one rear loader and two trucks in Solid Waste; seven Police vehicles; four trucks, one Skid Steer, and four mowers for Parks Maintenance; one dump truck in the Streets Division of Public Works; one truck in Facilities Management; one truck in the Construction division; one Public Works Admin vehicle; one truck in the Engineering division; one Fire Department vehicle; a new vehicle for the Code Enforcement division of Building & Development Services; and one van for Parks & Rec. The Vehicle Replacement Fund has moved to a pay-as-you-go system. Beginning in 2014-15, vehicle purchases were bought outright rather than financed.*

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### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Capital Equipment	1,754,640	1,605,000	2,535,631	2,535,631	1,810,000	12.8%
Total	\$ 1,754,640	\$ 1,605,000	\$ 2,535,631	\$ 2,535,631	\$ 1,810,000	12.8%

### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Vehicle Use Fees	\$ 1,105,000	\$ 1,605,000	\$ 1,605,000	\$ 1,605,000	\$ 1,810,000	12.8%
Interest Income	53,006	-	-	2,400	-	N/A
Sale of Fixed Assets	143,831	-	-	-	-	N/A
Transfer from Climate Action Fund	-	-	129,200	129,200	-	N/A
Appropriated Fund Balance	452,803	-	801,431	799,031	-	N/A
Total	\$ 1,754,640	\$ 1,605,000	\$ 2,535,631	\$ 2,535,631	\$ 1,810,000	12.8%

***FLEET MANAGEMENT FUND***  
***STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

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	<b>2023-24 ADOPTED</b>	<b>2024-25 ADOPTED</b>	<b>2025-26 RECOMMENDED</b>
Fleet Manager	1.00	1.00	1.00
Fleet Supervisor	1.00	1.00	1.00
Fleet Technician (I-III)	5.00	5.00	5.00
Fleet Systems Technician <sup>1</sup>	0.75	0.75	0.75
Unit Totals	7.75	7.75	7.75

<sup>1</sup> Position is split between Facilities Management division of Public Works and the Fleet Management fund.

Note: Fleet Management is supervised by the Public Works Department.

## **FLEET MANAGEMENT FUND**

### **BUDGET SUMMARY**

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*The 2025-26 recommended budget for the Fleet Management Fund reflects an overall increase in expenditures of 3.7% from last year's budget. The 4.9% increase in personnel is the result a 0.75% retirement increase, a 6% increase in insurance costs, and a salary increase. The operating budget increase of 2.9% is due to an increase in vehicle maintenance costs.*

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#### **EXPENDITURES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Personnel	\$ 761,681	\$ 880,509	\$ 880,509	\$ 855,983	\$ 923,889	4.9%
Operating Costs	1,224,340	1,255,163	1,238,132	1,282,917	1,291,863	2.9%
Capital Outlay	17,226	-	17,385	17,194	-	N/A
Total	\$ 2,003,247	\$ 2,135,672	\$ 2,136,026	\$ 2,156,094	\$ 2,215,752	3.7%

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#### **REVENUES**

	<b>2023-24 Actual</b>	<b>2024-25 Original Budget</b>	<b>2024-25 Revised Budget</b>	<b>2024-25 Estimated</b>	<b>2025-26 Recommended Budget</b>	<b>% Change from 2024-25</b>
Vehicle Maintenance Fees	\$ 1,821,932	\$ 2,135,672	\$ 2,135,672	\$ 2,135,672	\$ 2,215,752	3.7%
Interest Income	11,728	-	-	1,400	-	N/A
Insurance Claims	3,860	-	-	19,022	-	N/A
Appropriated Fund Balance	165,727	-	354	-	-	N/A
Total	\$ 2,003,247	\$ 2,135,672	\$ 2,136,026	\$ 2,156,094	\$ 2,215,752	3.7%

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## COMPUTER REPLACEMENT FUND

### BUDGET SUMMARY

The recommended budget for 2025-26 provides for replacement of computer equipment on a pay-as-you-go basis.

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#### EXPENDITURES

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Small Equipment Reserve	\$ 122,909 57,920	\$ 158,236 -	\$ 211,427 -	\$ 135,809 -	\$ 139,876 -	-11.6% N/A
Total	\$ 180,829	\$ 158,236	\$ 211,427	\$ 135,809	\$ 139,876	-11.6%

#### REVENUES

	2023-24 Actual	2024-25 Original Budget	2024-25 Revised Budget	2024-25 Estimated	2025-26 Recommended Budget	% Change from 2024-25
Computer Use Fees	\$ 176,100	\$ 158,236	\$ 158,236	\$ 79,118	\$ 139,876	-11.6%
Interest Income	4,729	-	-	3,500	-	N/A
Appropriated Fund Balance	-	-	53,191	53,191	-	N/A
Total	\$ 180,829	\$ 158,236	\$ 211,427	\$ 135,809	\$ 139,876	-11.6%



## *Performance Agreements with Other Agencies*

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	2024-25 Adopted Budget	2025-26 Recommended Budget
<b>Performance Agreements with Other Agencies</b>		
<b>Human Services</b>		
Human Services Advisory Board Recommendations	\$ 602,516	\$ 602,516
<b>Total Human Services</b>	<b>602,516</b>	<b>602,516</b>
<b>Arts</b>		
Cultural Arts	43,500	43,500
<b>Total Arts</b>	<b>43,500</b>	<b>43,500</b>
<b>Affordable Housing</b>		
Community Home Trust	513,145	513,145
Interfaith Council (IFC)	273,766	273,766
Orange County Partnership to End Homelessness	317,048	317,048
<b>Total Affordable Housing</b>	<b>1,103,959</b>	<b>1,103,959</b>
<b>Economic Development</b>		
Chapel Hill/Orange County Visitors Bureau	200,000	200,000
Chapel Hill Downtown Partnership	70,000	70,000
<b>Total Economic Development</b>	<b>270,000</b>	<b>270,000</b>
<b>Total Contributions to Agencies</b>	<b>\$ 2,019,975</b>	<b>\$ 2,019,975</b>

