

FY 2026-27

Recommended Budget

Work Session

May 13, 2026

Recommended Budget

\$169.7 M

3.4% ↑

\$100 M

General Fund

\$69.7 M

Enterprise, Debt,
Capital, and other funds

No recommended
FY27 tax increase.

Property Tax Rate

\$0.50 per \$100 valuation

Council Goals

- We're operationalizing **Complete Community** through adopted plans and funded projects.
- We're continuing to leverage innovative approaches to funding you housing goals.
- We're continuing to seek ways to advance your **environmental goals**, amidst uncertain federal funding.
- Our work is guided by a 5-year funding outlook that is helping move towards **fiscal sustainability**.

General Fund Revenue Source	Adopted Budget FY 2025-26	Estimated Actual FY 2025-26	Recommended Budget FY 2026-27
Property taxes	50,530,000	53,377,500	53,917,500
Sales taxes	21,528,427	22,550,817	23,257,745
Other taxes	1,850,000	1,850,000	1,850,000
State Shared Revenues	8,927,339	9,074,247	9,052,247
Charges for Services	6,173,959	5,763,513	5,900,710
Licenses & Permits	2,920,230	3,015,238	3,113,600
Grants	750,083	856,717	744,988
Interest	750,000	903,860	750,000
Other Revenues	452,962	758,687	673,210
Appropriated Fund Balance	1,000,000	0	500,000
TOTAL	94,883,000	98,150,579	99,760,000

5-Year Path to Fiscal Sustainability

Investing in Your Priorities

5-Year Priorities	Sustainable Allocation	Current Allocation	FY 2027	FY 2028	FY 2029	FY 2030*	FY 2031
Staffing			587,772	?	?	?	?
Operations			544,375	500,000	500,000	500,000	500,000
Facilities**	1,650,000	989,500	250,000	250,000	160,500	No new \$	No new \$
Streets	3,980,000	968,515	250,000	250,000	250,000	250,000	250,000
Fleet**	2,800,000	1,755,000	250,000	250,000	250,000	295,000	No new \$
Fire Capital**	1,250,000	500,000	500,000	250,000	No new \$	No new \$	No new \$
TOTAL	9,680,000	4,213,015	2,382,147	1,500,000	1,160,500	1,045,000	750,000

* Revaluation years

** Sustainable funding levels reached by FY 2030

Investing in Employees

- Retirement contribution increase
- Medical Insurance increase
- Pay Study implementation for Fire
- Skills based pay adjustment for Inspectors
- 4% of Market Pay increase
- Three New Positions

Continued General Fund investments in:

- Affordable Housing
- Climate Action
- Everywhere 2 Everywhere (greenways)
- Outside Agency Funding

Advancing Efficiency and Innovation

- Developing in-house capacity to complete additional greenway segments
- Implementing innovative approaches to Complete Community
- Maximizing external grants to leverage local dollars
- Modernizing internal systems and processes

Enterprise Funds

Transit

- 1% decrease in overall budget
- Increase in partner contributions
- Decrease in interest & 420 route

Parking

- 1% decrease in overall budget
- Adjustments to parking revenues
- Includes transfer from debt fund

Enterprise Funds

Housing

- 4% increase in overall budget
- Cost of doing business increases
- Fund balance appropriation

Stormwater

- 23% increase in overall budget
- \$8.79 per ERU increase (avg 2 ERU)
- Inventory mapping per NPDES

Orange County Library Contribution

Library Funding Facts

- Total budget = \$4,297,174
- Orange County funding = \$621,323 (14.5% of budget)
- CHPL provides services to ~64,000 Orange County residents who live in town limits (40% of county population)
- 14,813 out-of-town county residents have a CHPL card

Library Funding Options

How to make up funding gap:

- Charging library card fee to out-of-town County residents
- Increase printing fees and charge for meeting room use
- Reduce costs by cutting collection budgets
- Reduce costs by laying off part-time staff & reducing weekend hours
- Raise property taxes (0.2 cents in FY 2027)

Discussion Points

- Does anyone have further questions about how the recommended budget advances our strategic goals and priorities?
- Are there any gaps, concerns, or unmet needs that you'd like staff to further evaluate?
- What additional information or analysis would you like before next week's public hearing?
- How would you like to proceed with the library funding?