

Town of Chapel Hill  
North Carolina



Manager's Recommended Budget  
FY 2022-23

Town of Chapel Hill  
North Carolina

2022-23 Recommended Budget



**Chapel Hill Town Council, 2022-2023**

Your Town Council is (top row) Council members **Adam Searing, Paris Miller-Foushee, Michael Parker, Amy Ryan, and Camille Berry**, and (bottom row) Council members **Tal Huynh and Jessica Anderson**, Mayor **Pam Hemmlinger**, and Mayor Pro tem **Karen Stegman**

Town Manager  
Maurice Jones

Finance Officer  
Amy Oland

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# Budget Focus

- Supporting Council's strategic priorities
- Recovery from COVID-19 pandemic
- Restore focus on long-term priorities
- Supporting our most valuable resources



# Budget Highlights

Total budget = \$127,716,587

8.9% increase from prior year

Property tax rate of 51.9 cents

4%-5% tiered market pay increase

Investment in Council Priorities



# General Fund – Revenue Comparison

Revenue Source	Adopted FY2021-22	Estimated FY2021-22	Recommended FY2022-23
Property Taxes	\$ 35,147,500	\$ 35,208,500	\$ 35,828,500
Sales Taxes	16,560,488	19,100,266	20,246,281
Other Taxes	828,500	1,237,000	1,337,000
State Shared Revenues	7,717,442	7,732,554	7,864,098
Charges for Services	4,305,852	4,035,832	4,815,824
Licenses & Permits	2,800,100	3,046,076	2,825,910
Grants	681,997	694,102	687,997
Other Revenues	467,900	551,872	420,000
Approp. Fund Balance	2,510,221	0	2,528,390
<b>Total</b>	<b>\$ 71,020,000</b>	<b>\$ 71,606,202</b>	<b>\$ 76,554,000</b>

# Property Taxes



Current Tax Rate

51.4

Proposed Tax Rate

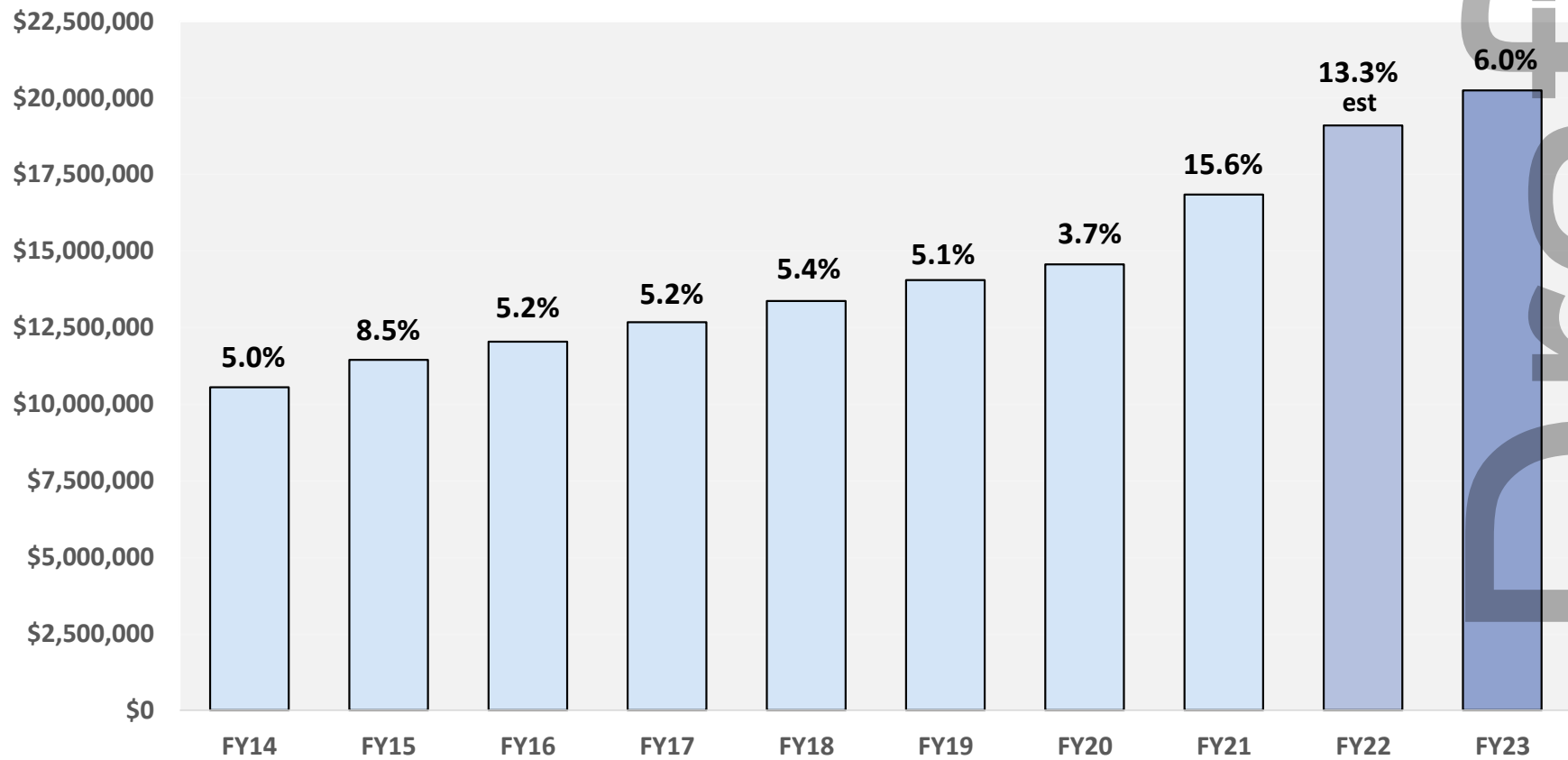
51.9

Value of a Penny

\$958K

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# Sales Taxes Growth





# 5-Year Budget Strategy

Strategy to ramp up the Town's investments in:

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

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# FY 2023 Priorities

<b>Budget Topic</b>	<b>FY 2023 Recommended Budget</b>
Pay Adjustment	4%/5% tier
Phase 2 Class & Comp Reserve	\$200,000
New Positions	\$355,540
Council Stipends	\$ 40,000
Climate Action	\$ 80,000
Affordable Housing & Homelessness Initiatives	\$ 80,000
Human Services Escalator	\$ 27,325
Downtown Improvements	\$100,000

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# FY 2023 Priorities

<b>Budget Topic</b>	<b>FY 2023 Recommended Budget</b>
Bike/Pedestrian Safety	\$ 75,000
Vision Zero	\$ 50,000
Cultural Arts	\$ 20,000
Parks Maintenance	\$ 50,000
Vehicle Replacements	\$ 95,600
Cost of Service Increases	\$200,000
Cybersecurity	\$ 98,000

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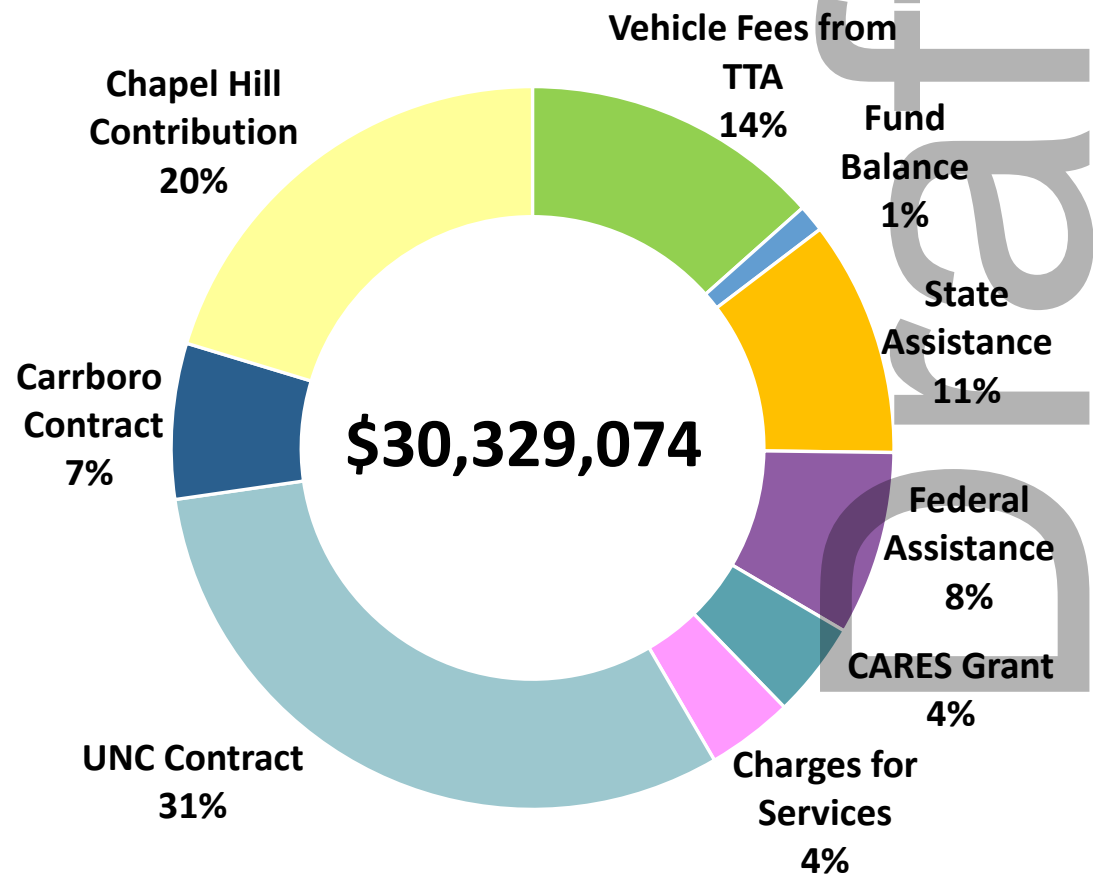
# ARPA Draft Funding Options

• Human Services/Community Partners Funding	\$ 1,000,000
• Affordable Housing & Homelessness Initiatives	2,500,000
• Parks & Recreation	2,500,000
• Bike/ped/greenway infrastructure	1,000,000
• Building Infrastructure	1,000,000
• Downtown Revitalization	1,000,000
• Digital Access	500,000
• Community Based Projects	500,000

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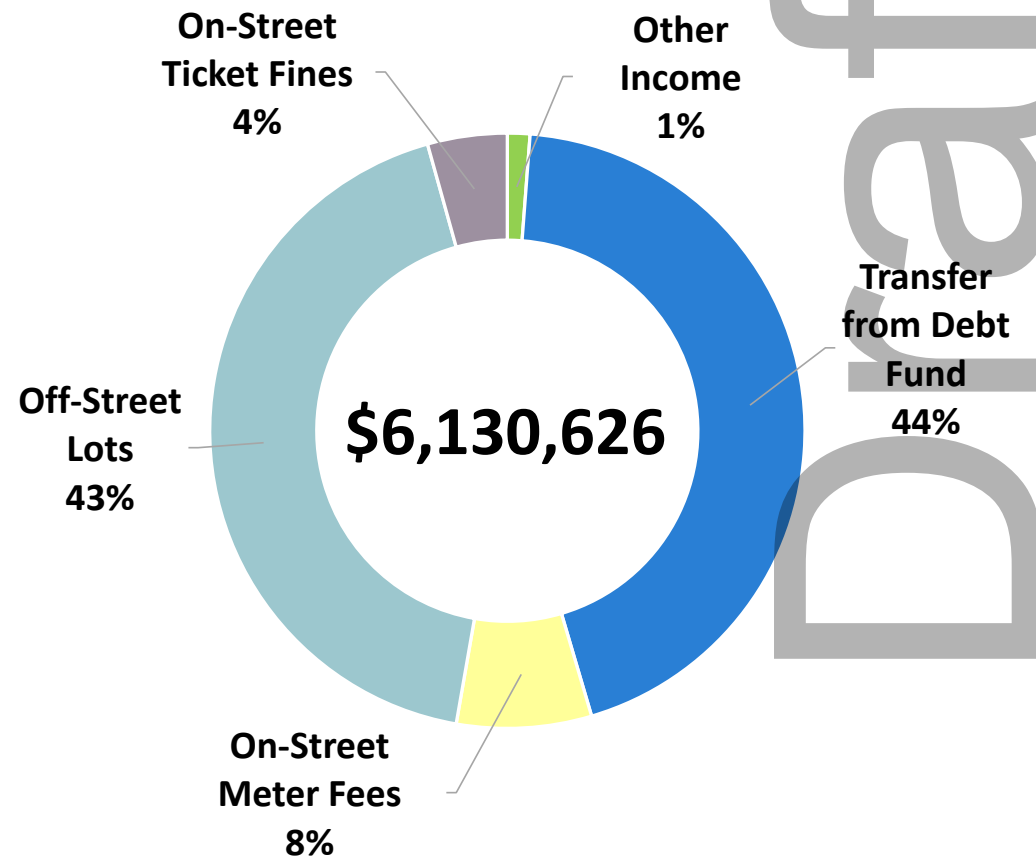
# Transit Fund Revenues FY 2022-23

- 15.3% increase in overall budget
- ½ cent tax increase (5.4 -> 5.9) for debt service
- Corresponding changes to partner contributions (UNC & Carrboro)
- Federal Assistance - \$539K increase
- State Assistance - \$570K increase
- Transit Fund in relatively good fiscal condition – dependent on continued federal/state monies & capital needs



# Parking Fund Revenues FY 2022-23

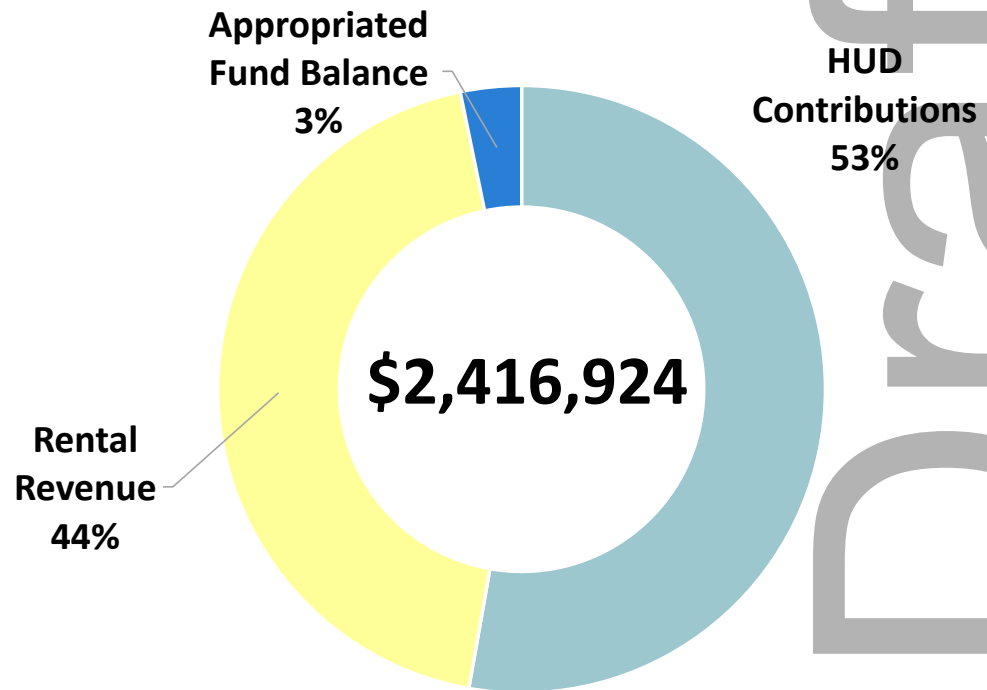
- **83.8% increase in total budget**
- **Increase tied to debt service associated with East Rosemary St Deck**
- **Budget balanced with \$2.7 million Transfer from Debt Service Fund**
- **Parking Fund revenues still affected by COVID-19 pandemic but seeing significant amount of recovery in current year and expect trend to continue**



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# Housing Fund Revenues FY 2022-23

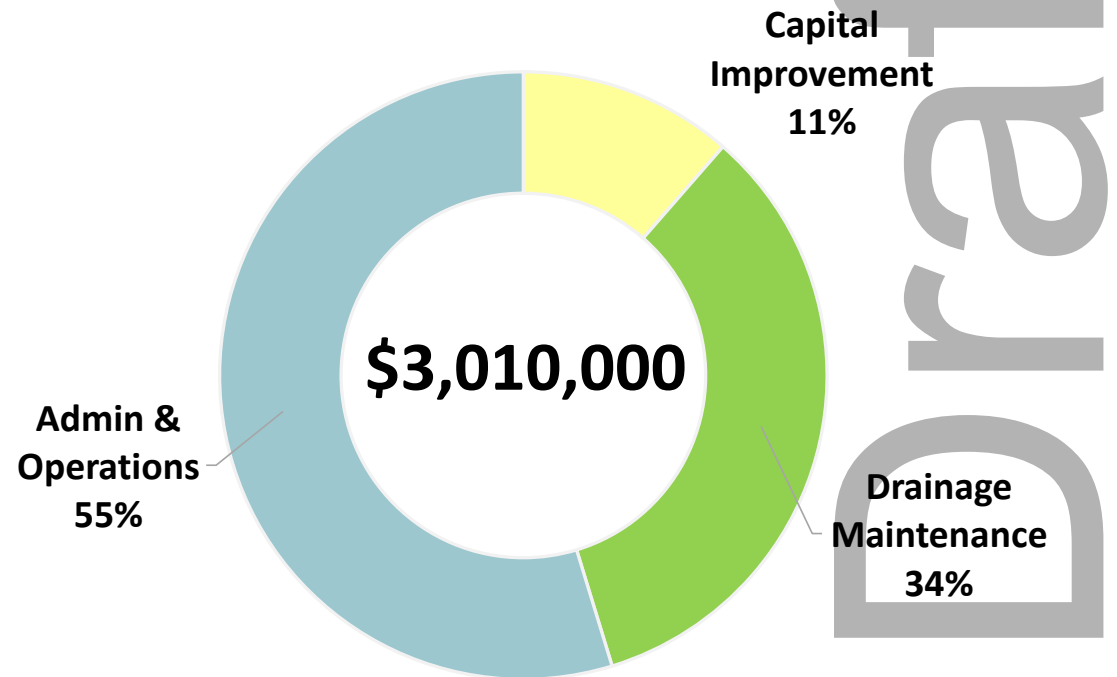
- 11% increase in budget
- 53% of housing expenses are covered with HUD Operating Subsidy
- 44% of housing expenses are covered with tenant rents
- 3% of housing expenses are covered with appropriated fund balance
- Housing Fund in good fiscal condition however use of fund balance for recurring expenditures is not a sustainable practice



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# Stormwater Fund Expenses FY 2022-23

- Flat Budget (\$500)
- No stormwater fee increase proposed
- Continuation of existing services
- Stormwater Fund in good fiscal condition



# What One Additional Penny Can Do

Climate Action	\$ 50,000
Affordable Housing & Homelessness Initiatives	\$189,605
Bike/Pedestrian Safety	\$ 15,000
Vision Zero	\$ 15,000
Cultural Arts	\$ 20,000
Economic Development Position	\$ 81,995
Parks Maintenance	\$ 40,000
Building Maintenance	\$ 75,000
Pay Go Capital	\$ 75,000
Vehicle Replacements	\$103,400
Cost of Service Increases	\$ 75,000
Fire Department Positions	\$180,000
Reimagining Community Safety Task Force	\$ 30,000

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# Dates for Budget Process

May 4	Presentation of Manager's Recommended Budget
May 11	Budget Work Session
May 18	Budget Public Hearing
May 25	Budget Work Session
June 1	Budget Work Session (if needed)
June 8	Budget Adoption

**2022-23 Budget Development Page**

[www.townofchapelhill.org/budget](http://www.townofchapelhill.org/budget)

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