

ITEM TITLE: Approve the Miscellaneous Budget Ordinance Amendment to Adjust Various Fund Budgets for FY 2025-26.

RESPONSIBLE DEPARTMENT: Business Management

ITEM DATE: June 17, 2026

BACKGROUND INFORMATION:

- **General Fund**

USAR Taskforce – USAR Taskforce 8 was deployed to assist with the effects of Hurricane Helene on September 26, 2024. During their travel, our members faced a severe mechanical failure and ultimately had to have the vehicle towed for repairs. On October 11, 2024, the vehicle was repaired, and the cost of repairs totaled \$10,220. Those funds have been reimbursed by FEMA to replace the associated costs. FEMA also reimbursed the Town for equipment use based on an hourly rate, totaling \$729. The budget amendment will recognize a total of \$10,949 for Fire supplies.

Payment in Lieu – This budget amendment recognizes \$49,711 received from OTO Development as a Payment in Lieu (PIL) for milling, installation of traffic signal loops, repaving, and restriping 400’ along West Rosemary Street in front of, and associated with, the construction of the AC Hotel. The funds were received in FY18, and the work was completed as part of the Town’s annual resurfacing program in FY19. The purpose of this amendment is to recognize the funds.

- **Grants Fund**

FY24 State and Local Cybersecurity Grant Program (SLCGP) – The Town has been awarded the FY24 SLCGP in the amount of \$250,000. The FY24 State and Local Cybersecurity Grant Program (SLCGP) provides federal funding to replace end of life technology and improve cybersecurity for local governments. Funds will be used to replace our core server infrastructure before it reaches end of life in 2027, ensuring systems remain secure, supported, and patchable. End of life hardware cannot receive security updates, creating significant cybersecurity and operational risk. Upgrading now is required to maintain secure operations and meet cybersecurity best practices.

- **Library Gift Fund**

LSTA Conference Scholarship – One of our library associates, Omia Haroon, received a continuing education scholarship from the Library of NC in the amount of \$2,480. This money will be used to fund her attendance at the 2026 American Library Association conference in Chicago.

- **Vehicle Replacement Fund**

Recognize sale of equipment – This budget amendment will recognize proceeds from the sale of loose leaf equipment and a Solid Waste Hook-Lift truck in the amount of \$82,400 to cover a funding gap related to FY26 vehicle purchases. Public Works is moving forward with the purchase of a solid waste refuse truck and a rear loader. As part of the phased transition to containerizing yard trimmings and leaves, updates to our collection method support the use of automated collection vehicles. Purchasing an automated side loader will improve efficiency and reduce injury risks for collectors.

- **Vehicle Maintenance Fund**

Aging Fleet – The Town’s aging fleet maintenance cost to date along with our projections will exceed our budget allocation. The increased cost of repairs for our aging vehicles and equipment is the primary reason for our projected shortfall. The overage is largely related to maintenance of fire apparatus, solid waste vehicles, and streets and construction dump trucks. This amendment will appropriate \$40,000 in fund balance to address the needs for the remainder of FY26.

- **Capital Improvements Fund**

Martin Luther King Jr. Blvd. Crosswalk – The Town has just completed design for a new crosswalk with Rectangular Rapid Flashing Beacons (RRFBs) and a modular pedestrian median at Martin Luther King Jr. Blvd. and Central Park Ln. This crosswalk will provide a safe crossing for residents accessing transit stops on both sides of the road. The Town secured \$17,000 in funding from the Orange County Transit Plan for the project and will seek reimbursement when the project is complete. This amendment is to recognize those funds prior to construction.

- **2015 Streets & Sidewalks Bond Fund**

Fordham Sidepath – The Town signed a supplemental agreement for an additional \$747,000 in August 2025. This amendment will add \$747,000 to the Fordham Sidepath project.

Cameron Ave. Payment-in-Lieu – The Town received a \$5,307 sidewalk payment-in-lieu for a minor subdivision at 428 W. Cameron Ave in 2019. Staff propose using this payment towards bus stop and sidewalk upgrades along W. Cameron Ave. associated with the Cameron Ave. Protected Bike Infrastructure project.

- **2024 Streets & Sidewalks Bond Fund**

Fordham Sidepath – The Town received \$1,000,000 in Community Project Funding for the Fordham Sidepath project in FY26. The funding requires a \$250,000 local match, which will be covered by 2024 Bond funds already allocated to the project.

- **Transit Capital Grants Fund**

NC Congestion Mitigation and Air Quality (CMAQ) – On October 25, 2023, Council approved a budget amendment that recognized a \$5,300,000 CMAQ grant for electric buses. This grant had already been recognized in a previous year and needs to be unrecognized in order to remove the duplicative grant from the Town’s financials.