

Town of Chapel Hill
North Carolina

2023-24 Adopted Budget



Your Town Council is **Mayor Pam Hemminger**, **Mayor Pro tem Karen Stegman**, and Council members **Jessica Anderson**, **Camille Berry**, **Tai Huynh**, **Paris Miller-Foushee**, **Michael Parker**, **Amy Ryan**, and **Adam Searing**.

Interim Town Manager
Chris Blue

Finance Officer
Amy Oland



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

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www.townofchapelhill.org

Letter of Transmittal

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

Ladies and Gentlemen:

I present to you the Town of Chapel Hill, North Carolina Annual Budget for Fiscal Year 2023-24. The budget includes an increase of 5 cents for a combined property tax rate of 57.2 cents per \$100 of assessed value. The property tax rate for the Downtown Service District is at 6.4 cents per \$100 of assessed value.

The Adopted Budget for 2023-24 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 Adopted 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,

Chris Blue
Interim Town Manager

June 7, 2023

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June 7, 2023

Dear Mayor and Council,

After several years of conversation about our community's values, our needs, and our long-term vision, I am pleased to present a budget that implements long-awaited change.

We developed this budget as a team. Our departments have worked hard to identify our unaddressed core needs in support of the Council and the community's vision for Chapel Hill.

This budget includes an increase of 5 cents to our tax rate because, as we have discussed with you, without additional revenues, we simply cannot keep pace with our basic services. For too many years, we have maintained funding levels while costs have risen, and we are unable to continue operating this way. It is time to acknowledge that, in order to address the significant backlog of unaddressed needs, we need this increase. What we are implementing with this year's budget is not excessive. It only *begins* to address some of our needs, and we appreciate the Council's ongoing commitment to executing a 5-year budget strategy to meet those long-term needs.

This budget supports our employees, without whom we cannot deliver the exceptional service to which our community is accustomed, and it begins to restore key operational funds for fleet, streets, greenways, and our departments' most critical needs. It brings the Affordable Housing Development Reserve to a full penny and includes a penny for Parks and Recreation, both of which are key elements of the Council's Complete Community Framework and the newly-adopted Council goals. There are also significant funds included to address the increased cost of services and the expansion of priority programs.

We appreciate the Council's collaborative approach to our budget conversations, and we look forward to your questions and continued support.

Sincerely,

Christopher C. Blue
Interim Town Manager

CITIZENS' GUIDE TO REVIEWING THE BUDGET

General Comments

This budget document describes Town services and revenue sources adopted for the Town's budget for the fiscal year from July 1, 2023 through June 30, 2024.

The Mayor and Council's adoption of an annual budget is one of the most important decisions of the Town as a service organization and governmental entity. The annual budget translates the values of the Chapel Hill community into a plan of action for services, programs and projects, and resources for providing services.

The Mayor and Council's decisions in adopting a budget are in the form of an ordinance allowing expenses and raising of revenue during the coming budget year, an ordinance authorizing employee positions and wage and salary ranges, resolutions adopting fees and charges, and related actions.

In accord with normal accounting and budgeting practices for cities and towns, Town services supported partly or entirely with general taxes are budgeted in a General Fund.

The General Fund includes costs and revenues for police, fire, refuse collection, street maintenance and other public works services, human services, planning, construction, inspections, engineering, library, parks and recreation, general administration and support services, and some miscellaneous items.

The public transit, public parking, stormwater management, public housing, internal service funds, and supplemental downtown district services are budgeted in separate, individual funds.

This budget is intended to identify most services

offered by the Town and proposed objectives for quality, quantity, timing, etc. of services. The individual department and division overviews give details about current Town services approved by Council. However, there may be a few activities not described or noted only in summary form here. We invite you to call the appropriate Town departments as listed on the Town's website. Any changes, deletions, or additions to current services which may be decided during the proposed budget discussions will be reflected in the adopted budget for 2023-24.

The information in this budget document is intended to be understandable to citizens with a general knowledge of business practices and of most Town services. We have attempted to minimize the use of technical words and phrases, or to define them when used. A glossary of terms is provided in the Budget Appendices. However, if something in this material is not clear, we invite you to call us at (919) 968-2712 or send an email to the Town Manager at: manager@townofchapelhill.org.

State Laws Regarding Local Governmental Budgets

The Town's fiscal year begins on July 1 in accord with requirements in the North Carolina Local Governmental Budget and Fiscal Control Act.

This legislation requires that the Manager submit a recommended budget to the Mayor and Council, that the Council hold a public hearing, and that the Council adopt an annual budget or interim budget for 2023-24 by July 1. State laws also determine the types of services and regulatory authority which the Town can provide, the revenue sources available to the

CITIZENS' GUIDE TO REVIEWING THE BUDGET

Town, and in many cases the maximum level of such revenue. For example, the Town is not authorized to levy income taxes, and Orange County has enacted a local option sales tax at the authorized limit of 2 and 1/2%. The Town is authorized to provide various types of services needed in urban areas, including police and fire protection, refuse collection, and street maintenance services.

In North Carolina, county governments are responsible for public health, education, social services, and various other programs. Funding for the Chapel Hill-Carrboro City School district serving southeast Orange County is provided through County and State government decisions and funding.

Financial Management Principles

The adopted budget is based on financial management principles including:

- * The Town makes conservative estimates of revenues and costs to minimize the chance that actual revenues received during a budget year may be less than expected, or that actual costs may exceed estimates.
- * The Town seeks to use stable, annually recurring revenues to pay for costs (such as wages, supplies, etc.) which tend to continue from year to year. The Town avoids using one-time revenues for annually recurring costs.
- * The Town seeks to keep a reserve of money saved in past years (undesignated net assets or fund balance) so that the Town will not have to borrow funds early in the fiscal year when revenues are less than the cost of providing services, and so that the Town will have a reserve for any major unexpected costs or revenue fluctuations between budget years. The Town's objective is to have a General Fund balance of at least 12% of the General Fund budget for cash flow purposes in accord with State guidelines, and additional amounts for unforeseen circumstances and emergencies.
- * The Town avoids or limits the deferral of costs to future years. When deferrals are proposed, the amount is limited to the extent practical and the deferrals are specifically identified.
- * The Town seeks to properly maintain buildings and equipment to protect the community's investment in these assets.
- * The Town seeks to recover from user fees all or a significant portion of the cost of some kinds of services, so that the citizens who benefit most from a service will pay for the service. However, several kinds of fees are waived or lowered for low income families, for youth, and for senior citizens.
- * The Town uses general taxes to provide some special services or assistance to citizens with special needs because of low income or other conditions.
- * The Town seeks to maintain a competitive position in the Triangle labor market to recruit and retain employees who will provide services with the quality desired by the community.
- * The Town from time to time issues bonds or uses installment contracts authorized by State law to finance capital projects which will benefit the community for a long period and which should therefore be paid for over a long period.

CITIZENS' GUIDE TO REVIEWING THE BUDGET

Budget Process

The Mayor and Council's process and schedule for developing the 2023-24 budget included forums and hearings for citizens to express their views, raise questions and concerns, and make comments on services, policies, and funding items related to the budget.

The description of the budget process and the budget calendar are included in this Introduction and Background section.

Citizens were invited to make comments at any time by letter to the Mayor and Council or to the Town Manager at 405 Martin Luther King, Jr. Blvd., Chapel Hill, NC 27514, by fax to Town Hall at (919) 969-2063, or by electronic mail at manager@townofchapelhill.org.

Citizens with disabilities in hearing or speaking were invited to call the Town at (919) 968-2743 (TDD: (919) 968-2700) for assistance in participating in public hearing or commenting by other means.

Elements of the Budget Document

- Introduction and background information with regard to the development of the budget including the budget process, the budget goals, and assumptions made.
- Department and division mission and duties, as well as their budget and a summary of budget changes.
- Explanations of debt and the capital program.

- Summary information with regard to net assets (fund balance), revenues and expenditures for all funds, tax rates and tax collections, and staffing and organizational structure.

Each department has a separate overview. The following is an explanation of the information included for departments and divisions.

Department Sections

Each department section contains a department overview intended to provide information about the department: organizational charts for the department; staffing charts for each department; and a budget summary for the department. Also included is the same information for individual divisions within some of the larger departments. Goals and performance measures are also included for appropriate departments.

◆ Department Overview

Each department section starts with an overview page, which includes the Mission Statement and summarizes key duties of the department.

◆ Organizational Chart

Following the department overview is an organizational chart for the department that displays the personnel in the department broken out by divisions, where applicable.

◆ Staffing Chart

The staffing chart for each department lists all positions within the department in full-time equivalents in order to provide a snapshot of staffing for the various department functions.

CITIZENS' GUIDE TO REVIEWING THE BUDGET

◆ **Budget Summary**

The budget summary for each department provides a summary of significant budget changes in a brief narrative format. It also lists expenditures summarized in the categories of Personnel, Operating Costs, and Capital Outlay. Revenues are also listed in a summary format based on revenue sources. These expenditure and revenue summaries provide historic and adopted information as follows:

- 2021-22 Actual
- 2022-23 Original Budget
- 2022-23 Revised Budget
- 2022-23 Estimated
- 2023-24 Adopted Budget
- % Change from 2022-23 Original Budget

◆ **Departmental Trends and Performance Measures**

The departmental trends section provides trend data for particular areas of each department. This section states a Council goal, departmental goal, and an objective for each measure.

A reader's guide entitled "Budget Format—The Basics" follows.

In addition to the material described above, the adopted 2023-24 budget contains supplemental information intended to assist the reader. This data includes details regarding fund structure, fund descriptions, major revenues, and a glossary.

BUDGET FORMAT - THE BASICS

NOTE: All tables in the adopted budget present the same three-year columns.

Audited data from the last completed fiscal year.

Budget for each category as amended during the prior fiscal year.

The adopted budget for the new fiscal year that begins on July 1.

Budget for each category as originally adopted for the prior fiscal year. The fiscal year begins July 1 of each calendar year.

Estimate of prior year final cost/revenues by category.

The percentage of change from the original budget in the prior year to the adopted budget.

EXPENDITURES	2021-22	2022-23	2022-23	2022-23	2023-24	% Change
	Actual	Original Budget	Revised Budget	Estimated	Adopted Budget	from 2022-23
Personnel	759,140	833,544	833,544	833,544	809,367	-2.9%
Operating Costs	123,123	106,693	151,605	122,484	107,446	0.7%
Capital Outlay	9,011	5,000	5,000	5,000	-	-100.0%
Total	891,274	945,237	990,149	961,028	916,813	-3.0%

REVENUES	2021-22	2022-23	2022-23	2022-23	2023-24	% Change
	Actual	Original Budget	Revised Budget	Estimated	Adopted Budget	from 2022-23
General Revenues	730,933	776,437	821,349	846,228	770,013	-0.8%
Grants	-	-	-	-	-	N/A
Charges for Services	11,678	10,800	10,800	11,800	11,800	9.3%
Licenses/Permits/Fines	90,594	85,000	85,000	40,000	70,000	-17.6%
Transfers/Other Sources	58,069	73,000	73,000	63,000	65,000	-11.0%
Total	891,274	945,237	990,149	961,028	916,813	-3.0%

Strategic Focus Areas, Goals, and Performance Management

FY 2023 – 2025 Strategic Focus Areas and Goals

Local governments use strategic planning as a tool to set goals, connect to stakeholders, track progress, and communicate results. Approving Council goals and objectives is the first phase of building a performance management system that links Council goals to staff work plans and communicates outcomes to the public.

On April 27, 2023, the Town Council approved seven strategic focus areas as an operational framework for the Town. The Strategic Focus Areas guide the development of the Town Budget and Departmental Business Plans, which drive the allocation of resources and staff time. Below are the FY 2023 - 2025 Strategic Focus Areas and Goals approved by the Town Council.



Focus Area 1: Environmental Stewardship. *To mitigate effects of climate changes through management of Town resources, partnerships, and natural environment, and as we densify to also strengthen protection of sites in our natural areas plan and parks master plan.*

- Goals:
 - Continue implementation of Climate Action and Response Plan
 - Model environmental best practices across departments and facilities
 - Encourage energy efficient buildings, and renewable energy while reducing energy needs
 - Continue to link transit, transportation, and climate action initiatives
- Core Departments:
 - Sustainability, Planning, Public Works, Library, Parks & Recreation, Transit
- Complete Community Connections:
 - Green infrastructure, mature tree canopy, natural landscapes, waterways, features, affordable housing choices with access to jobs and transportation

Focus Area 2: Economic & Financial Stewardship. *To support a vibrant economy by supporting business development, jobs creation, and entrepreneurship by balancing our tax base to support a diverse community.*

- Goals:
 - Continue implementation of ReVive plan, focusing on women and minority businesses
 - Continue Town/Gown collaboration, with a focus on entrepreneurs, innovators, and housing for employees
 - Continue implementation of Downtown Together plan, with focus on downtown revitalization
- Core Departments:
 - Economic Development, Planning, Business Management
- Complete Community Connections:
 - Support innovation & entrepreneurship, social innovation/non-profit incubators, UNC presence

Focus Area 3: Affordable Housing & Housing Production. *To increase housing access across a range of incomes and housing types and achieve equitable housing outcomes for historically marginalized populations.*

- Goals:
 - Increase availability of affordable housing
 - Preserve existing affordable housing
 - Sustainably manage public and transitional housing
 - Increase production and diversity of housing
- Core Departments:
 - Public Housing, Affordable Housing and Community Connections, Planning, Transit
- Complete Community Connections:
 - Housing diversity, access to home ownership, live/work neighborhoods with access to sustainable transportation options

Focus Area 4: Connected Community. *To create a highly connected community where bicycling, walking, and transit are convenient, everyday choices for our neighborhoods, businesses, and public spaces are accessible to all residents without a car*

- Goals:
 - Continue implementation of current multi-modal plans to increase connectivity
 - Work with transit partners to support long term financial sustainability of Chapel Hill Transit
 - Implement Transit-Oriented-Development plans
 - Implement Everywhere to Everywhere Greenways and explore funding options (fed, state, partnerships)
- Core Departments:
 - Transit, Parks and Recreation, Public Works, Parking Services, Planning
- Complete Community Connections:
 - Greenways; transit-oriented, active transportation options; housing density supports transportation options

Focus Area 5: Healthy & Inclusive Community. *Collaborate with communities and institutions to eliminate inequities, build community, and enrich the health and lives of those who live, work, and visit Chapel Hill.*

- Goals:
 - Continue to implement the Community Connections Strategy
 - Leverage partnerships to increase access to arts and cultural experiences, especially those that highlight historically marginalized artists
 - Create opportunities for residents to share their own stories and explore our community's history, with a focus on historically marginalized residents and communities
 - Focus on inclusivity in cultural and social events, friendly to children through seniors and those with mobility issues or other disabilities
 - Fund cultural arts activities and facility development for arts, cultural events, and parks
- Core Departments:
 - Library, Community Arts & Culture, Parks and Recreation, DEI Office, Affordable Housing & Community Connections, Manager's Office

- Complete Community Connections:
 - Housing diversity, access to home ownership, live/work neighborhoods with access to sustainable transportation options

Focus Area 6: Safe Community. *Embrace a holistic approach to making Chapel Hill a healthy, safe, and supportive community in which to live, work, and visit. Stable and safe housing makes stable and safe communities.*

- Goals:
 - Continue implementing Reimagining Community Safety recommendations
 - Continue implementing Vision Zero Strategy
 - Clarify roles for Town and County and continue collaborative partnerships to address homelessness, mental health, substance use, and other community issues
 - Focus on safety in densely populated and connected communities
- Core Departments:
 - Police, Fire, Emergency Management, Building & Development Services, Public Works, Technology Solutions, Affordable Housing and Community Connections, DEI Office
- Complete Community Connections:
 - Friendly to children and seniors, non-able-bodied, and the whole population, access to affordable housing

Focus Area 7: Employee Recruitment & Retention. *Attract top talent across the organization, offer fair and competitive compensation, and ensure that all employees have the resources, knowledge, and training to do their best work every day.*

- Goals:
 - Continue work on employee compensation, with a focus on addressing compression and inflation
 - Better maintain and improve facilities, with a focus on MSC and Fire Stations
 - Support employee work-life balance
- Core Departments:
 - Human Resources Development, Technology Solutions, Business Management, Manager’s Office, Ombuds Office, DEI Office
- Complete Community Connections:
 - Our people are essential to successful implementation of the Complete Community Framework

Performance Management

Performance management uses evidence from measurement to evaluate how Town resources are meeting community and Council expectations. Departmental business plans set strategic priorities and performance metrics for core programs and services for each fiscal year. The FY24 Budget document illustrates performance data and targets that departments have identified as performance measures in their FY24 Departmental Business Plans.

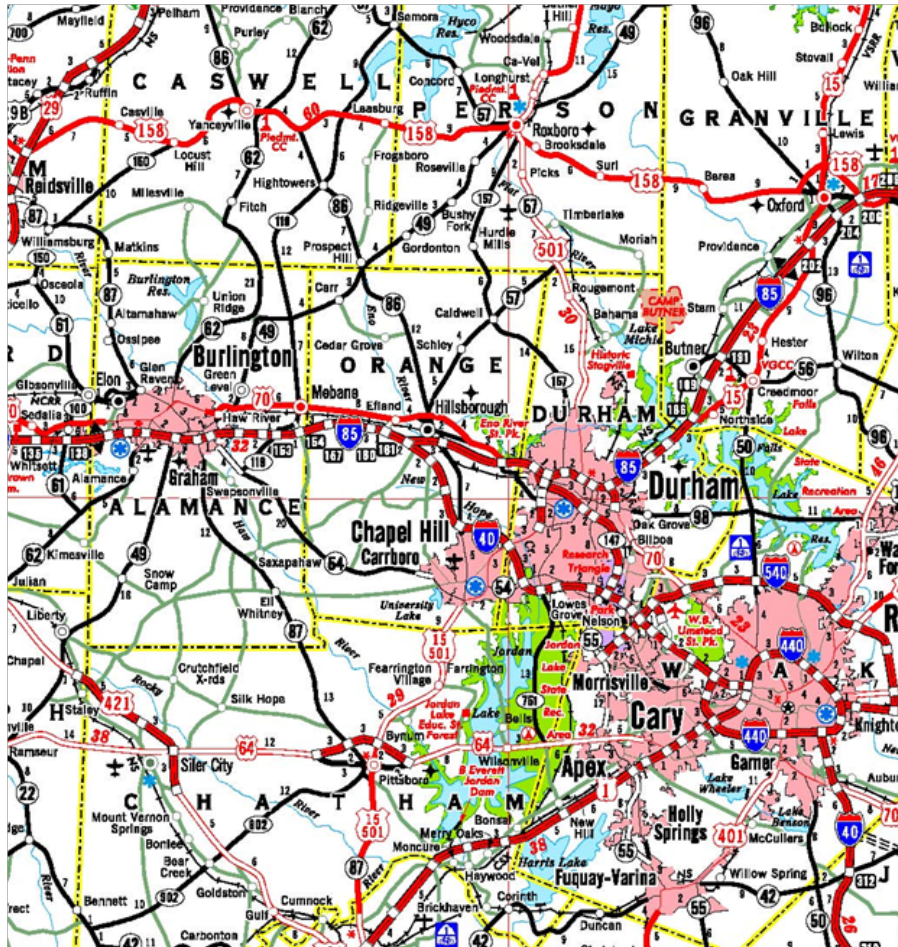
Below are additional Performance Management tools used by the Town to communicate how annual investments are being used to meet Council goals and Community vision.

Performance Tools	Data and Dashboards
Business Plans, Performance Measures, Community Survey, Employee Engagement, Capital Project Management	Chapel Hill Open Data, GIS & Analytics, Personnel Dashboard, UNC Benchmarking Project

CHAPEL HILL – LOCATION, GOVERNMENT STRUCTURE & DEMOGRAPHICS

Location

The Town of Chapel Hill is located principally in Orange County and partially in Durham County in the north central portion of North Carolina on the Piedmont Plateau, approximately equidistant between Washington, D.C. and Atlanta, Georgia. The area’s topography is characterized by rolling hills. The Town, which was incorporated in 1819, presently covers an area of 21.58 square miles and has a population of 61,789, according to the latest estimate issued by the State of North Carolina for July 2021. The Town is the home of the University of North Carolina at Chapel Hill, the nation’s oldest public university, established in 1789. Today, the University enjoys a reputation as one of the best public universities in the United States.



The Town conducts an ongoing planning and programming process through which it implements orderly expansion and management of the growth and development of the community in accord with the Comprehensive Plan, last amended in 2023. At present, the Town exercises zoning and building controls over a 27.5 square mile area that includes the corporate limits and a 5.7 square mile planning jurisdiction.

CHAPEL HILL – LOCATION, GOVERNMENT STRUCTURE & DEMOGRAPHICS

The growth of the Town has been directly related to the expansion of the University of North Carolina at Chapel Hill. Enrollment at the University has risen from 8,791 in 1960 to 31,705 in Fall 2022. It is anticipated that expansion will continue to occur in University-related health facilities such as the UNC Health Care System.

Government Structure

The Town has a Council-Manager form of government. The Town Council is comprised of a Mayor and an eight-member Council. All Council Members serve four-year terms. The Mayor and four Council Members are elected every two years. All elections are on a non-partisan basis. The Council appoints the Town Manager and Town Attorney. The Mayor presides over the Council meetings and has full voting privileges. The Town Manager is the chief administrative officer of the Town. Town departments are responsible to the Town Manager for the provision of public services.

Demographics

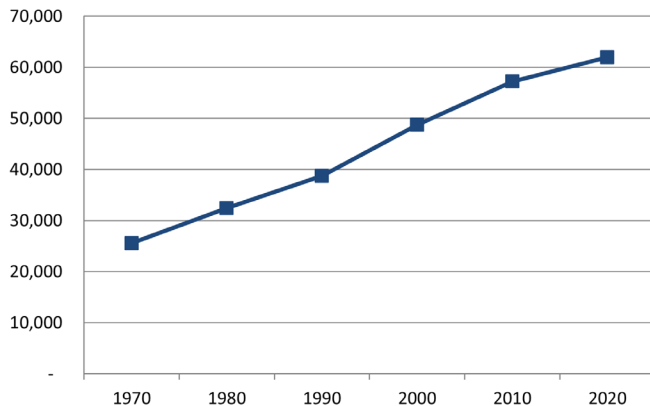
POPULATION GROWTH AND CHARACTERISTICS

Population Growth

Chapel Hill’s population increased by over 13,000 since the 2000 Census, totaling 61,960 in the 2020 Census. Figure 1 shows the Town’s population growth from 1970 to 2020.

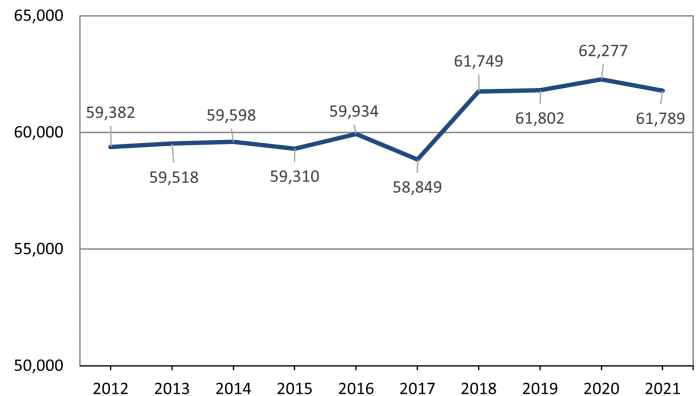
The Town’s growth during the 10-year period from 2012 to 2021 amounts to 4.1 percent, while during the same period the County’s growth was 7.0%, and the statewide population grew by 8.6%. Figure 2 shows the Town’s more recent growth.

Figure 1. Chapel Hill Population: 1970-2020



Source: US Census Bureau

Figure 2. Chapel Hill Population: 2012-2021



Source: NC Office of State Budget & Management

CHAPEL HILL – LOCATION, GOVERNMENT STRUCTURE & DEMOGRAPHICS

Table 1: Chapel Hill Population by County

County	Chapel Hill Population
Durham County	2,885
Orange County	58,904
TOTAL	61,789

Source: NC Office of State Budget & Management, 2021

Racial Makeup & Hispanic Population Growth

A demographic shift in the 2020 Census revealed an increase in the number of people who described themselves as being Hispanic or of Latino origin, a trend evident at the national, state, and local levels. Table 2 depicts the breakdown of population by race. Although Asian and Pacific Islanders and persons of Hispanic origin comprise substantially smaller population segments than other races/origins, these two groups have been increasing at the highest rate.

The percentage of white persons as a share of the Town’s total population declined from 2010 to 2020, although the total number for the group is higher. People who identified themselves as being of more than one race totaled over 2,700 in Chapel Hill, or 4.5 percent of the Town’s total population.

Table 2: Chapel Hill Population by Race & Origin

Race/Origin	2021	%
White	42,678	70.0%
Black or African American	6,429	10.6%
American Indian and Alaska Natives	158	0.3%
Asian and Pacific Islander	7,939	13.0%
Some Other Race	974	1.6%
Two or More Races	2,741	4.5%
Total	60,920	100.0%
Hispanic Origin (any race)	4,145	6.8%

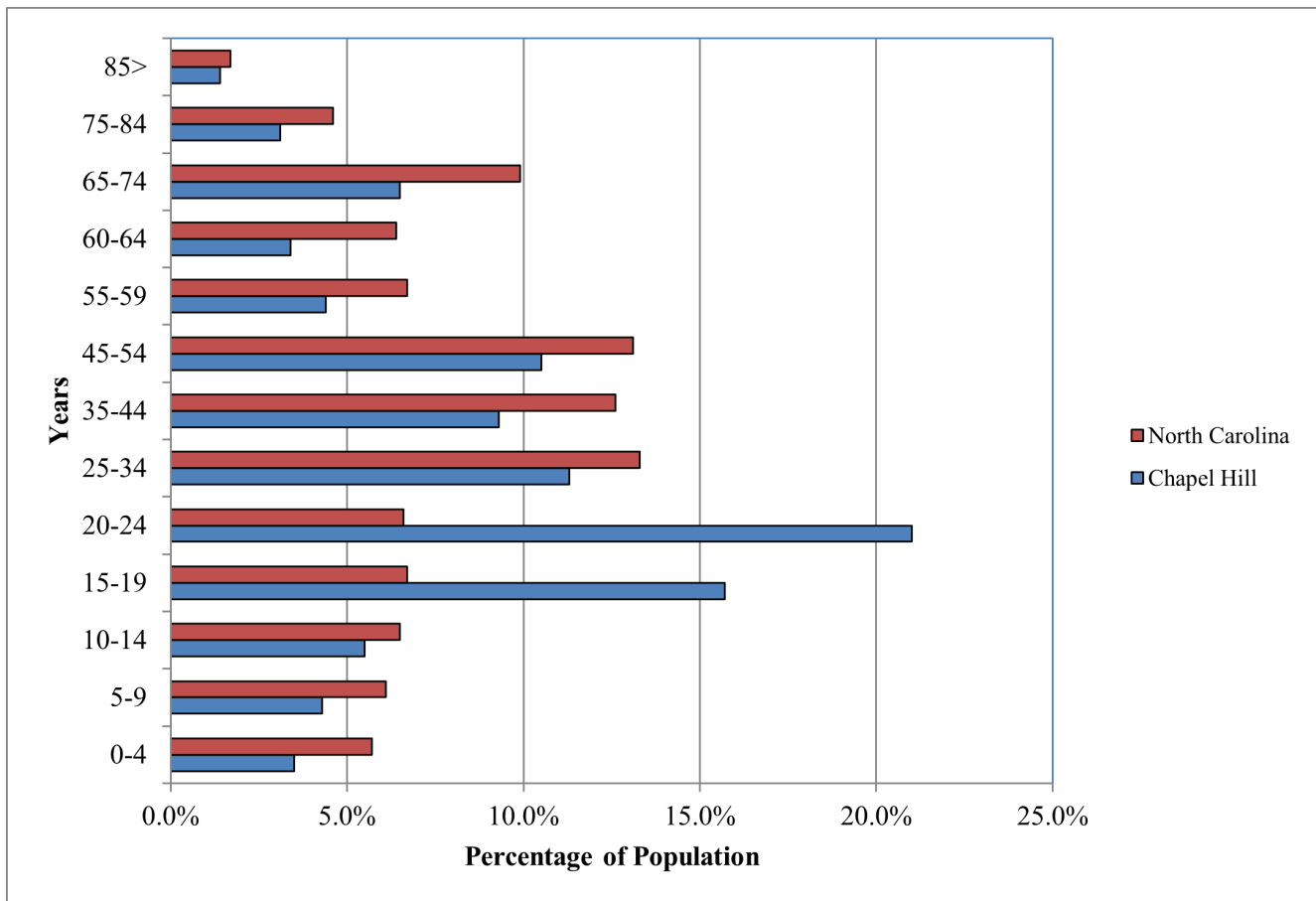
Source: 2017-21 American Community Survey, US Census Bureau

CHAPEL HILL – LOCATION, GOVERNMENT STRUCTURE & DEMOGRAPHICS

Age

Figure 3. Age Distribution

Figure 3 shows the population distribution for Chapel Hill and the State of North Carolina according to age groups. For example, the bar chart illustrates that the concentration of residents who are in the 15 to 19 age group comprises 15.7 percent of the Town’s population, while the 20 to 24 age group comprises 21 percent. As a comparison, the 20 to 24 age group represents 6.6 percent of the State population. The chart illustrates that Chapel Hill has a relatively young population. According to latest estimates, the Town’s median age is 25 years old, while North Carolina’s median age is 39.



Source: 2017-2021 American Community Survey, US Census Bureau

CHAPEL HILL – LOCATION, GOVERNMENT STRUCTURE & DEMOGRAPHICS

ADDITIONAL DEMOGRAPHIC INFORMATION

Note: Unless otherwise noted, the following economic and demographic data are taken from the 2017-2021 American Community Survey 5-Year Estimates. The data is produced and disseminated by the US Census Bureau's Population Estimates Program.

Table 3: Household Income (# of households)

	<u>Chapel Hill</u> <u>Household Income</u>	<u>Orange County</u> <u>Household Income</u>	<u>North Carolina</u> <u>Household Income</u>
Less than \$10,000	2,233	3,725	234,012
\$10,000 to \$14,999	563	1,643	181,561
\$15,000 to \$24,999	1,227	3,342	363,122
\$25,000 to \$34,999	1,468	3,670	383,295
\$35,000 to \$49,999	2,011	5,369	528,544
\$50,000 to \$74,999	2,353	8,053	710,104
\$75,000 to \$99,999	1,730	6,848	512,405
\$100,000 to \$149,999	2,253	7,944	597,133
\$150,000 to \$199,999	1,911	5,259	246,116
\$200,000 or more	4,345	8,875	278,393
Total Households	20,114	54,783	4,034,684
Median Income	\$77,037	\$79,205	\$60,516
Mean Income	\$129,699	\$120,580	\$84,888

Table 3a: Household Income (% of total)

	<u>Chapel Hill</u> <u>Household Income</u>	<u>Orange County</u> <u>Household Income</u>	<u>North Carolina</u> <u>Household Income</u>
Less than \$10,000	11.1%	6.8%	5.8%
\$10,000 to \$14,999	2.8%	3.0%	4.5%
\$15,000 to \$24,999	6.1%	6.1%	9.0%
\$25,000 to \$34,999	7.3%	6.7%	9.5%
\$35,000 to \$49,999	10.0%	9.8%	13.1%
\$50,000 to \$74,999	11.7%	14.7%	17.6%
\$75,000 to \$99,999	8.6%	12.5%	12.7%
\$100,000 to \$149,999	11.2%	14.5%	14.8%
\$150,000 to \$199,999	9.5%	9.6%	6.1%
\$200,000 or more	21.6%	16.2%	6.9%
\$50,000 or more	62.6%	67.5%	58.1%

CHAPEL HILL – LOCATION, GOVERNMENT STRUCTURE & DEMOGRAPHICS

Table 4: Educational Attainment

<u>Educational Attainment</u>	<u>Chapel Hill</u> <u>(% of total)</u>	<u>Orange County</u> <u>(% of total)</u>	<u>North Carolina</u> <u>(% of total)</u>
Less than 9th	1.3%	2.8%	4.0%
9th to 12th, No Diploma	1.7%	2.7%	6.3%
High School Graduate	7.1%	12.2%	24.9%
Some College, No Degree	7.6%	11.8%	19.8%
Associate's Degree	3.8%	7.4%	10.1%
Bachelor's Degree	30.6%	28.9%	21.7%
Graduate or Professional Degree	47.9%	34.2%	13.2%

Table 5: School Enrollment

<u>School Enrollment</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Elementary (grades K-5)	5,483	5,324	4,912	4,666	4,653
Intermediate (grades 6-8)	3,003	3,024	2,910	2,786	2,791
Secondary (grades 9-12)	3,988	3,930	3,910	3,858	4,008
Total	12,474	12,278	11,732	11,310	11,452

Source: Chapel Hill-Carrboro City Schools

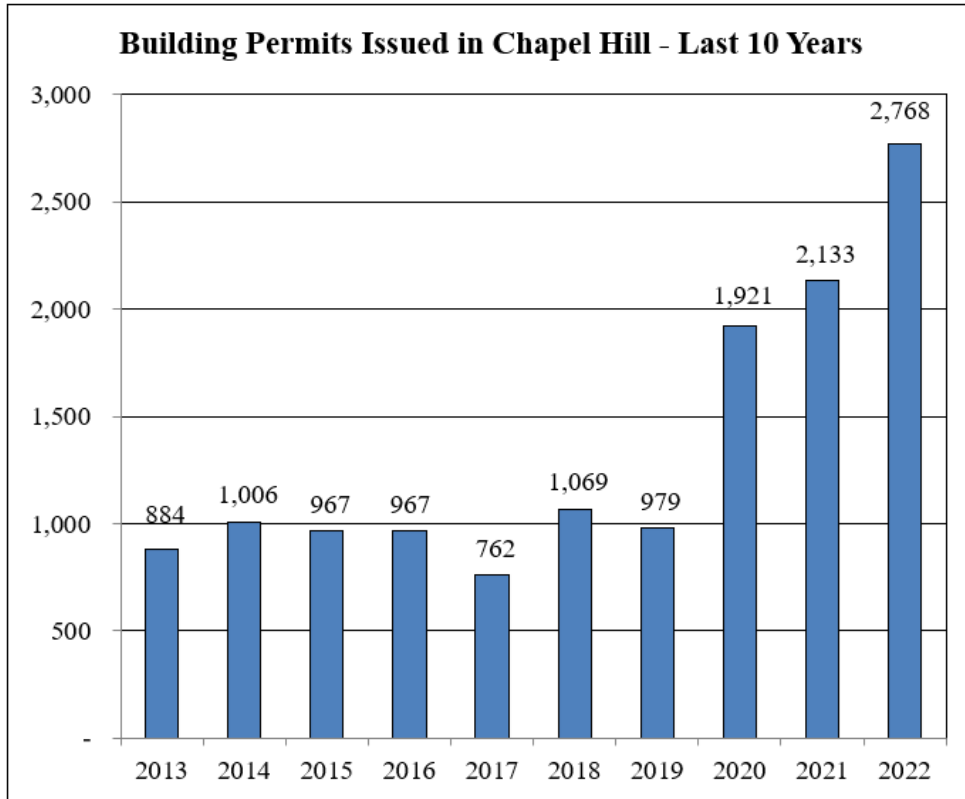
Table 6: Unemployment Rates

<u>Regional Average Unemployment Rates 2007-2023</u>			
<u>Year</u>	<u>Chapel Hill</u>	<u>Orange Co.</u>	<u>NC</u>
2007	2.9	3.2	4.7
2008	3.5	4.0	6.1
2009	5.4	6.5	10.6
2010	6.1	6.6	10.9
2011	6.6	6.5	10.3
2012	6.3	6.1	9.3
2013	5.7	5.3	8.0
2014	4.9	4.4	6.3
2015	5.2	4.6	5.8
2016	5.0	4.3	5.1
2017	4.6	3.8	4.6
2018	3.8	3.3	4.0
2019	3.8	3.3	3.9
2020	5.4	5.4	7.4
2021	3.7	3.5	4.8
2022	3.5	3.0	3.7
2023	3.5	2.9	3.5

*2023 rates based on monthly averages through June.
Source: N.C. Employment Security Commission, U.S. Bureau of Labor

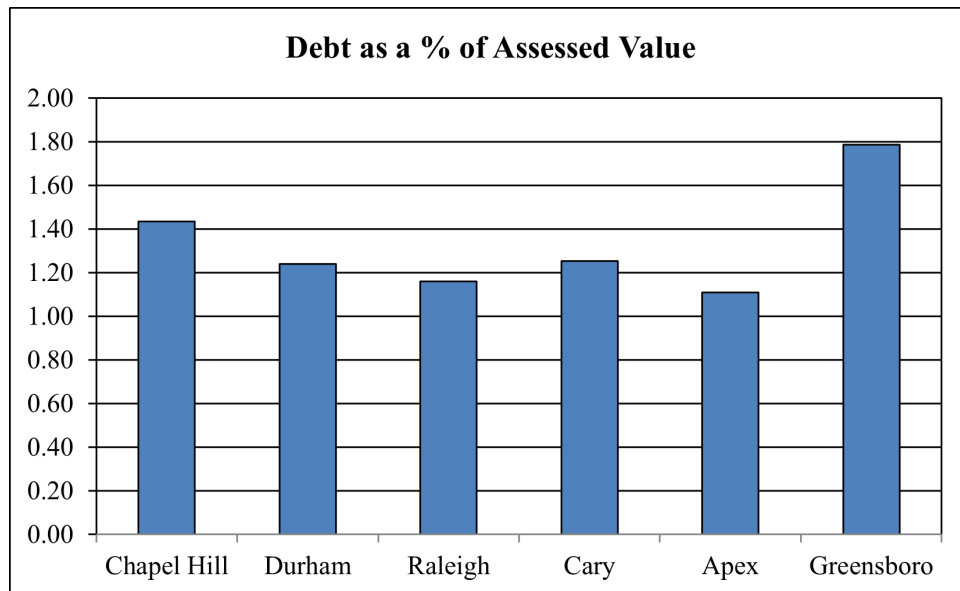
CHAPEL HILL – LOCATION, GOVERNMENT STRUCTURE & DEMOGRAPHICS

Table 7a: Economic Indicators – Building Permits



Source: Town of Chapel Hill Building & Development Services Department

Table 7b: Economic Indicators – Debt Percentage



Source: 2021-2022 Annual Comprehensive Financial Reports

CHAPEL HILL – LOCATION, GOVERNMENT STRUCTURE & DEMOGRAPHICS

Table 7c: Economic Indicators – Median Home Price

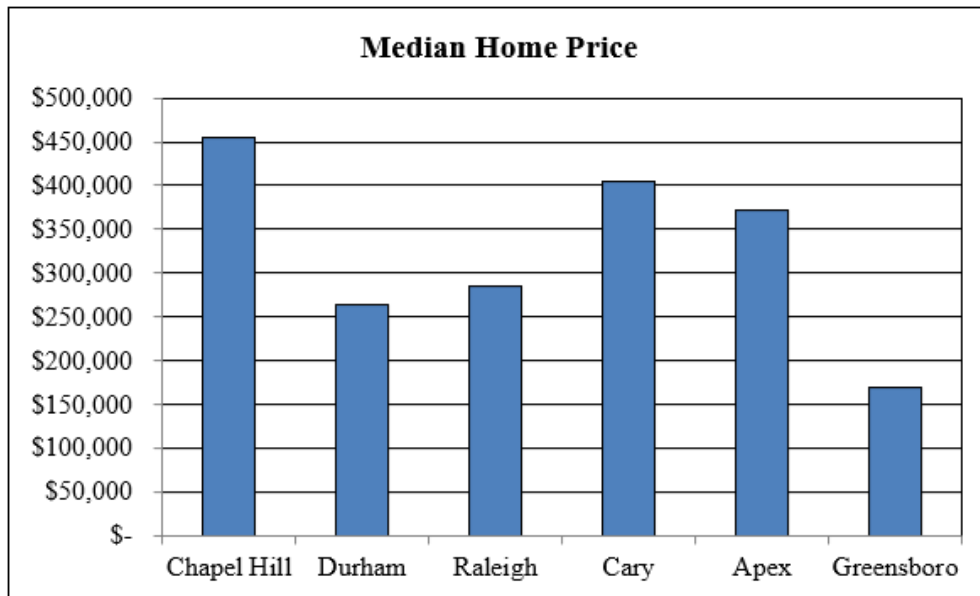


Table 8: Top Employers

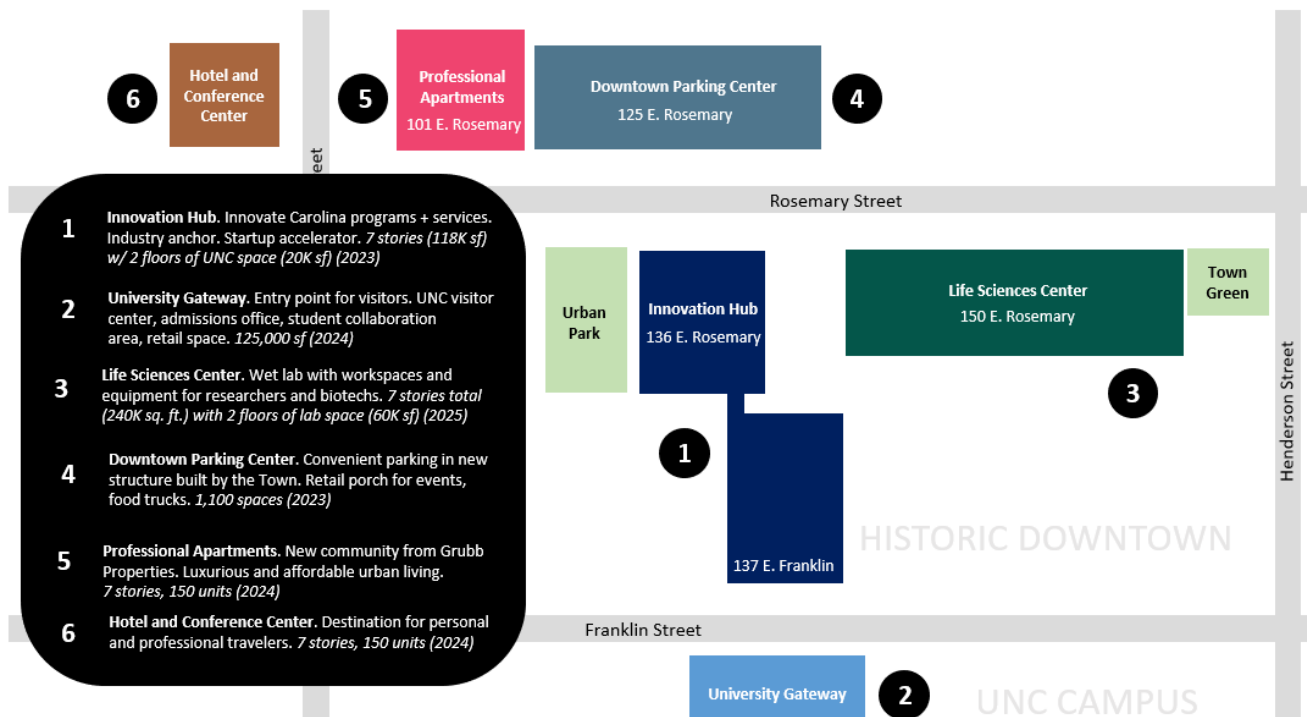
Chapel Hill Top Employers By Size	
Employer	Number of Employees
University of North Carolina at Chapel Hill	10,000+
UNC Health Care	10,000+
Chapel Hill-Carrboro City Schools	1,000+
Town of Chapel Hill, Inc.	650+
Aramark Food and Support Services	250+
The Chapel Hill Residential Center	250+
UNC Physicians Network LLC	250+
Harris Teeter	250+
Food Lion	250+
Hyatt Corporation	250+
ABB	250+
AKG	250+

Source: Chapel Hill Economic Development

CHAPEL HILL – MAJOR ECONOMIC DEVELOPMENT

Downtown Innovation District

In 2022, the Town completed the Downtown Together planning initiative to create a Downtown Innovation District. The Leadership and Working Groups met regularly to implement the plan. Goals include recruiting jobs and companies to support the district, physical improvements to help make downtown more attractive, and facilitating development that helps retain companies that begin in Chapel Hill for future jobs.



Funded initiatives include a Downtown Mobility Study and Streetscape Enhancement Plan, the development of plans for the former Town Hall and Peace and Justice Plaza, Chapel Hill Downtown Partnership’s Clean and Green Team, and marketing associated with tenant recruitment. The Town is also constructing a new 1089-space parking deck, which can help support redevelopment and new construction on the east end of downtown.

Top Goals of the Plan:

- Make Downtown cleaner, safer, and more attractive to earn a premium for place.
- Improve the Development Approval process.
- Proactively market the district to attract business.
- Upgrade Parking

Complete Community – Pilot Project



**COMPLETE
COMMUNITY**
STRATEGY

Town Council spent much of 2022 working to create a plan for the future of Chapel Hill. The final product was presented to Council in December 2022. Complete Community incorporates many key principles that will help guide our future, including critical elements for a balanced and inclusive community.

One of the key outcomes of this work was for Council to create projects that showcase a different approach to planning, envisioned as “a stake in the ground for transformational change.” Town Council chose two areas upon which to focus: the Midtown area (as a partnership with UNC) and The Parkline, with 21 undeveloped acres ready to welcome change. The Midtown Pilot Project has taken the lead and Town Staff, led by Economic Development staff, is championing a plan for Council to consider in the fall of 2023.

Other goals

- Increase effective marketing in securing leads for potential recruitment. Includes website redesign, direct mail marketing, improving social media, and use of targeted digital marketing campaign.
- Development of additional small business support programs with particular attention to women and minority businesses in Chapel Hill.

SUMMARY OF KEY INTERGOVERNMENTAL RELATIONSHIPS

The Town of Chapel Hill has many relationships with surrounding communities and with other State and regional organizations. Following is a summary of those relationships:

Town of Carrboro

- Receives fixed-route and E-Z Rider transit service from Chapel Hill.
- Appoints two members to Orange County Solid Waste Advisory Board and two members to the Orange Water and Sewer Authority (OWASA) board of directors.
- Receives traffic signal system services from Chapel Hill.
- Mutual aid agreement for fire protection; limited joint training with Chapel Hill; uses Chapel Hill's fire training facilities.
- Mutual aid agreement for police services.
- Chapel Hill operates 30 public housing apartments in Carrboro.
- Open facilities policy for recreation services.
- Participates with Orange County in the Joint Planning Agreement.
- Regular staff communications regarding services and policies.
- Development at borders affects each community.

Orange County

- Mutual aid agreement for police services.
- Appoints two members to Orange County Solid Waste Advisory Board; provides landfill and recycling services to Chapel Hill.
- Appoints two members to OWASA board of directors.
- Participates in Joint Planning Agreement.
- Operates 911 emergency communications system; dispatches fire and police service units.
- Provides jail services for Chapel Hill.
- Provides tax assessing and collection services for Chapel Hill; Chapel Hill provides a tax collection service point for Orange County.
- Provides grants to Chapel Hill for recreation, library services, Project Turnaround, and Retired Senior Volunteer Program.
- Open facilities policy for recreation services.
- Enforces soil and erosion control ordinance in Town of Chapel Hill.

SUMMARY OF KEY INTERGOVERNMENTAL RELATIONSHIPS

Town of Hillsborough

- Mutual aid agreement for fire protection; uses Chapel Hill’s fire training facilities.
- Mutual aid agreement for police services.
- Appoints two members of the Orange County Solid Waste Advisory Board.

Orange Water and Sewer Authority

- Is a public, non-profit, community-owned water and sewer agency.
- Governed by a nine-member Board of Directors, to which the Chapel Hill Town Council appoints five members.
- Operates in accord with State law, the contractual obligations in the OWASA Bond Order, and the 1977 purchase and sale agreements among Chapel Hill, Carrboro, the University and OWASA.
- Is required to have cost-of-service rates; free service is prohibited.
- Is party to the water and sewer boundary, planning, and management agreement with Chapel Hill, Carrboro, Orange County, and Hillsborough.

Chapel Hill-Carrboro City Schools

- Must submit development applications to Chapel Hill for approval if sites are in the Chapel Hill zoning jurisdiction.
- Joint use agreements for use of some recreation facilities.
- Pays for school resource officers provided by Chapel Hill police department in high schools and middle schools.
- Pays for school crossing guards at elementary schools.
- May designate and “reserve” school sites under Chapel Hill zoning ordinance.

SUMMARY OF KEY INTERGOVERNMENTAL RELATIONSHIPS

University of North Carolina

- Purchases fixed-route transit service from Chapel Hill; provides own service to supplement EZ-Rider service provided by the Town; provides Point-to-Point transportation service for students, staff, and faculty.
- Provides refuse collection and recycling services for University properties.
- Traffic signals and town streets in University campus area are maintained by Chapel Hill.
- Fire protection services are provided by Chapel Hill; University budget contributes part of the revenues used by the state to pay part of the cost of fire protection services.
- Mutual aid agreement for police services and other emergencies.
- Must submit development applications to Chapel Hill when sites are within the Chapel Hill zoning jurisdiction.
- Joint Staff Committee meets quarterly.

City of Durham

- Competes with Chapel Hill for transportation funding from State and federal government.
- Provides lead planning staff for Metropolitan Planning Organization (Transportation Advisory Committee).
- Durham-Chapel Hill Work Group meets regularly to review development issues.
- Courtesy reviews of development projects along jurisdictional boundary.

Durham County

- Portion of Chapel Hill is in Durham County.
- Provides tax assessing and tax collection services for Chapel Hill portion of County.
- Development at border affects each community.
- Courtesy reviews of development projects along jurisdictional boundary.

SUMMARY OF KEY INTERGOVERNMENTAL RELATIONSHIPS

Chatham County

- Orange-Chatham Work Group meets occasionally to review development issues.
- Development at border affects each community.

Research Triangle Regional Public Transportation Authority (GoTriangle)

- Chapel Hill appoints one member of the 13-member governing board.
- Provides bus service in Chapel Hill connecting to Durham, Research Triangle Park, and other areas of the Triangle.
- Competes with Chapel Hill for transit funding from the federal and state government.

Triangle J Council of Governments (TJCOG)

- Chapel Hill appoints one delegate and one alternate to the board of delegates.
- The Town pays dues to support basic operations of the TJCOG and receives planning and other services.

State of North Carolina

- The State established the Town by granting a municipal charter.
- The Town's powers are granted by the State, and the State imposes limits on the powers of the Town.
- The State constructed and maintains a road network within the Town limits.
- The State is the conduit for transportation improvement funds used to maintain roads and to maintain and operate the transit system.
- The State collects certain taxes and shares proceeds with the Town (sales tax, beer and wine tax, etc.) that amount to nearly a third of the total General Fund revenues in normal years.
- Town provides maintenance service for traffic signal system in Chapel Hill and Carrboro for the State.

FUND DESCRIPTIONS AND MAJOR REVENUES

<u>Fund Title</u>	<u>Accounts For</u>	<u>Primary Funding Sources</u>
GENERAL FUND	Normal recurring Town activities such as planning, inspections, engineering, public works, public safety, parks and recreation, and library	Property and other taxes, State-shared revenues, grants, charges for services, licenses, permits, and fines
TRANSPORTATION		
Transit Fund	Operation and maintenance of public transportation, E-Z Rider, and Shared Ride services	Federal and State grants, property taxes, and charges for services
Transit Capital Reserve Fund	Reserve fund for replacement of buses and other capital equipment and improvements	Contributions from the Transit Operating Fund
PARKING		
Parking Fund	Off-street parking facilities, monthly rental parking, on-street parking enforcement, and parking meters	Short-term parking fees, monthly rentals, parking meter collections, and parking citations
STORMWATER MANAGEMENT		
Stormwater Management Fund	Management of stormwater to protect water quality as mandated by NC General Statutes	Stormwater Management Fees
HOUSING		
Public Housing Fund	Management of public housing units and residential rehabilitation	Federal grants and rental income
DEBT		
Debt Service Fund	General obligation debt, proprietary debt, COPS debt, and other governmental debt	Property taxes

FUND DESCRIPTIONS AND MAJOR REVENUES

<u>Fund Title</u>	<u>Accounts For</u>	<u>Primary Funding Sources</u>
CAPITAL PROGRAMS		
Capital Improvements Funds	Capital improvements projects such as park improvements, fire hydrants, stormwater management, and traffic signals	Transfers from Capital Reserve Fund and General Fund
Capital Reserve Fund	Reserve fund for capital improvements projects such as library facilities, parks and recreation improvements, fire hydrants, stormwater management, and traffic signals	Transfer from General Fund
OTHER FUNDS		
<u>Special Revenue Funds</u>		
Grants Fund	Miscellaneous grants	Federal and State grants
Downtown Service Fund	Promotion of Downtown economic development	Property taxes
Library Gift Fund	Gifts and donations received for the library	Gifts and donations
Affordable Housing Development Reserve	Development and preservation of affordable housing.	General Fund
Climate Action Fund	Projects and personnel to address climate change.	General Fund
<u>Internal Service Funds</u>		
Vehicle Replacement Fund	Centrally managed vehicle replacement	Charges to General Fund
Fleet Management Fund	Centrally managed fleet maintenance	Charges to General, Parking, and Housing Funds
Computer Replacement Fund	Centrally managed computer replacement	Charges to General Fund

FUND BALANCE

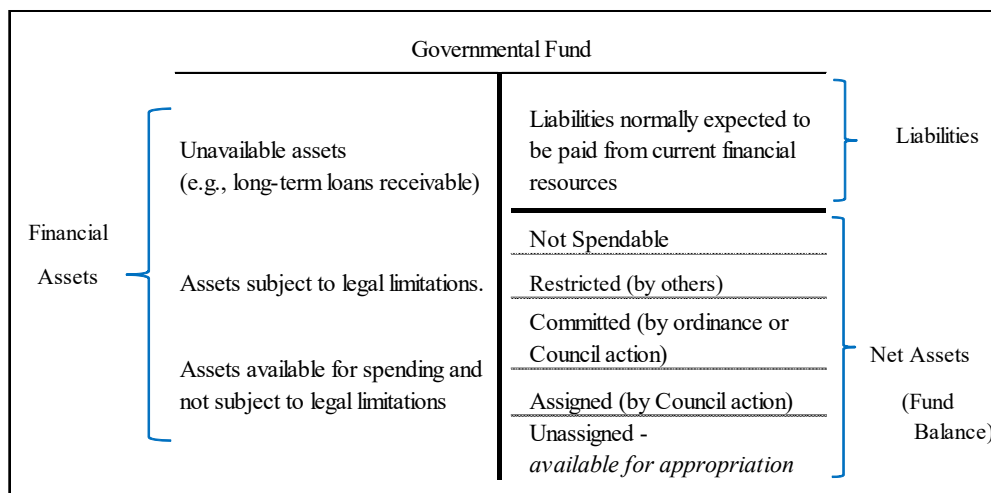
Fund balance (net assets) is the accumulated difference between revenues and expenditures in a governmental fund and is similar to “working capital” for a private business. Portions of fund balance are intended to meet the cash flow and working capital needs of the Town in accordance with reserve recommendations of the North Carolina Local Government Commission (LGC). A portion of fund balance is reserved for specific purposes, as required by North Carolina statute, and is not available for appropriation, while the remainder is available for Council appropriation. It is a Town goal to maintain fund balance at a level that will meet on-going cash flow needs and provide available funds to meet unexpected emergency situations.

Effective with the financial statements for FY11, fund balance will be presented in the new categories required by GASB Statement No. 54, as shown at right.

Town practices regarding net assets (fund balance) include the following:

Fund balance designation		
Nonspendable	Not available	
Restricted		
Committed	Constraint imposed by Council action	
Assigned		
Unassigned	Available for appropriation	

- In June 2019, the Town Council adopted a fund balance policy which set a targeted minimum unassigned fund balance of 22% of General Fund Expenditures. This target is well above the financial reserve minimum of 12% recommended by the LGC. The reserve is for cash flow, emergencies, and opportunities.
- The Town seeks to maintain a level of net assets appropriate to retain its high bond ratings: Moody’s Investor Service—AAA and Standard and Poor’s—AAA. Bonding agencies use the percentage of unrestricted net assets as a key indicator when assessing the Town’s creditworthiness.



DEBT

INTRODUCTION & BACKGROUND

The Town has the authority to finance capital projects and major equipment purchases using long-term debt. The underlying principle for this type of financing is to spread the cost of the project over a longer time-period to eliminate the spike in costs associated with major projects. In addition, the use of long-term debt matches the repayment period of the debt with the taxpayers who will be enjoying the benefits of the capital project. The Town, like other government agencies, can borrow at low tax-exempt rates for most capital projects, thereby improving the affordability of issuing debt to finance capital projects.

The State of North Carolina provides local governments a number of methods to finance these sorts of purchases:

- General Obligation Bonds
- Two-thirds General Obligation Bonds
- Revenue Bonds
- Contract Installment Financing

Essentials:

Town policy and practice limits annual general government debt service up to 10% of total governmental funds.

State statutes only allow debt issuance for capital expenditures.

Per State law, the Town's debt may not exceed 8% of the Town's assessed property valuation.

General obligation bonds are secured by the pledge of "full faith and credit" and taxing authority of the Town.

General Obligation Bonds

The issuance of General Obligation bonds (GO bonds) is the most commonly used financing method for large-scale capital projects. Issuance of GO bonds requires approval by voters through a bond referendum and requires approval by the North Carolina Local Government Commission (LGC). When GO bonds are issued, a local government pledges to repay the debt from any and all revenues available to the unit. This pledge is generally referred to as a pledge of the "full faith and credit" of the governmental unit, including a pledge of property tax revenue. GO bonds are typically issued with 20-year terms. In North Carolina, the use of GO bond proceeds is limited to capital and capital related costs.

The statutory limit on the amount of debt issued by a local government in North Carolina is 8% of the value of the taxable property base in the unit. This limitation pertains to

DEBT

INTRODUCTION & BACKGROUND

principal only. In practice, most jurisdictions are far below the 8% limit, as the affordability of debt service payments usually becomes an issue well before reaching the 8% limit.

Two-thirds GO Bonds

There is a provision in North Carolina Statutes that allows units to issue bonds in an amount equal to two-thirds of the net principal amount of GO debt retired in the previous year. These bonds can be issued without a referendum, for purposes specifically authorized in the statute, and must be approved by the LGC in the same manner as other debt financing. The amount of two-thirds bonds that can be issued at any time is relatively small and therefore they are often combined with other debt issues in order to achieve economies of scale with respect to the cost of issuance.

Revenue Bonds

Revenue bonds are typically issued for enterprise operations, where there is a stream of revenues available to pledge for repayment of the bonds. Examples include parking operations, water and sewer, and electrical utilities. Revenue bonds are generally issued for projects that are associated with a specific revenue stream that can be estimated and pledged as a source of debt repayment. The approval process for revenue bonds includes, among other things, an independent feasibility study including verification that pledged revenue exceeds debt service by at least 20%. Ongoing independent evaluation of the maintenance of the project and the adequacy of revenues to cover debt service are required while the bonds are outstanding.

The Town currently does not have revenue bonds outstanding. However, in past years the Town issued revenue bonds for off-street parking operations, including the purchase of parking lots 2 and 5 and for the James C. Wallace Parking Deck. In 1994, all of the Town's parking revenue bonds were replaced by Certificates of Participation.

Installment Contract Financing

General Statute 160A-20 allows local governments to enter into installment contracts to finance the cost of capital projects. Under this method of financing, the unit enters into a contract with a financial institution in which the financial institution provides funding for the project. The financial institution maintains a security interest in the project until the governmental units repays the loan. For this method of financing, local units pledge to pay the installments from any revenues available, but do not pledge the "full faith and credit" of the unit. Contracts under \$500,000 with less than a five-year maturity do not require approval by the LGC.

Installment contracts greater than \$500,000 or maturities over five years require approval by the LGC, except for the purchase of vehicles and rolling stock which may be purchased in any amount without LGC approval. Installment contracts involving the purchase of land

DEBT

INTRODUCTION & BACKGROUND

or buildings or improvements to land or buildings require approval by the LGC regardless of the dollar amount or maturity involved.

The Town has used installment contract financing for various projects, including the purchase of vehicles and computers, and for capital renovations to public buildings.

Certificates of Participation

General Statute 160A-20 also allows a local government unit to issue Certificates of Participation (COPs) that are another form of installment contract financing. COPs are a financial instrument that are secured by the installment payments made by a local government. An installment financing is usually a transaction between a municipality and a bank, while a COPs transaction allows multiple investors to participate in the transaction through an underwriting arrangement with an investment bank.

Additional Debt Information

Please refer to page 198 for additional information on the Town's debt and bond ratings.

CAPITAL PROGRAM INTRODUCTION AND BACKGROUND

The Capital Program is a 15-year financial plan for the Town's major capital and infrastructure needs. The Capital Program identifies capital needs, establishes priorities, identifies potential funding sources, and includes needs for which sources of funding have not been identified. Key sources for identifying capital needs include the Facility Condition Assessment, the Comprehensive Plan, Council Goals and Priorities, special studies, and other ideas from the Council, citizens, and staff.

The Capital Program is comprehensive in scope: It includes all identified capital projects and a range of funding sources, as well as projects that have been identified but for which funding is not available. It includes projects that are funded through the Town's annually budgeted Capital Improvements Fund, and those projects that are funded through bonds, State and federal grants, and other sources. The Capital Program does not include the capital needs of the Chapel Hill-Carrboro City School System, the Orange Water and Sewer Authority, or the Orange Regional Landfill, which was transferred to Orange County in 2000. Most projects funded by bonds, grants, and other special funding sources are accounted for in Multi-Year Capital Project Funds, such as various capital projects funded from bonds, and are therefore not included in the annual operating budget.

Please refer to the Capital Program section (page 257) for additional information on the Town's Capital Improvements Fund.

FUND STRUCTURE & BASIS OF BUDGETING

The accounts of the Town are organized on the basis of funds, each of which constitutes a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts reflecting its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. The funds of the Town are created because of the diverse nature of governmental operations and the necessity of complying with legal provisions. The Town has two broad fund categories: governmental and proprietary.

BASIS OF BUDGETING

The budgets of general government type funds (for example, the General Fund and Debt Service Funds) are prepared on a modified accrual basis. Briefly, this means that obligations of the Town (for example, outstanding purchase orders) are budgeted as expenditures, but revenues are recognized only when they are measurable and available.

The Enterprise Funds (Transit, Parking, Stormwater Management, Housing, and Internal Service) also recognize expenditures as encumbrances when a commitment is made (e.g., through a purchase order). Revenues, on the other hand, are recognized when they are obligated to the Town (for example, charges for transit services are recognized as revenue when service is provided).

In all cases (Enterprise Funds and General Governmental Funds), when goods and services are not received by year end, encumbrances evidenced by unfilled purchase orders lapse, but are normally reappropriated to the following year's budget through an amendment to the budget approved by the Town Council.

The Annual Comprehensive Financial Report (ACFR) shows the status of the Town's finances on the basis of "generally accepted accounting principles" (GAAP). In most cases, this conforms to the way the Town prepares its budget. Exceptions are as follows:

- a. Compensated absence liabilities that are expected to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP basis) as opposed to being expended when paid (Budget basis).
- b. General staff and administrative charges for the Transit, Parking, and Stormwater Management Funds are accounted for and funded by operating transfers into the General Fund from these funds on the Budget basis as opposed to a GAAP basis.
- c. Principal payments on long-term debt within the Enterprise Funds are applied to the outstanding liability on a GAAP basis, as opposed to being expended on a Budget basis.
- d. Capital outlays within the Enterprise Funds are recorded as assets on a GAAP basis and expended on a Budget basis.
- e. Depreciation expense is recorded on a GAAP basis only.

FUND STRUCTURE & BASIS OF BUDGETING

One type of budget entry that is shown differently for budgetary purposes and GAAP is the purchase of an item using installment financing. The actual budget entries for an installment financing agreement can make it appear that the Town is paying twice for the same purchase, because there are two pairs of budget entries in the year that an installment financing takes place. The first pair gives the Town budget authority to make a certain purchase (for example, a fire truck) and receive the financing from a bank or other financial institution for the purchase. In the case of a fire truck costing \$250,000, the budgetary lines would show the following:

REVENUES	Financing Proceeds	\$250,000
EXPENDITURES	Capital Equipment	\$250,000

The second pair of budget entries allow for the first year repayment of the installment (or lease-purchase) debt. That set of budget entries shows the amount of the debt to be paid in the year and the source of the revenue that will provide the cash to make the payment. For the fire truck example, assuming that the Town secures financing for eight years at 5% and that the Town will make a payment for one-eighth the cost of the fire truck in the first year, the budgetary lines would show the interest and principal payment as following:

REVENUES	Appropriated Fund Balance (or other revenue source)	\$38,680
EXPENDITURES	Installment (lease/purchase) financing payment	\$38,680

If the Town made no further installment financing agreements, the Town would show the budgetary requirement for repaying the bank or other financial institution in each of the following seven years.

In addition to approving the budget authority for the above transactions, the Town Council would have to specifically approve each installment financing agreement as required by State law.

The Annual Comprehensive Financial Report shows fund expenditures and revenues on both a GAAP basis and Budget basis for comparison purposes. Because the Town prepares its financial statements using the Government Accounting Standards Board 34 Model, the financial statements include government-wide financial statements aimed at presenting a broad overview of a government's finances. There are two basic government-wide financial statements: the statement of net assets and the statement of activities. These two statements report a government's governmental activities separately from its business-type activities. Fiduciary funds and fiduciary-like component units are excluded from the government-wide financial statements. All activities included within the government-wide financial statements, both governmental and business-type, are measured and reported using the economic resources measurement focus and the full accrual basis of accounting.

FUND STRUCTURE & BASIS OF BUDGETING

GOVERNMENTAL FUNDS

Governmental funds are those which finance most governmental functions of the Town. The Town follows the modified accrual basis of accounting and budgeting for all governmental funds. Under this method, revenues are recorded as the amount becomes susceptible to accrual by becoming measurable and available to finance the Town's operations. Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related liability is incurred.

In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, money must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore, revenues are recognized when the expenditures are recorded. Major components of this type of revenue are grants and gas tax refunds. In the other, funds are virtually unrestricted as to purpose of expenditure and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met. Major revenues susceptible-to-accrual under this category are State-shared revenues.

Licenses and permits, charges for services, and other revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Interest on investments is recorded as earned since it is both measurable and available.

The following are the Town's Governmental Fund Types:

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Town's special revenue funds consist of the Community Development Entitlement Grant Projects Ordinance Fund, the Transit Grant Projects Ordinance Fund, the Grants Fund, the Downtown Service District Fund, Transitional Housing Fund, Revolving Acquisition Fund, the Housing Loan Trust Fund, the Land Trust Fund, and the Library Gift Fund.

Debt Service Fund - The Debt Service Fund is used to account for the payment of general obligation long-term debt principal, interest, and related costs. A portion of the property tax provides the revenues for this fund. Payments of long-term debt associated with Enterprise Fund operations are shown in the Enterprise Funds themselves.

FUND STRUCTURE & BASIS OF BUDGETING

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by special revenue, proprietary funds, and trust funds). The Town has four capital projects funds: the Capital Projects Ordinance Fund, the Capital Projects Fund, the Capital Improvements Fund, and the Capital Reserve Fund. Only the Capital Improvements Fund and Capital Reserve Fund are budgeted annually and are included in detail in this document.

PROPRIETARY FUND TYPES

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (total expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Town has four Enterprise Funds: the Transit Fund, the Parking Facilities Fund, the Stormwater Management Fund, and the Public Housing Fund.

The enterprise funds are accounted for using the accrual basis of accounting. The revenues of these funds are recognized when they are earned, and expenses are recognized when they are incurred.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one unit, or to other governmental units, on a cost-reimbursement basis. The chief aim of an internal service fund is cost reimbursement, including the exhaustion of fixed assets or “depreciation expense.” The Town has three Internal Service Funds: the Vehicle Replacement Fund, the Computer Replacement Fund, and the Fleet Management Fund.

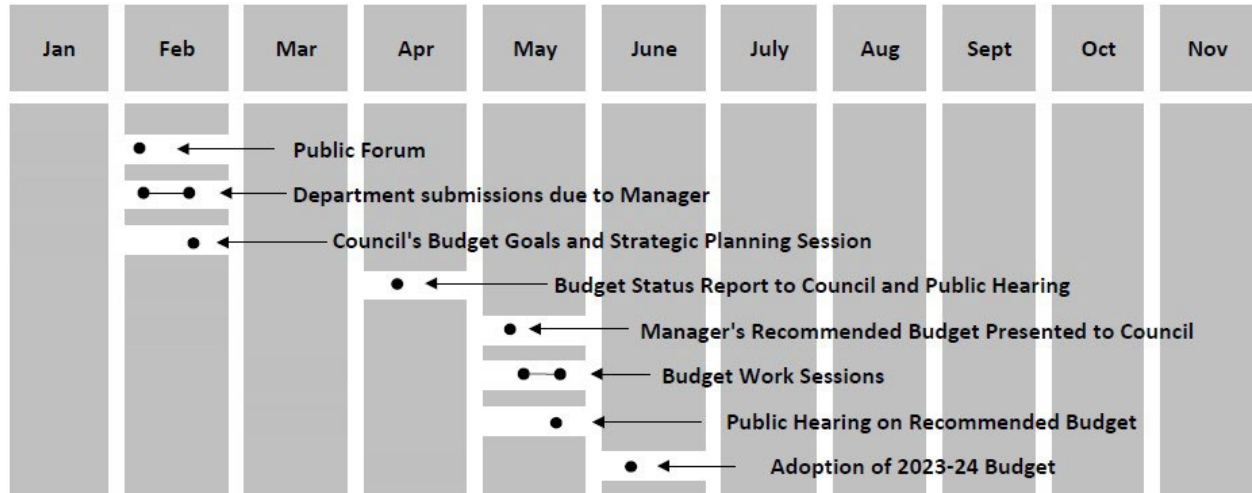
BUDGETARY CONTROL

The appropriations in the various funds are formally budgeted on a departmental or functional basis depending on the fund type. Changes of functions and total budgets of any fund require approval by the Town Council. Budgetary control is maintained at the individual budget object line item level (e.g., salaries, supplies, etc.). Neither an operational expenditure nor an encumbrance is processed when the transaction would result in an overrun of an individual line item budget.

DEPARTMENTS/DIVISIONS

Departments may be further represented by divisions. In this document, each department or division summary contains a key objective, a budget summary by expenditure category, major offsetting revenues, major expenses, including capital outlay, and an authorized full-time equivalent position count. For departments consisting of more than one division, a department summary precedes the department's division summaries.

OVERVIEW OF BUDGET PROCESS



Budget preparation allows departments the opportunity to reassess goals and objectives and the means for accomplishing them. Even though the budget may be heard by the Mayor and Town Council in April and adopted in June, its preparation begins at least six months prior, with projection of Town reserves, revenues, expenditure limit requirements, and financial capacity. It is with this “groundwork” that departmental expenditure requests are made and subsequently reviewed.

Financial Capacity Phase

Forecasting is an integral part of our decision making process. Both long-range and short-range projections are prepared. The Town’s Long-Range Financial Projections are updated annually to assess not only current financial condition given existing Town programs, but future financial capacity, given long range plans and objectives.

A five-year financial forecast is prepared for each major operating fund projecting both expenditures and revenues and their fiscal impact on the respective funds.

Policy/Strategy Phase

The Town Council’s goals and directives set the tone for the development of the budget. Shortly after the budget is adopted for the next year, the Council meets, as early as September, but not later than January, to identify priorities, issues, and projects impacting the next fiscal year budget. In January or February of each year, the Council holds a strategic planning meeting to identify key policy issues that will provide the direction and framework of the budget. The Manager and Finance Officer provide an updated short- and long-range financial forecast to assist the Council in providing budget policy and direction for the upcoming budget.

OVERVIEW OF BUDGET PROCESS

Aside from the Council's own objectives, Town departments identify and discuss their policy issues with the Town Manager throughout the year. In December of each year, a budget kickoff meeting led by the Manager provides budgetary directions and guidelines to the departments.

Participants also help formulate and identify internal and overall budget objectives for the coming year.

The meeting includes discussion of Town-wide goals and objectives, budgeting guidelines for the operating and capital budgets, timelines, an overview of fiscal constraints, and resources available for allocation. The Budget Directives and Instructions distributed at these meetings are designed to assist the departments in preparing all budget requests and forms.

Needs Assessment Phase

The departments have an opportunity to assess current conditions, programs, and needs. During this phase, departments are encouraged to thoroughly review all programs and services, assessing their value and priority to the citizens of the Town. Programs are examined for possible reductions, eliminations, or trade-offs. Additionally, departments reassess service level standards and workload indicators. They then attempt to provide the "best fit" of resource allocation with service and workload estimates. From this process, they prepare preliminary departmental budget requests that are submitted to the Manager in February.

Review/Development Phase

Within the framework of the Town's financial capacity, the Town Council and Town Manager review priorities and departmental needs assessments, review budget requests, and a preliminary Town-wide operating budget takes shape. The departments initially prepare and submit base budgets. In addition, department heads submit proposals for program changes and budget additions or deletions.

Implementation/Adoption Phase

After the Town Council's initial budget planning session, the Council holds an initial budget public forum to receive input, information, and requests from citizens on any aspect of the Town's budget for the coming fiscal year, including the Town's operating and capital improvement budget. The forum also solicits comments on the Town's use of federal Community Development funds, the Town Public Housing program and use of federal and State grants for housing, public transit, and community development activities.

In March, each Departmental Budget Request is reviewed in detail with the Town Manager, Deputy Manager, and the Finance Officer to review service and funding levels for each Department as part of the total budget and to begin work on recommendations for the Council's consideration.

OVERVIEW OF BUDGET PROCESS

In April and May, the Council also holds budget work sessions in which the Town presents preliminary budget requests and discusses budget goals, policies, and departmental needs with the Council. The Town Manager and designated Department Directors also present requests for additional services to the Council. In these sessions, the Town Council provides further direction to the Manager and Departments on development of the budget for the coming year.

After the initial budget work sessions in April and May each year, the Manager presents to the Council a status report on development of the operating and capital budgets and on preliminary recommendations for the use of all federal and State grant funds for housing programs, public transportation, and community development activities.

The status report provides preliminary estimates of revenue and expenditures for the upcoming budget, identifies the most important budget issues for the Council, and provides an assessment of how the preliminary revenue and expenditure estimates may impact the tax rate for the coming year. The presentation of this report is provided at a public forum of the Council in which interested citizens and community groups provide budgetary information, feedback, or make funding requests to the Town Council. In April and May, the Council may hold additional budget work sessions as desired, providing further direction to the Manager and staff regarding a recommended budget.

In accord with North Carolina State law, the Manager is required to submit a recommended budget to the Town Council. The Manager's Recommended operating and capital budget is submitted to the Town Council in early May and includes proposed revenue and expenditure levels and recommended changes in the tax rate for the coming year. Submittal of the recommended budget is followed by several budget work sessions as desired by the Council. A public hearing on the recommended budget, as required by law, is held in early May, followed by additional budget working sessions held by the Town Council.

In accord with State law, the Town Council must adopt a final budget and set the tax rate for the next fiscal year by July 1 each year, or they must adopt an interim budget providing temporary appropriations until a permanent budget is adopted. After adoption of the budget, management control of the budget is maintained by conducting budget performance reviews at least quarterly throughout the fiscal year. The reviews are aimed at examining expenditure patterns and recommending corrective action to be taken during the year. Additionally, detailed financial records are maintained to evaluate actual revenues and expenditures against the budget.

Budget Amendments

The Town Manager may transfer funds between departments within a function, between functions of the operating budget of the same fund, and between projects of the Capital Improvement Plan (CIP) with a quarterly report to Council. The Town Manager may also approve intradepartmental transfer requests and transfers between line items within capital project budgets. Transfers between funds, however, may only be authorized by the Town Council.

OVERVIEW OF BUDGET PROCESS

Budget Roles and Responsibilities

Every employee plays a role in budgeting, whether in its formulation, preparation, implementation, administration, or evaluation. Ultimately, of course, the Senior Management Team, through the Town Manager, is accountable to the Town Council for the performance of departmental personnel in meeting specific objectives within allocation resource limits. Actual budget preparation responsibility can be identified more specifically:

1. Division heads and the Senior Management Team are responsible for reviewing, modifying, and assembling their cost data into a departmental request package and potential budget plan. The Senior Management Team critically evaluates all requests, prioritizes, and submits only those requests which are consistent with Council policies, administrative direction, and departmental objectives. The preparation of the budget requests, goals, and objectives should coincide with stated annual goals.
2. The Finance Officer and staff within the Business Management Department are responsible for (a) preparing short and long range revenue and expenditure forecasts, (b) reviewing departmental budgets with Senior Management and individual departments, (c) analyzing, summarizing, and making recommendations on the budget requests to the Town Manager and the Deputy Manager, and (d) reviewing the linkage between budget requests and overall budget goals and policies.
3. The Deputy Manager is responsible for reviewing the departmental operating and CIP requests within the context of the Council priorities, Town Manager directives, and budget goals for their respective groups and submitting their recommendations for review by the Town Manager.
4. The Town Manager is responsible for reviewing the total financial program and formulating the Town-wide Recommended Budget to be submitted to the Town Council for adoption.
5. The Town Council is responsible for the review of the Manager's Recommended Budget and approval of a final budget.

Budgeting for the Capital Program

Each year, the Town Council, citizens, boards and commissions, and staff consider the Town's capital project needs and possible funding sources. Beginning in the fall of each year, departments submit project requests that are reviewed by the Senior Management Team and the Town Manager. This team develops a draft proposal for consideration by the Town Council.

At the same time, the Council solicits input from advisory boards and citizens on ideas for inclusion in the Capital Improvements Plan. Input from the departmental review process and the citizen and advisory boards assist the Council in deciding which capital improvements the Town may undertake as funding becomes available.

BUDGET GUIDELINES & PRACTICES

The budgetary guidelines and practices enumerated below outline a general framework of budgetary goals and objectives regarding the operating budget, debt service, capital expenditures, reserves, and financial reporting. They provide standards against which current budgetary performance can be measured, as well as proposals for future program evaluation.

OPERATING BUDGET	
Guideline	Comment
Current revenues will be sufficient to support current operating expenditures.	The Town seeks to use stable, annually recurring revenues to pay for costs which tend to continue from year to year, and seeks to avoid using one-time revenues for annually recurring costs.
Financial systems are maintained to monitor expenditures, revenues, and program performance on a continuing basis.	The Town maintains a computerized financial system on a continuing basis that monitors and compares all actual revenues and expenditures to approved budget estimates and appropriations.
Revenues and expenditures are projected for a five-year period and updated annually.	The Town's annual budget includes a five-year forecast for the revenues and expenditures of the Town's major operating funds, and monitors and updates the forecast at periodic intervals during the fiscal year.
All fund budgets are balanced.	Planned expenditures equal anticipated revenues including possible fund balance appropriations. In North Carolina, it is required that the budget submitted to the Town Council be balanced.
DEBT SERVICE	
Guideline	Comment
Long-term debt is not issued to finance current operations.	In accordance with North Carolina State law, long-term debt may be issued only to finance capital improvements and capital purchases over the life of the improvements or equipment. Deficit financing for current operations is not permitted by State law.

BUDGET GUIDELINES & PRACTICES

<p>General Obligation Bonds will be issued to finance capital improvements and equipment at moderate levels that will not exceed the Town’s resources and capacity for repaying the debt.</p>	<p>General Obligation bonds are normally issued to finance capital improvements as desired by the Town Council and Town citizens at levels that maintain financial stability and require moderate and stable tax rate increases. Consistent with this guideline, the Town strives to maintain annual debt service payments totaling less than 10% of General Fund expenditures in a given year. This conservative guideline assists the Town in maintaining its Triple A (AAA) bond rating.</p>
<p>CAPITAL EXPENDITURES</p>	
<p>Guideline</p>	<p>Comment</p>
<p>Consistent with the policy of the Town Council, a fifteen-year capital improvements program is developed and updated during the annual budget process, including anticipated funding sources.</p>	<p>Annually, the Town prepares a fifteen-year Capital Improvements Program Budget that summarizes current capital improvements projects and future capital improvement needs. This program includes ongoing pay-as-you-go financing, installment contract financing, current and proposed long-term bond-financed projects, and projects funded by grants and miscellaneous funding sources.</p>
<p>Capital projects financed through the issuance of bonds are financed for a period not to exceed the expected useful life of the project.</p>	<p>Consistent with general State law and guidelines in North Carolina, general obligation bonds are normally issued for a period of 20 years for capital improvements that extend over the same 20-year period.</p>
<p>The Town coordinates development of the capital improvements budget with development of the operating budget. Future operating costs associated with the new capital improvements should be projected and included in the operating budget forecasts.</p>	<p>Operating costs of projects included in the Capital Improvements Program and budget are incorporated into the Town’s operating budget annually, and are reflected in the Town’s annual five-year forecast for its major operating funds.</p>

BUDGET GUIDELINES & PRACTICES

<p>The Town strives to maintain all its physical assets at a level adequate to protect the Town’s capital investment and to minimize future maintenance and replacement costs.</p>	<p>The Town strives to maintain its capital investment by addressing future maintenance and replacement costs in its fifteen-year capital improvements program. Both pay-as-you-go financing and installment financing are used to address capital maintenance needs. When deferrals of capital maintenance are proposed due to unusual budgetary constraints, the amount of deferrals are specifically identified and limited to the extent practical.</p>
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NET ASSET (FUND BALANCE) RESERVES

Guideline	Comment
<p>The Town seeks to continue to maintain its financial reserve position consistent with the recommendations of the North Carolina Local Government Commission to reserve a minimum of 12% of General Fund expenditures for cash flow considerations and emergencies.</p>	<p>The Town’s annual budget and revenue and expenditure recommendations are developed and designed to ensure that its financial position and reserve levels are adequate to retain reserve levels recommended by the North Carolina Local Government Commission for the General Fund and other major operating funds, including the Transportation and Parking enterprise funds. The Town’s current balances are consistent with the minimum recommendation. The Town seeks to increase these reserve levels as the expenditure levels increase in each fund to maintain a constant reserve percentage.</p>

BUDGET GUIDELINES & PRACTICES

FINANCIAL REPORTING	
Guideline	Comment
<p>The Town’s accounting and financial reporting systems will be maintained in conformance with current generally accepted accounting principles (GAAP) and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).</p>	<p>The Town participates in the accounting and budgeting awards programs of the association, receiving the Certificate of Achievement for Excellence in Financial Reporting for fiscal year ending June 30, 2022 and Distinguished Budget Award in 2022-23 and in past years. The Town plans to continue participation in these programs annually.</p>
<p>Consistent with State law, an annual audit will be performed by an independent public accounting firm with subsequent issuance of an Annual Comprehensive Financial Report (ACFR). Full disclosure will be provided in the general financial statements and all bond representations.</p>	<p>The Town prepares an Annual Comprehensive Financial Report that receives an unqualified opinion by an independent accounting firm each year. As required by State law, the annual report is submitted to the N. C. Local Government Commission staff for a detailed review of compliance with Commission recommendations and guidelines and compliance with applicable accounting and financial reporting standards.</p>

BUDGET ASSUMPTIONS

Major issues affecting Town revenues for the 2023-24 budget include continued economic impacts that we anticipate impacting revenues in a number of areas. Additionally, the continuation of slow property tax base growth that has not kept pace with the increase in expenditures. Delays in the construction of major approved development projects and the diminishing supply of developable land have exacerbated the problem. State and Federal budget decisions also have a major effect on the Chapel Hill budget, particularly in the areas of transportation and housing.

The 2023-24 budget incorporates the following assumptions:

- The property tax base is estimated to be \$9.73 billion in 2023-24.
- We estimate that the Town's revenue from the local sales taxes will increase but remain difficult to forecast due to various economic impacts.
- Federal assistance for the Transit Fund will increase to \$2.6 million in 2023-24.

FIVE-YEAR REVENUE AND COST PROJECTIONS FOR MAJOR OPERATING FUNDS

INTRODUCTION AND OVERVIEW

This section of the budget outlines in summary form projected revenues and costs for the five fiscal years beyond 2023-24 for the Town's General Fund, Transit Fund, and Debt Service Fund. A summary schedule is provided for each fund identifying differences between the projected revenues and costs.

The Projections section of the budget is an important tool in developing long-range financial strategies for the Town's major operations and in maintaining sound financial condition. We believe our projections include all the major elements and principal drivers of revenue and costs. In short, we have included in the projections the elements that are "big enough to matter," on both the revenue and cost sides of the budget. Our presentation includes projections for operations and for additions and adjustments to ongoing operations. The largest additions relate to capital programs and related debt service.

Capital Programs and Related Debt Service

In November 2018, the Town held a general obligation bond referendum. There was one bond order that appeared on the ballot, and it was approved by the voters. The amount of the authority approved by the voters, the amounts issued through June 30, 2023, and the balance of the authority remaining is shown in the following table. The full amount of the referendum authority has been issued.

Bond Order	Authority	May 2021 Issuance	Mar 2023 Issuance	Balance
Affordable Housing	\$ 10,000,000	\$ 4,755,000	\$ 5,245,000	\$ -
Total	\$ 10,000,000	\$ 4,755,000	\$ 5,245,000	\$ -

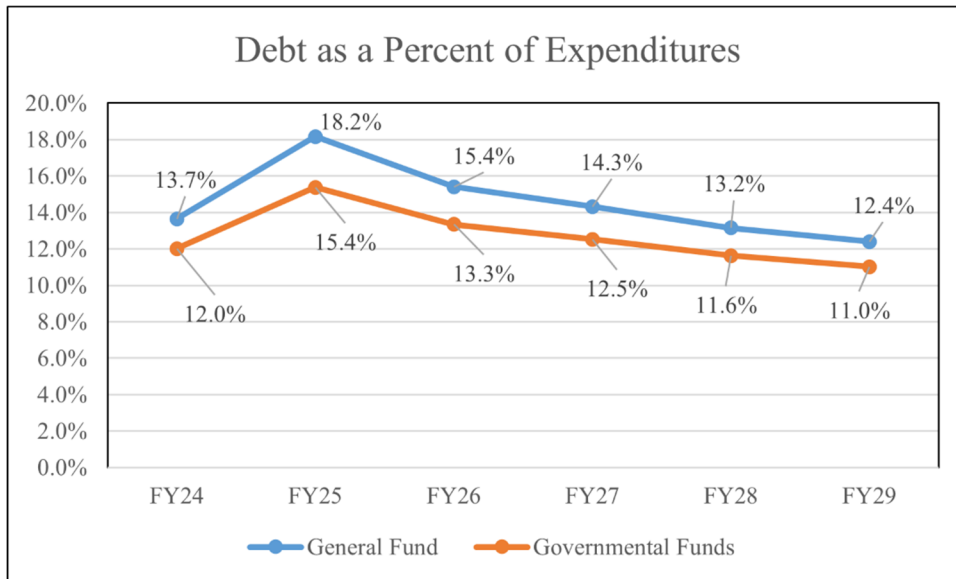
In November 2015, the Town held a general obligation bond referendum consisting of five bond orders totaling \$40.3 million. All five bond orders were approved by the voters. There have been three issuances from the 2015 GO Bond authority. In February of 2017, \$9.0 million of bonds were issued, in April of 2018, and in March 2023 an additional \$7.7 million of bonds were issued. The bond orders and amounts issued to date are shown in the table below:

Bond Order	Authority	Feb 2017 Issuance	Apr 2018 Issuance	Mar 2023 Issuance	Balance
Streets & Sidewalks	\$ 16,200,000	\$ 3,000,000	\$ 5,500,000	\$ 7,700,000	\$ -
Trails & Greenways	5,000,000	5,000,000	-	-	-
Recreation Facilities	8,000,000	1,000,000	4,300,000	-	2,700,000
Solid Waste Facilities	5,200,000	-	-	-	5,200,000
Stormwater	5,900,000	-	2,700,000	-	3,200,000
Total	\$ 40,300,000	\$ 9,000,000	\$ 12,500,000	\$ 7,700,000	\$ 11,100,000

The Town is also planning to issue about \$34 million for public safety facilities and an additional \$9 million to complete the East Rosemary Parking Deck sometime within the next year or two.

FIVE-YEAR REVENUE AND COST PROJECTIONS FOR MAJOR OPERATING FUNDS

While the Town has historically had low debt as a percentage of budgeted expenditures, recent borrowings have increased the Town's debt load. The Town's measures of debt capacity, including debt per capita and debt as a percent of assessed value, are slightly below the average of our peer group (Triple A rated Municipalities in North Carolina). The Town has traditionally kept debt service below 10% of



budgeted general fund expenditures, but with the recent investment in public facilities (East Rosemary Parking Deck), this ratio has risen to 13.65% in 2023-24 and to 11.88% as a percent of governmental revenues (general fund plus debt fund). Once the Parking Deck is operational, the intent is for the revenues generated to repay the Debt Fund and to move to the Parking Fund. Debt as a percentage of governmental revenues approximates the basis used before the debt fund was created in 2010. Debt service as a percentage of expenditures is expected to rise in the next few years as the Town continues to invest in public facilities and infrastructure.

In response to the added debt burden, a Debt Management Plan was adopted for the FY2008-09 budget that includes dedicating a portion of the property tax rate to pay debt service instead of transferring funds for debt service needs from the General Fund. Previously, debt service costs competed with other priorities for General Fund revenues, but now have a dedicated revenue source, which also provides for future debt as existing debt is paid off. Maintaining affordable levels of debt is an important factor in retaining the Town's current AAA ratings.

Some of the other key factors affecting revenues and costs are outside the Town's control, such as State-shared revenues affected by State legislation, and numerous State and federal regulations which affect funding for the Transit system and the Housing Department, primarily. We project no significant withholding of State-shared revenues. The county has the option each year to change the sales tax distribution formula from the current per capita basis to an ad-valorem basis. Changing from a per capita basis to an ad-valorem distribution would reduce the Town's Sales Tax revenues by approximately \$2.5 million. The County has indicated that they will not make a change to the distribution for 2023-24, but they may revisit this option in subsequent fiscal years.

The main points included in the revenue and cost projections for the General Fund, Transit Fund, and the Debt Service Fund are summarized on the following pages. The differences between revenues and expenditures are expressed as tax rate equivalents.

As the budget increases, the total reserved fund balance needs to increase proportionally to maintain fund balance reserves at the target 22% of expenditures. The gap between revenues and costs could be closed by service reductions, revenue enhancements, tax rate adjustments, or any combination of these options.

FIVE-YEAR REVENUE AND COST PROJECTIONS FOR MAJOR OPERATING FUNDS

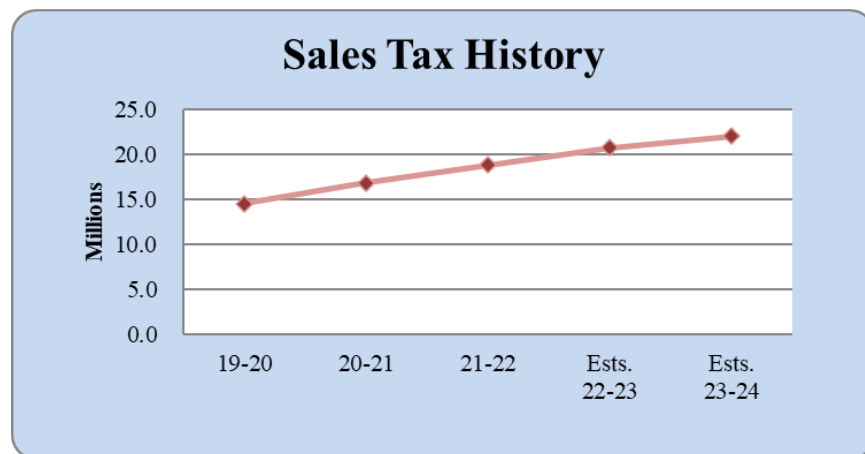
GENERAL FUND

Revenues

The most important revenue sources for General Fund operations continue to be property taxes and sales tax revenues that, combined, comprise about 74% of total General Fund revenues. The estimate of assessed valuation for the tax base in 2023-24 is about \$9.73 billion. There was a revaluation of property tax assessments effective for FY2021-22 budget. Real property values increased by approximately 14% and the motor vehicle and personal property valuations increased by about 2%. The Council adopted a tax rate of 57.2 cents after a 5 cent increase to the General Fund tax rate from the FY2022-23 budget.

The tax levy projections assume that the General Fund tax rate will continue to be split with the Debt Service Fund. The rate adopted in FY12 moved \$1.8 cents of the tax rate from the Debt Fund to the General Fund.

Estimated additions to the tax base through growth yield increases in property tax revenues of about \$760,000 each year. This is based on 1.8% annual growth, which is slightly lower than the historical average, and a tax rate for 2023-24 of \$42.2 cents for the General Fund.



The second largest source of Town revenue, sales tax, is more volatile than property tax. Revenues from sales taxes tend to increase when the economy is strong and slow or decline when the economy weakens. Based on sales tax revenues to date, we estimate FY23 receipts at \$20.7 million, an increase from what was originally budgeted. Based on local trends and state forecasts, we anticipate an increase of about 6% for FY23-24.

Based on legislation adopted in 2002-03 by the North Carolina General Assembly (providing greater but not absolute protection for certain State-shared revenues withheld in past years), we believe it is reasonable to include full State-shared revenues in our five year projections for the General Fund. These State-shared revenues include revenue from utility sales taxes (estimated at about \$4.5 million in 2022-23 and \$4.2 million in 2023-24) and Video Programming Tax, estimated to remain relatively flat in FY23 and FY24.

State-shared revenues also include revenue from fuel tax funds for street maintenance (about \$1.62 million in 2023-24), with no projected growth over the next five years, and Beer and Wine Taxes. The State withheld two-thirds of its distribution of beer and wine tax to municipalities in 2009-10, but indications are that we will receive the full share in FY24 and thereafter.

State Fire Protection Funds have not changed significantly in the past few years, and we anticipate they will remain stable. We do however recommend that the Council continue to seek additional fire protection funding consistent with the costs associated with providing fire protection for state owned property located in the Town.

The most important revenue sources for the General Fund are shown in the two tables which follow this section, titled Projected Tax Base and Projected State-Shared Revenues.

FIVE-YEAR REVENUE AND COST PROJECTIONS FOR MAJOR OPERATING FUNDS

Operating and Capital Improvement Costs

Projected costs for general operations are based on a continuation of most service levels and programs for 2023-24. Personnel and operating costs are based on assumptions as noted in the attached tables. The projections also include estimated contributions required to provide needed capital maintenance for future years. To date, the Town has issued \$29.2 million of 2015 referendum bonds to pay for streets and sidewalks, trails and greenways, stormwater improvements, and recreation facilities.

Personnel costs for FY 2023-24 include a decrease in medical insurance costs of 2% based on the contract agreement with Blue Cross Blue Shield. Projections include the following assumptions:

- Annual pay increases of 5%
- 5% annual increases in medical insurance
- An increase of 0.75% for 3 years after FY24 for the employer's retirement system contribution rate.
- Operating costs increase of about 3% annually

Our analysis indicates projected costs for basic operations and the proposed additions to operations would exceed revenues in FY2023-24 and beyond. As we come closer to the actual projected years, we will need to update assumptions. Under the current projection assumptions, the Council would need to increase revenues or decrease costs for each of the next five years.

FIVE-YEAR REVENUE AND COST PROJECTIONS FOR MAJOR OPERATING FUNDS

TRANSIT FUND

The budget for 2023-24 assumes the continuation of fare-free transit services as well as the continuation of the cost-sharing arrangement with the University of North Carolina and Carrboro. Due to the occasional unknown nature of the State operating assistance, we are conservatively budgeting \$3.5 million for this revenue source. Federal assistance is estimated to continue at \$2.6 million next year, which is an increase from FY23.

The 2023-24 Adopted Budget represents a 2.2% increase from the previous year largely due to increases in State and Federal operating assistance. The Transit budget also includes \$1,686,308 for debt payments on the purchase of new buses that began in 2016-17. The projections assume continuation of the 6.2 cent rate in the next five years. Subsequent years show the need for a tax increase from 0.4 to 0.9 cents through 2028-29.

Adopted Tax Rate	Cents per \$100 valuation		
	FY22-23	FY23-24	\$ Change
General Fund	37.2	42.2	5.0
Debt Fund	8.8	8.8	0.0
Transit Fund	6.2	6.2	0.0
Total Tax Rate	<u>52.2</u>	<u>57.2</u>	<u>5.0</u>

DEBT SERVICE FUND

The projections for the Debt Service Fund include maintaining the adopted tax rate of 8.8 cents. This tax rate will generate about \$8.56 million in revenues in 2023-24 which will provide for projected debt service costs. Cost projections include debt service on the borrowings noted above. Our projections include the planned issuance of about \$43 million of new debt in the next 5 years for the financing of public safety facilities (Municipal Services Center) and to complete the East Rosemary Parking Deck.

FIVE-YEAR REVENUE AND COST PROJECTIONS FOR MAJOR OPERATING FUNDS

CONCLUSION

Based on the assumptions contained in the analysis of projected revenues and costs for the Town's tax-funded operating funds for the next five years, differences between revenues and costs for future years could require cost or service reductions, revenue enhancements, or tax rate adjustments. The differences expressed as tax rate equivalents are summarized as follows:

Tax Rate Equivalents of Needed Revenue (in cents)						
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Adopted	Estimated	Estimated	Estimated	Estimated	Estimated
	Increase	Increase	Increase	Increase	Increase	Increase
General Fund	5.0	1.5	1.2	1.3	1.0	1.0
Debt Service	0.0	0.0	0.0	0.0	0.0	0.0
Transit Fund	0.0	0.9	(0.2)	0.4	0.4	0.4
Total	5.0	2.4	1.0	1.7	1.4	1.4

The largest concern in the budget projection is the expected imbalance between revenues and expenditures in the General Fund. In past years, fund balance has been available to supplement revenues and eliminate or reduce the need to increase taxes. We will need to more closely balance spending with available revenues in future budget years due to the diminishing availability of fund balance available for appropriation.

GENERAL FUND
PROJECTED TAX BASE
2023/2024- 2028/2029

Category	2023-24 Adopted	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated
Assessed Valuation (Real & Personal Property)	\$ 9,734,070,000	\$ 9,909,280,000	\$ 10,087,650,000	\$ 10,269,230,000	\$ 10,454,080,000	\$ 10,642,250,000
Tax Levy - General Fund Only*	41,078,000	41,817,000	42,570,000	43,336,000	44,116,000	44,910,000
Estimated Collections at 99%	40,960,000	41,700,000	42,450,000	43,210,000	43,990,000	44,780,000
Estimated Prior Year Collections	103,000	103,000	103,000	103,000	103,000	103,000
TOTALS	\$ 41,063,000	\$ 41,803,000	\$ 42,553,000	\$ 43,313,000	\$ 44,093,000	\$ 44,883,000
Tax rate	42.2	42.2	42.2	42.2	42.2	42.2

1¢ on the tax rate = \$ 971,000

* Based on continuing the General Fund tax rate of \$42.2 cents/\$100, with estimated growth as follows:

2025	1.8%
2026	1.8%
2027	1.8%
2028	1.8%
2029	1.8%

GENERAL FUND
PROJECTED STATE-SHARED REVENUES
2023/2024 - 2028/2029

Category	2023-24 Adopted	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated
Utility Sales Tax ¹	\$ 4,200,000	\$ 4,221,000	\$ 4,242,000	\$ 4,263,000	\$ 4,284,000	\$ 4,305,000
Video Programming Tax	600,000	600,000	600,000	600,000	600,000	600,000
Supplemental PEG support	80,000	80,000	80,000	80,000	80,000	80,000
Beer, Wine Tax ²	250,000	250,000	250,000	250,000	250,000	250,000
1% Local Option Sales Tax (Article 39) ³	7,252,000	7,687,000	8,148,000	8,637,000	9,155,000	9,704,000
1/2% Local Option Sales Tax (Article 40) ³	5,280,000	5,597,000	5,933,000	6,289,000	6,666,000	7,066,000
1/2% Local Option Sales Tax (Article 42) ³	3,645,000	3,864,000	4,096,000	4,342,000	4,603,000	4,879,000
1/2% Local Option Sales Tax (Article 44 Hold Harmless) ³	115,000	122,000	129,000	137,000	145,000	154,000
City Hold Harmless ³	5,702,000	6,044,000	6,407,000	6,791,000	7,198,000	7,630,000
Total Local Option Sales Taxes	21,994,000	23,314,000	24,713,000	26,196,000	27,767,000	29,433,000
Fuel Tax (Powell Bill) ⁴	1,620,000	1,620,000	1,620,000	1,620,000	1,620,000	1,620,000
State Fire Protection ⁵	1,025,000	1,025,000	1,025,000	1,025,000	1,025,000	1,025,000
Solid Waste Disposal Tax	43,000	43,000	43,000	43,000	43,000	43,000
TOTAL	\$ 29,812,000	\$ 31,153,000	\$ 32,573,000	\$ 34,077,000	\$ 35,669,000	\$ 37,356,000

¹ Utility sales tax distribution has been changed in recent years and is now distributed to municipalities based on the application of the 7% combined general sales tax rate of sales of electricity and natural gas to public utility providers.

² Except when withheld by the state in recent years, beer and wine taxes have been stable. Distributed based on population, they are expected to remain flat in the future.

³ Estimating a normal growth of 6% in FY24 and thereafter.

⁴ Powell Bill revenues are distributed by a formula that is based on both street miles and population.

⁵ State Fire Protection funding is subject to annual appropriation, and is expected to return to prior levels in future years.

GENERAL FUND
REVENUE PROJECTIONS
2023/2024 - 2028/2029

Category	2023-24 Adopted	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated
Property Taxes*	\$ 41,128,000	\$ 41,803,000	\$ 42,553,000	\$ 43,313,000	\$ 44,093,000	\$ 44,883,000
Sales Taxes	\$ 21,994,000	\$ 23,314,000	\$ 24,713,000	\$ 26,196,000	\$ 27,767,000	\$ 29,433,000
Other Taxes & Licenses	1,610,000	1,610,000	1,610,000	1,610,000	1,610,000	1,610,000
Licenses/Permits/Fines/ Forfeitures	3,113,000	3,113,000	3,113,000	3,113,000	3,113,000	3,113,000
State-Shared Revenues	7,818,000	7,839,000	7,860,000	7,881,000	7,902,000	7,923,000
Grants	776,000	785,000	794,000	803,000	812,000	821,000
Service Charges	5,414,000	5,424,000	5,434,000	5,444,000	5,454,000	5,464,000
Interest on Investments	100,000	100,000	100,000	100,000	100,000	100,000
Other Revenues	412,000	412,000	412,000	412,000	412,000	412,000
Interfund Transfers	45,000	45,000	45,000	45,000	45,000	45,000
TOTAL	\$ 82,410,000	\$ 84,445,000	\$ 86,634,000	\$ 88,917,000	\$ 91,308,000	\$ 93,804,000

* Based on continuing the current General Fund tax rate of \$42.2 cents/\$100, with estimated growth as follows:

2025	1.80%
2026	1.80%
2027	1.80%
2028	1.80%
2029	1.80%

**GENERAL FUND
PROJECTED COSTS
2023/2024 - 2028/2029**

	2023-24 Adopted	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated
Personnel Services ¹	\$ 60,229,000	\$ 62,208,000	\$ 64,171,000	\$ 66,201,000	\$ 68,302,000	\$ 70,476,000
Operations						
Operating & Maintenance ²	20,044,000	20,830,000	21,708,000	22,659,000	23,587,000	24,589,000
Capital						
Equipment ³	330,000	330,000	330,000	330,000	330,000	330,000
Transfer to Capital Improvements Program ⁴	2,249,000	2,767,000	3,285,000	3,803,000	4,118,000	4,386,000
Other						
Human Service contracts, hotel/ motel allocations and grants to other agencies	1,777,000	1,777,000	1,777,000	1,777,000	1,777,000	1,777,000
Other Post Employment Benefits	250,000	500,000	500,000	500,000	500,000	500,000
TOTAL COSTS OF CURRENT PROGRAMS AND ADDITIONS/						
TOTALS	\$ 84,879,000	\$ 88,412,000	\$ 91,771,000	\$ 95,270,000	\$ 98,614,000	\$ 102,058,000

Assumptions for years after 2024, reflected on base cost estimates for 2023-24:

¹ Assumptions include:

- Annual increase of 5%.
- 5% increase in medical insurance each year
- Increase of 0.75% of the Retirement rate per year after 2023-24.

² Increase in most operating costs of 5% each year.

³ Estimated cost of routine replacement of miscellaneous non-vehicular capital equipment.

⁴ General Fund contribution for Capital Improvements Program.

GENERAL FUND
ANALYSIS OF REVENUE AND COST PROJECTIONS
2023/2024 - 2028/2029

	2023-24 Adopted	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated
Estimated Total Costs	\$ 84,879,000	\$ 88,412,000	\$ 91,771,000	\$ 95,270,000	\$ 98,614,000	\$ 102,058,000
Estimated Total Revenues	82,410,000	84,445,000	86,634,000	88,917,000	91,308,000	93,804,000
Revenues Needed	2,469,000	3,967,000	5,137,000	6,353,000	7,306,000	8,254,000
Fund Balance Available	-	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
One-time use of Fund Balance	2,469,000	-	-	-	-	-
Additional Revenue Needed/ (Available)	\$ -	\$ 1,467,000	\$ 2,637,000	\$ 3,853,000	\$ 4,806,000	\$ 5,754,000
Change in Tax Rate in cents in Specific Years*	-	1.5	1.2	1.3	1.0	1.0

*Value of a cent = \$971,000

TRANSIT FUND
REVENUE PROJECTIONS
2023/2024 - 2028/2029

	2023-24 Adopted	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated
Taxes ¹	\$ 6,037,000	\$ 6,147,000	\$ 6,257,000	\$ 6,367,000	\$ 6,477,000	\$ 6,597,000
Vehicle Taxes ²	450,034	452,000	454,000	456,000	458,000	460,000
TTA-Shared Revenues	4,074,423	4,115,000	4,156,000	4,198,000	4,240,000	4,282,000
Federal Operating Assistance ³	7,850,000	7,850,000	7,850,000	7,850,000	7,850,000	7,850,000
UNC Contract (Net) ⁴	10,389,234	10,545,000	10,703,000	10,864,000	11,027,000	11,192,000
Carrboro Contract (Net) ⁴	2,233,512	2,267,000	2,301,000	2,336,000	2,371,000	2,407,000
Service Charges ⁵	912,687	931,000	950,000	969,000	988,000	1,008,000
Advertising	200,000	200,000	200,000	200,000	200,000	200,000
Other	3,000	3,000	3,000	3,000	3,000	3,000
Appropriated Fund Balance	-	-	-	-	-	-
TOTAL	\$ 32,149,890	\$ 32,510,000	\$ 32,874,000	\$ 33,243,000	\$ 33,614,000	\$ 33,999,000

Revenue Notes:

¹ Based on the adopted tax rate of 6.2 cents through 2028-29.

² Assumes continuing levy of \$15 vehicle tax for Transit

³ Assumes continuing level of State and Federal Operating Assistance.

⁴ Assumes continued participation by the University and Carrboro, including assumptions on cost sharing for adopted fare-free services, assuming 1.5% growth each year.

⁵ Based on continuing fare-free services, with remaining service charge revenue generated primarily by Tarheel Express and GoTriangle routes, assuming 2% growth each year.

TRANSIT FUND
COST PROJECTIONS
2023/2024 - 2028/2029

	2023-24 Adopted	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated
Personnel Services ¹	\$ 18,463,497	\$ 19,271,000	\$ 20,187,000	\$ 21,148,000	\$ 22,157,000	\$ 23,215,000
Operations ²	13,686,393	14,069,000	14,514,000	14,975,000	15,453,000	15,948,000
Capital Reserve Fund ³	-	-	-	-	-	-
TOTAL	\$ 32,149,890	\$ 33,340,000	\$ 34,701,000	\$ 36,123,000	\$ 37,610,000	\$ 39,163,000

Assumptions for years after 2023-24

¹ Assumptions include:

- Annual increase of 5%.
- 5% increase in medical insurance each year
- Increase of 0.75% of the Retirement rate per year after 2023-24.

² Increase in operating costs of 2.5% annually for most operating costs and 5% for fuel and tires.

³ Amounts allocated for Capital Equipment Reserve Fund for replacement of buses, purchase of capital equipment, and local cost of Transit facilities.

TRANSIT FUND
REVENUE AND COST PROJECTIONS
2023/2024 - 2028/2029

	2023-24 Adopted	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated
Estimated Costs	\$ 32,149,890	\$ 33,340,000	\$ 34,701,000	\$ 36,123,000	\$ 37,610,000	\$ 39,163,000
Estimated Revenues	32,149,890	32,510,000	32,874,000	33,243,000	33,614,000	33,999,000
Revenue Needed/(Excess)	-	830,000	1,827,000	2,880,000	3,996,000	5,164,000
Additional Revenue Needed	\$ -	\$ 830,000	\$ 1,827,000	\$ 2,880,000	\$ 3,996,000	\$ 5,164,000
Change in Tax Rate in Specific Years	-	0.9	(0.2)	0.4	0.4	0.4

1 cent on the tax rate = \$971,000

Assumptions on future revenues and costs:

- Same revenue sources as available in 2022-23 (assumes current level of State funding for operating assistance).
- Assumes constant level of federal operating assistance.
- Includes estimated adjustments of 5% in salaries and most operating costs after FY24.
- Includes estimated adjustments of 5% in fuel and tire costs after FY24.

DEBT SERVICE FUND
PROJECTED TAX BASE AND OTHER REVENUES
2023/2024 - 2028/2029

Category	2023-24 Adopted	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated
Assessed Valuation (Real & Personal Property)	\$ 9,734,070,000	\$ 9,909,280,000	\$ 10,087,650,000	\$ 10,269,230,000	\$ 10,454,080,000	\$ 10,642,250,000
Tax Levy - Debt Service Fund Only*	8,566,000	8,720,000	8,877,000	9,037,000	9,200,000	9,365,000
Estimated Collections at 99%	8,540,000	8,690,000	8,850,000	9,010,000	9,170,000	9,340,000
Estimated Prior Year Collections	19,000	19,000	19,000	19,000	19,000	19,000
TOTAL TAXES	\$ 8,559,000	\$ 8,709,000	\$ 8,869,000	\$ 9,029,000	\$ 9,189,000	\$ 9,359,000
Interest Income	385,000	300,000	225,000	175,000	125,000	75,000
Transfer from General Fund	445,000	445,000	445,000	445,000	445,000	445,000
Transfer from Parking	-	2,407,000	2,541,000	2,513,000	2,480,000	2,447,000
TOTAL REVENUES	\$ 9,389,000	\$ 11,861,000	\$ 12,080,000	\$ 12,162,000	\$ 12,239,000	\$ 12,326,000

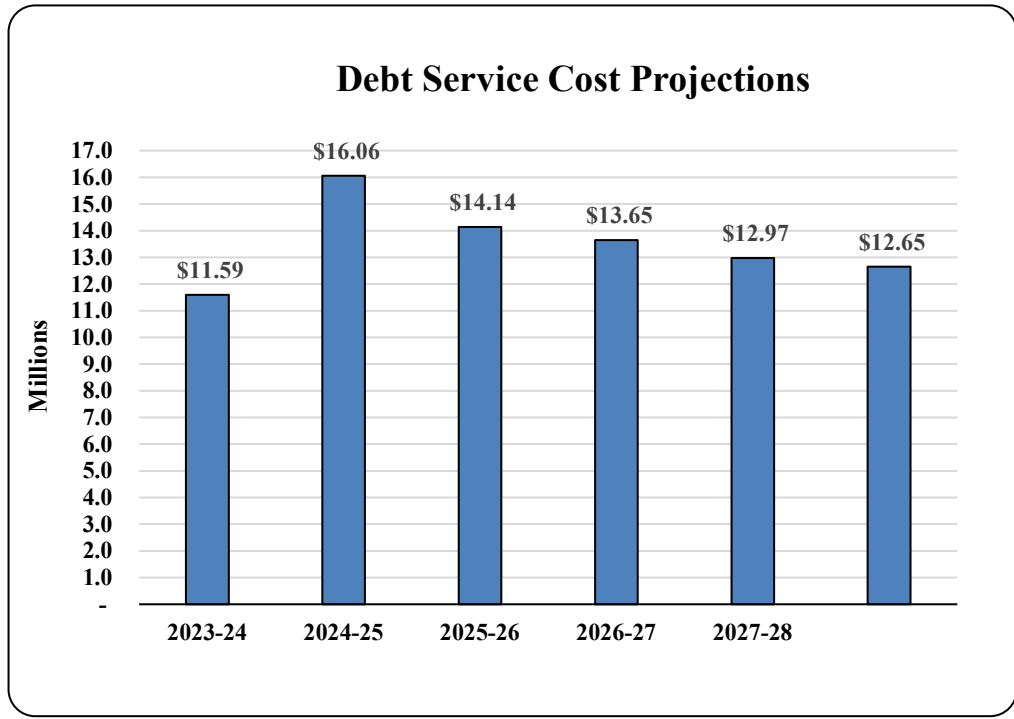
* Based on a continued tax rate of \$8.8 cents for the Debt Fund through 2028-29, with estimated growth as follows:

2025	1.80%
2026	1.80%
2027	1.80%
2028	1.80%
2029	1.80%

DEBT SERVICE FUND PROJECTED COSTS 2023/2024 - 2028/2029

	2023-24 Adopted	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated
Existing Debt*	\$ 11,590,000	\$ 11,126,000	\$ 9,314,000	\$ 8,931,000	\$ 8,368,000	\$ 8,155,000
Future Issuance*	-	4,933,000	4,824,000	4,714,000	4,604,000	4,495,000
TOTALS	\$ 11,590,000	\$ 16,059,000	\$ 14,138,000	\$ 13,645,000	\$ 12,972,000	\$ 12,650,000

* Existing debt includes East Rosemary Parking Deck (issued August 2021) with annual debt service around \$2.8 million. Revenues generated from new parking deck will be transferred to Debt Service Fund to cover debt payments.



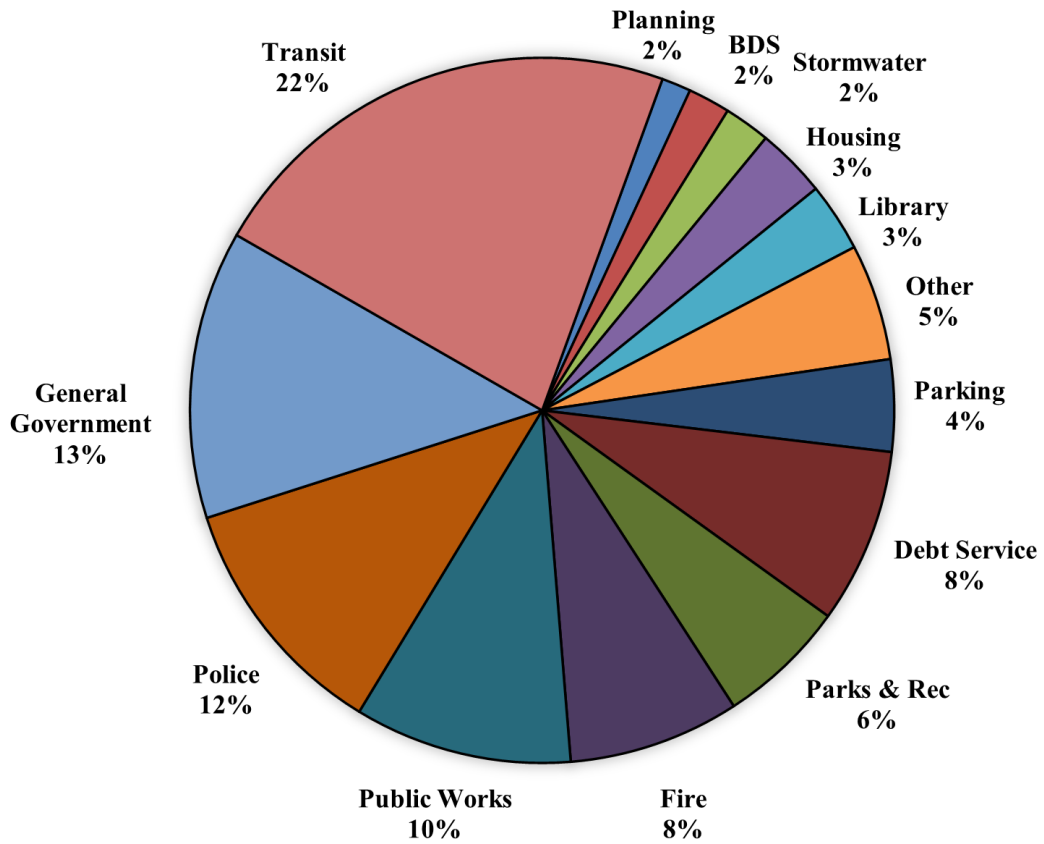
DEBT SERVICE FUND
ANALYSIS OF REVENUE AND COST PROJECTIONS
2023/2024 - 2028/2029

	2023-24 Adopted	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated	2028-29 Estimated
Estimated Total Costs	\$ 11,590,000	\$ 16,059,000	\$ 14,138,000	\$ 13,645,000	\$ 12,972,000	\$ 12,650,000
Estimated Total Revenues	9,389,000	11,861,000	12,080,000	12,162,000	12,239,000	12,326,000
Revenue (Needed)/Available	(2,201,000)	(4,198,000)	(2,058,000)	(1,483,000)	(733,000)	(324,000)
Fund Balance Available	2,201,000	4,198,000	2,058,000	1,483,000	733,000	324,000
Additional Revenue (Needed)/Available	-	-	-	-	-	-
Change in Tax Rate in Specific Years*	0.0	0.0	0.0	0.0	0.0	0.0

*Value of a cent = \$971,000

ALL FUNDS SUMMARY

**TOTAL BUDGET EXPENDITURES \$144,338,982
(NET OF TRANSFERS)**



TOWN OF CHAPEL HILL ORGANIZATION CHART

Citizens of
Chapel Hill

Mayor and
Town Council

Town Manager

Town Attorney

Strategic Operations
Manager

Deputy Manager

Deputy Manager

Economic Development/
Parking Services

Fire

Police

Town Clerk

Communications

Emergency Management/
Risk Management

Manager's Office
Grants Administration
Strategic Initiatives

Business Management
Human Resource
Development
Library/Arts & Culture
Planning
Technology Solutions
Community Sustainability
Ombuds
Urban Design

Affordable Housing &
Community Connections
Building & Development
Services
Parks and Recreation
Public Works
Public Housing
Transit
Community Relations
Diversity, Equity &
Inclusion

Boards and Commissions:
Board of Adjustment
Chapel Hill Downtown Partnership
Chapel Hill Library Advisory Commission
Community Design Commission
Community Policing Advisory Committee
Cultural Arts Commission
Environmental Stewardship Advisory Board
Grievance Hearing Board
Historic District Commission
Housing Advisory Board
Human Services Advisory Board
Justice in Action Committee
Orange Water and Sewer Authority Board of Directors
Parks, Greenways, and Recreation Commission
Planning Commission
Stormwater Management Utility Advisory Board
Transportation and Connectivity Advisory Board

***ALL FUNDS
SUMMARY OF APPROPRIATIONS
Adopted Budget 2023-24***

Fund	Appropriations	Less Transfers to Other Funds	Net Appropriations
General Fund	\$ 84,879,000	\$ 4,538,089	\$ 80,340,911
Transit Funds			
Transit	32,149,890	-	32,149,890
Transit Capital Reserve Fund	-	-	-
Stormwater Management Fund	3,059,200	-	3,059,200
Parking Fund	6,089,089	-	6,089,089
Housing Funds			
Public Housing Fund	2,588,770	-	2,588,770
Debt Service Fund	12,752,312	1,162,399	11,589,913
Capital Projects			
Capital Improvements Fund	2,386,104	-	2,386,104
Other Funds			
Affordable Housing Reserve Fund	826,850	-	826,850
Climate Action Fund	804,259	-	804,259
Grants Fund	561,354	-	561,354
Downtown Service District Fund	582,500	-	582,500
Library Gift Fund	258,466	45,000	213,466
Vehicle Replacement Fund	1,105,000	-	1,105,000
Fleet Management Fund	1,865,576	-	1,865,576
Computer Replacement Fund	176,100	-	176,100
TOTAL	\$ 150,084,470	\$ 5,745,488	\$ 144,338,982

ALL FUNDS STAFFING SUMMARY

Personnel costs make up 59% of the Town's operating budget across all funds. Personnel costs in the General Fund make up 72% of total expenditures. The Staffing Summary represents a snapshot of the FTE's on which the FY24 Adopted Budget is based.

2023-24 STAFFING BY DEPARTMENT IN FULL-TIME EQUIVALENTS

<i>DEPARTMENTS</i>	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
Mayor	1.00	1.00	1.00
Manager	12.00	17.00	26.00
Governance Services ¹	7.53	7.53	4.53
Human Resource Development	10.00	10.00	8.00
Business Management	18.00	18.00	18.00
Technology Solutions	16.00	16.00	16.00
Attorney	3.00	3.00	3.00
Planning	15.80	16.80	16.80
Public Works ²	91.20	91.20	91.70
Building & Development Services ³	21.00	21.00	20.00
Affordable Housing and Community Connections	7.20	7.20	8.70
Police	120.00	120.00	121.00
Fire	96.00	96.00	97.00
Parks & Recreation	53.80	53.80	54.80
Library	34.66	34.66	34.66
Transit	205.66	205.66	208.66
Stormwater	15.05	15.05	15.55
Parking	9.80	9.80	9.80
Public Housing	16.00	16.00	16.50
Downtown Service District	1.00	1.00	1.00
Fleet Management	7.75	7.75	7.75
Total FTE's	762.45	768.45	780.45

¹ This department's name has changed from Communications and Public Affairs to Governance Services as of FY24.

² Four employees housed in Public Works also work in Stormwater. They have been split-coded to reflect time spent in each department.

³ Building & Development Services was housed in the Police Department until FY22. These staffing numbers have been broken out to reflect that change.

TAX RATES AND TAX COLLECTIONS

Adopted 2023-24

	2021-22 Actual	2022-23 Budget	2022-23 Estimated	2023-24 Adopted
Assessed Value of Real and Personal Property	\$ 9,461,547,860	\$ 9,620,619,000	\$ 9,561,951,000	\$ 9,734,070,000
Tax Rate Per \$100 Valuation				
General Fund	37.2	37.2	37.2	42.2
Transit Fund	5.4	6.2	6.2	6.2
Debt Service Fund	8.8	8.8	8.8	8.8
Total Tax Rate (cents)	51.4	52.2	52.2	57.2
Tax Levy	48,632,356	50,220,000	49,913,000	55,679,000
Estimated Collections at 99%	\$ 48,491,300	\$ 50,034,200	\$ 49,768,300	\$ 55,517,500
Distribution				
General Fund	35,093,824	35,660,000	35,470,000	40,960,000
Transit Fund	5,096,533	5,940,000	5,910,000	6,020,000
Debt Service Fund	8,301,869	8,430,000	8,390,000	8,540,000
Downtown Service District Fund				
Tax Rate (cents)	6.4	6.4	6.4	6.4
Assessed Value of Real and Personal Property	\$ 610,392,000	\$ 620,000,000	\$ 631,000,000	\$ 638,000,000
Tax Levy	391,000	397,000	404,000	408,000
1¢ of the Tax Rate Equals (to nearest 1,000)	\$ 943,000	\$ 958,000	\$ 953,000	\$ 971,000

ESTIMATED UNDESIGNATED RESERVES

ANNUALLY BUDGETED FUNDS

	Approximate Unassigned Fund Balance July 1, 2023	2023-24 Budgeted Revenues	2023-24 Budgeted Expenditures	Approximate Unassigned Fund Balance June 30, 2024
GENERAL FUND	\$ 19,510,000	\$ 82,410,000	\$ 84,879,000	\$ 17,041,000
SPECIAL REVENUE FUNDS				
Affordable Hsg Develop Reserve	-	827,000	827,000	-
Climate Action	828,000	804,000	804,000	828,000
Downtown Service District	114,000	583,000	583,000	114,000
Library Gift	363,000	222,000	258,000	327,000
Grants Fund	17,000	561,000	561,000	17,000
DEBT SERVICE FUND	9,979,000	9,389,000	12,752,000	6,616,000
CAPITAL IMPROVEMENT FUNDS				
Capital Improvements	259,000	2,386,000	2,386,000	259,000
Capital Reserve	218,000	-	-	218,000
ENTERPRISE FUNDS				
Transit	30,427,000	32,150,000	32,150,000	30,427,000
Transit Capital Reserve	1,650,000	-	-	1,650,000
Public Housing	4,727,000	2,568,000	2,589,000	4,706,000
Parking	229,000	6,089,000	6,089,000	229,000
Stormwater Management	3,148,000	3,030,000	3,059,000	3,119,000
INTERNAL SERVICE FUNDS				
Vehicle Replacement	60,000	1,105,000	1,105,000	60,000
Fleet Management	24,000	1,831,000	1,866,000	(11,000)
Computer Replacement	74,000	176,000	176,000	74,000
TOTAL	\$ 71,627,000	\$ 144,131,000	\$ 150,080,000	\$ 65,674,000

Note: Estimates of fund balance presented on this page and the following pages are based on unaudited information available during preparation of this document. Reservations of fund balance and restrictions of fund balance are constantly changing, and these estimates are therefore subject to change.

FUND BALANCE VARIANCES

The Town maintains a reserve of fund balance for cash flow, emergencies, and opportunities. Fund balance is essentially the difference between revenues received and expenditures made in a given year, plus any residual balance remaining at the end of the previous year. Part of the balance must remain unused to meet the reserve recommendations of the North Carolina Local Government Commission and State statute requirements. Part of the balance must remain unused to meet restrictions imposed by outside agencies (federal grant funds, for example) and to comply with the Town's contractual and other obligations. The remaining balance is available to be used for additional appropriations.

Fund balance fluctuates depending upon the activities during the year. The General Fund fund balance in 2023-24 is anticipated to be about 20.1% of budgeted expenditures. The Town uses expenditure estimates that are provided by departments when their budget requests are submitted in February. These estimates are not necessarily a true representation of actual expenditures because the estimates are very conservative and a historical look shows that there are significant budget savings each year. For more accurate information related to fund balance, please see the FY22 Annual Comprehensive Financial Report.

GOVERNMENTAL FUNDS

SUMMARY OF ESTIMATED FINANCIAL SOURCES AND USES

2023-24

	General Fund			Special Revenue Funds		
	21-22 Actual	22-23 Estimated	23-24 Adopted	21-22 Actual	22-23 Estimated	23-24 Adopted
Net Unreserved Assets, Beginning of Year	22,241,270	24,179,235	19,509,383	1,585,470	1,893,370	1,549,054
Financial Sources						
Property Taxes	35,316,583	35,633,500	41,128,500	391,648	398,000	409,000
Other Tax and Licenses	20,236,442	22,363,003	23,603,943	-	-	-
State-Shared Revenues	7,868,846	7,817,630	7,817,600	-	-	-
Interest on Investments	6,414	100,275	100,000	81	1,406	1,406
Other Revenues	648,793	481,719	412,485	383,636	282,500	256,000
Grants	695,376	783,211	775,748	558,432	841,327	503,431
Charges for Services	4,565,493	5,040,154	5,413,705	-	-	-
Licenses/Permits/Fines	3,256,414	2,997,562	3,112,660	-	-	-
Transfers/Other Sources	45,000	45,000	45,000	1,284,484	1,446,022	1,827,086
Appropriated Net Assets (Fund Balance)	-	-	2,469,359	-	-	36,506
Total Estimated Financial Sources	72,639,361	75,262,054	84,879,000	2,618,281	2,969,255	3,033,429
Expenditures						
Personnel	49,195,574	53,366,278	60,479,338	581,829	828,178	973,498
Operations	21,325,904	26,473,633	24,029,662	1,554,145	2,008,290	1,773,410
Capital	179,918	91,995	370,000	174,407	477,103	286,521
Contribution to Reserve	-	-	-	-	-	-
Total Budget	70,701,396	79,931,906	84,879,000	2,310,381	3,313,571	3,033,429
Financial Sources less Expenditures	1,937,965	(4,669,852)	-	307,900	(344,316)	-
Net Unreserved Assets, End of Year	24,179,235	19,509,383	17,040,024	1,893,370	1,549,054	1,512,548

Note: Please see note about fund balance estimates on page 66.

Debt Service Fund			Capital Funds		
21-22 Actual	22-23 Estimated	23-24 Adopted	21-22 Actual	22-23 Estimated	23-24 Adopted
7,264,168	10,910,172	9,978,436	862,862	2,527,665	476,805
8,330,087	8,410,000	8,559,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
22,138	411,500	385,000	131	10,000	10,500
12,322,881	-	-	-	-	-
-	-	-	-	-	-
-	-	-	107,963	106,241	126,701
-	-	-	-	-	-
3,845,050	882,897	445,100	2,423,000	1,384,500	2,248,903
-	-	3,363,212	-	-	-
24,520,156	9,704,397	12,752,312	2,531,094	1,500,741	2,386,104
-	-	-	-	-	-
20,874,152	10,636,133	12,752,312	-	-	-
-	-	-	866,291	3,551,601	2,386,104
-	-	-	-	-	-
20,874,152	10,636,133	12,752,312	866,291	3,551,601	2,386,104
3,646,004	(931,736)	-	1,664,803	(2,050,860)	-
10,910,172	9,978,436	6,615,224	2,527,665	476,805	476,805

ENTERPRISE FUNDS

SUMMARY OF ESTIMATED FINANCIAL SOURCES AND USES

2023-24

	Parking Funds			Transit Funds		
	21-22 Actual	22-23 Estimated	23-24 Adopted	21-22 Actual	22-23 Estimated	23-24 Adopted
Net Unreserved Assets, Beginning of Year	215,129	482,189	482,189	25,148,590	36,115,617	32,077,144
Financial Sources						
Property Taxes	-	-	-	5,113,815	5,927,000	6,037,000
Other Tax and Licenses	-	-	-	435,776	450,034	450,034
State-Shared Revenues	-	-	-	3,631,704	3,631,704	3,500,000
Interest on Investments	-	-	-	6,160	10,000	10,000
Other Revenues	155,500	107,000	110,000	15,000	26,500	26,500
Grants	-	-	-	11,814,211	4,100,000	4,350,000
Charges for Services	1,985,093	2,508,787	4,816,690	9,953,336	13,541,406	13,701,933
Licenses/Permits/Fines	-	-	-	-	-	-
Transfers/Other Sources	-	-	1,162,399	5,447,427	12,229,423	4,074,423
Appropriated Net Assets (Fund Balance)	-	-	-	-	-	-
Total Estimated Financial Sources	2,140,593	2,615,787	6,089,089	36,417,429	39,916,067	32,149,890
Expenditures						
Personnel	614,529	810,522	1,040,796	14,058,468	15,915,029	18,463,497
Operations	1,259,004	1,790,265	5,033,293	9,524,031	19,274,319	13,666,393
Capital	-	15,000	15,000	1,867,903	8,765,192	20,000
Contribution to Reserve	-	-	-	-	-	-
Total Budget	1,873,533	2,615,787	6,089,089	25,450,402	43,954,540	32,149,890
Financial Sources less Expenditures	267,060	-	-	10,967,027	(4,038,473)	-
Net Unreserved Assets, End of Year	482,189	482,189	482,189	36,115,617	32,077,144	32,077,144

Note: Please see note about fund balance estimates on page 66.

Stormwater Management Fund			Housing Fund		
21-22 Actual	22-23 Estimated	23-24 Adopted	21-22 Actual	22-23 Estimated	23-24 Adopted
3,601,834	4,485,913	4,430,249	3,729,145	4,337,162	4,727,473
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
953	22,000	22,000	517	20,000	20,000
7,525	8,000	8,000	228,777	400	400
-	-	-	1,292,293	1,333,748	1,333,748
3,142,734	2,983,000	2,983,000	1,093,568	1,232,278	1,213,387
-	-	-	-	-	-
9,229	17,000	17,000	-	-	-
-	-	29,200	-	-	21,235
3,160,441	3,030,000	3,059,200	2,615,155	2,586,426	2,588,770
1,357,990	1,502,285	1,677,259	999,540	1,211,201	1,601,987
918,372	1,439,700	1,301,541	1,007,598	984,914	986,783
-	143,679	80,400	-	-	-
-	-	-	-	-	-
2,276,362	3,085,664	3,059,200	2,007,138	2,196,115	2,588,770
884,079	(55,664)	-	608,017	390,311	-
4,485,913	4,430,249	4,401,049	4,337,162	4,727,473	4,706,238

INTERNAL SERVICE FUNDS
SUMMARY OF ESTIMATED FINANCIAL SOURCES AND USES
2023-24

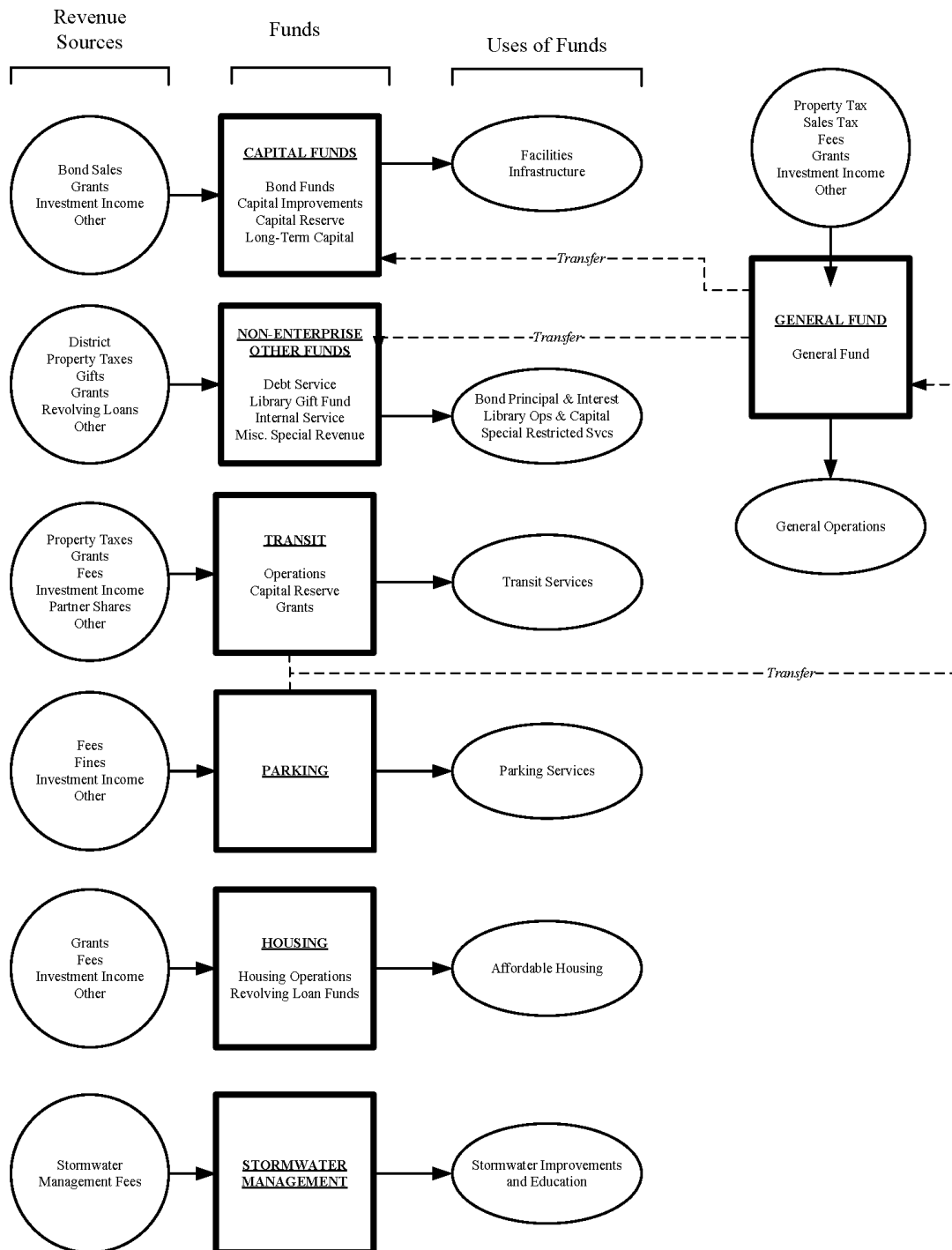
	Internal Service		
	21-22 Actual	22-23 Estimated	23-24 Adopted
Net Unreserved Assets, Beginning of Year	313,467	1,173,667	158,504
Financial Sources			
Property Taxes	-	-	-
Other Tax and Licenses	-	-	-
State-Shared Revenues	-	-	-
Interest on Investments	127	3,143	-
Other Revenues	73,403	24,441	-
Grants	-	-	-
Charges for Services	2,043,435	2,138,075	3,111,946
Licenses/Permits/Fines	-	-	-
Transfers/Other Sources	900,000	-	-
Appropriated Net Assets (Fund Balance)	-	-	34,730
Total Estimated Financial Sources	3,016,965	2,165,659	3,146,676
Expenditures			
Personnel	675,065	747,448	794,613
Operations	1,071,162	1,233,514	1,247,063
Capital	410,538	1,199,860	1,105,000
Contribution to Reserve	-	-	-
Total Budget	2,156,765	3,180,822	3,146,676
Financial Sources less Expenditures	860,200	(1,015,163)	-
Net Unreserved Assets, End of Year	1,173,667	158,504	123,774

Note: Please see note about fund balance estimates on page 66.

Annual Funds - Combined Totals

21-22 Actual	22-23 Estimated	23-24 Adopted
64,961,935	86,104,990	73,389,237
49,152,133	50,368,500	56,133,500
20,672,218	22,813,037	24,053,977
11,500,550	11,449,334	11,317,600
36,521	578,324	548,906
13,835,515	930,560	813,385
14,360,312	7,058,286	6,962,927
22,891,622	27,549,941	31,367,362
3,256,414	2,997,562	3,112,660
13,954,190	16,004,842	9,819,911
-	-	-
-	-	5,954,242
149,659,475	139,750,386	150,084,470
67,482,995	74,380,941	85,030,988
57,534,368	63,840,768	60,790,457
3,499,057	14,244,430	4,263,025
-	-	-
128,516,420	152,466,139	150,084,470
21,143,055	(12,715,753)	-
86,104,990	73,389,237	67,434,995

TOWN OF CHAPEL HILL FLOW OF FUNDS



SUMMARY OF ANNUAL FUND GROUPS

Governmental Funds

General Fund

Special Revenue Funds

Grants Fund
 Downtown Service District Fund
 Library Gift Fund
 Climate Action Fund
 Affordable Housing Development Reserve Fund

Debt Service Fund

Capital Funds

Capital Projects Fund
 Capital Reserve Fund
 Transit Capital Reserve Fund

Proprietary Funds

Enterprise Funds

Transit Fund
 Stormwater Mgmt. Fund
 Parking Fund
 Public Housing Funds

Internal Service Funds

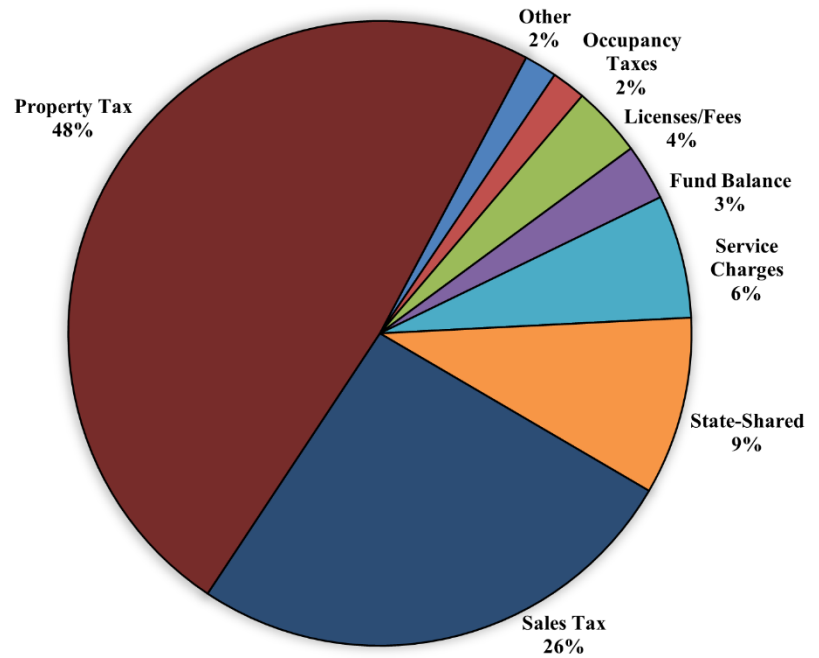
Fleet Management Fund
 Vehicle Replacement Fund
 Computer Replacement Fund

INTERFUND TRANSFERS									
Adopted 2023-24									
Transfers to:	Transfers From:							Net Transfers	
	General Fund	Transit	Off-Street Parking	On-Street Parking	Transit Capital Reserve	Debt Service Fund	Library Gift Fund		
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ 45,000	
Transit Fund	-	-	-	-	-	-	-	-	
Parking Fund	-	-	-	-	-	1,162,399	-	1,162,399	
Transit Capital Grants	-	-	-	-	-	-	-	-	
Affordable Housing Reserve	826,850	-	-	-	-	-	-	826,850	
Climate Action Fund	804,259	-	-	-	-	-	-	804,259	
Downtown Service District	100,000	-	-	-	-	-	-	100,000	
Stormwater Management	17,000	-	-	-	-	-	-	17,000	
Debt Service Fund	445,100	-	-	-	-	-	-	445,100	
CIP Fund	2,248,903	-	-	-	-	-	-	2,248,903	
Grants Fund	95,977	-	-	-	-	-	-	95,977	
Net Transfers	\$ 4,538,089	\$ -	\$ -	\$ -	\$ -	\$ 1,162,399	\$ 45,000	\$ 5,745,488	

GENERAL FUND

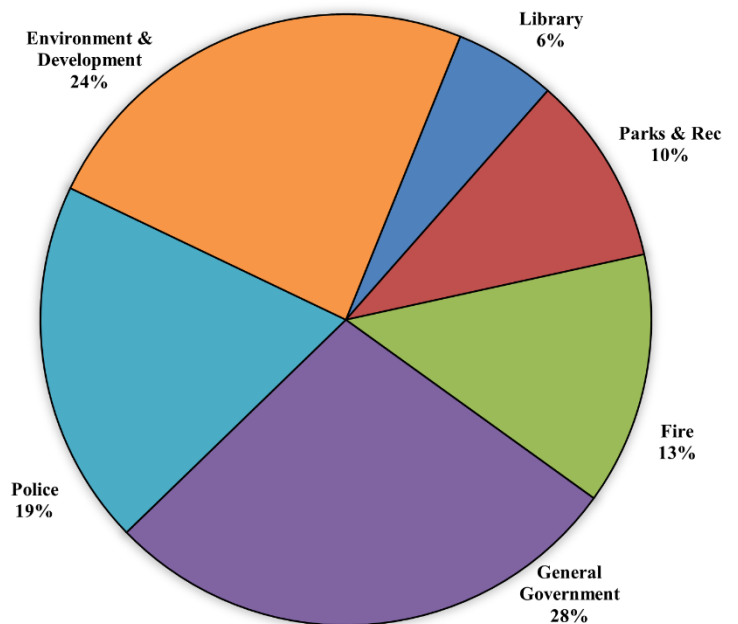
The General Fund is the general operating fund of the Town and is used to account for all revenues and expenditures except those required to be accounted for in another fund. The fund is established at the inception of a government and exists throughout the government's life.

General Fund Revenues



Total \$84,879,000

General Fund Expenditures



**GENERAL FUND
BUDGET SUMMARY**

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Government	\$ 19,496,793	\$ 20,086,773	\$ 24,314,831	\$ 22,871,393	\$ 23,613,279	17.6%
Environment & Development	17,061,802	19,054,575	21,681,664	19,737,143	20,387,054	7.0%
Public Safety	23,833,501	25,640,864	25,901,832	25,453,013	27,766,413	8.3%
Leisure	10,309,300	11,906,788	12,239,777	11,870,357	13,112,254	10.1%
Total	\$ 70,701,396	\$ 76,689,000	\$ 84,138,104	\$ 79,931,906	\$ 84,879,000	10.7%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues:						
Property Taxes	\$ 35,316,583	\$ 35,828,500	\$ 35,828,500	\$ 35,633,500	\$ 41,128,500	14.8%
Sales Taxes	18,843,327	20,246,281	20,246,281	20,749,003	21,993,943	8.6%
Occupancy Tax	1,297,315	1,250,000	1,250,000	1,500,000	1,500,000	20.0%
Other Tax and Licenses	95,800	87,000	87,000	114,000	110,000	26.4%
State-Shared Revenues	7,868,846	7,864,098	7,864,098	7,817,630	7,817,600	-0.6%
Interest on Investments	6,414	10,000	10,000	100,275	100,000	900.0%
Other Revenues	648,793	365,000	367,000	481,719	412,485	13.0%
Grants	695,376	687,997	765,619	783,211	775,748	12.8%
Charges for Services	4,565,493	4,815,824	4,815,824	5,040,154	5,413,705	12.4%
Licenses/Permits/Fines	3,256,414	2,825,910	2,825,910	2,997,562	3,112,660	10.1%
Transfers/Other Sources	45,000	45,000	45,000	45,000	45,000	0.0%
Appropriated Fund Balance	(1,937,965)	2,663,390	10,032,872	4,669,852	2,469,359	-7.3%
Total	\$ 70,701,396	\$ 76,689,000	\$ 84,138,104	\$ 79,931,906	\$ 84,879,000	10.7%

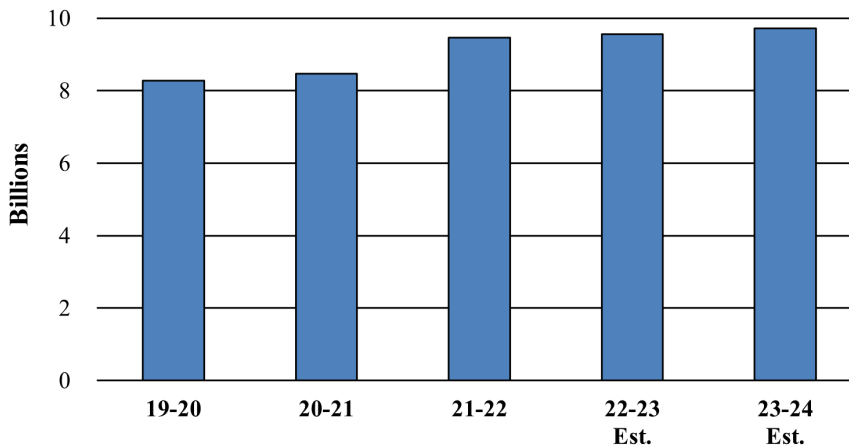
GENERAL FUND

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 2023-24 is estimated to be \$9,734,070,000 with 1 cent on the tax rate equivalent to about \$971,000.

Property Tax Base



The combined property tax revenue we anticipate for 2023-24 totals about \$55.5 million, with \$40.96 million of that supporting the General Fund.

Other Local Taxes

Revenue from the 3 percent Hotel/Motel occupancy tax is expected to total \$1,500,000 in the current year and \$1,500,000 in 2023-24. Occupancy Tax is expected to rebound in 2022-23 as we continue to return to normal conditions post COVID-19. Generally, revenue trends are affected by University events and general economic conditions.

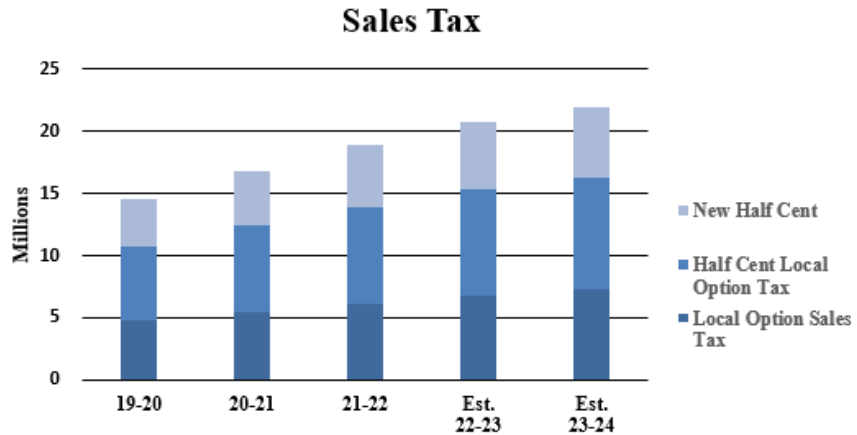
GENERAL FUND

Major Revenue Sources - Descriptions and Estimates

State-Collected Revenues

Sales Taxes

Sales tax revenue is expected to come in over budget in 2022-23. Based on strong growth, an increase of 6% was budgeted for FY23. However, sales tax receipts are at a 9% increase over the previous year through the first



seven months. Based on this trend, we anticipate steady growth through the remainder of the fiscal year. We are estimating continued growth of 6% in sales taxes for FY24. We estimate combined sales taxes of about \$20,749,003 for 2022-23. 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 1¾ 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 \$1,619,600 in 2022-23, about \$25,000 less than last year. For 2023-24, we anticipate revenues will remain flat for FY24 at around \$1,620,000.

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 2023-24.

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 \$4,200,000 in the current year in utility sales taxes. We anticipate that revenues will hold the line in 2023-24.

GENERAL FUND

Major Revenue Sources - Descriptions and Estimates

Solid Waste Disposal Tax

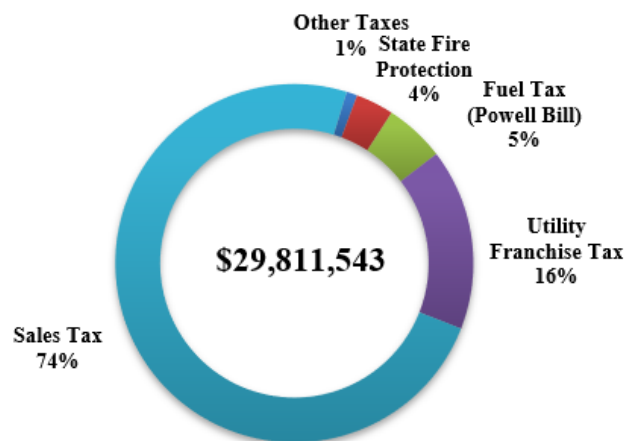
The Solid Waste Disposal Tax went into effect on July 1, 2008. This \$2 per-ton tax is charged on municipal solid waste and construction debris that is deposited in a landfill in the state or transferred at a transfer station for disposal outside of the state. 18.75% of this tax is distributed to cities and towns on a per capita basis. We anticipate receiving around \$43,000 for the current year and \$43,000 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 \$250,000 for the current year and \$250,000 next year.

In summary, we estimate State-collected revenues would total about \$29,811,543 for next year.

State Collected Revenues



Other Revenue Sources

Grants

This category of revenue includes certain recurring local and State grants totaling about \$690,748 for 2023-24. 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 budget for 2023-24 includes level funding from the County at \$83,760 for the Parks and Recreation supplement. The 2023-24 budget also includes \$653,139 in Orange County funding to support the Chapel Hill Library, which represents an \$85,000 increase over the current year's allocation. The State appropriation for Library services is budgeted at \$32,849.

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 \$224,000. This is largely due to larger than anticipated revenues from Parks & Rec and Planning. Charges for services are expected to increase from a budgeted amount of \$4,815,824 in 2022-23 to \$5,413,705 for 2023-24 due to projected activity.

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

GENERAL FUND

Major Revenue Sources - Descriptions and Estimates

and services. For 2023-24, these include \$93,494 from Parking, \$147,791 from the Stormwater Management Fund, and \$1,660,264 from the Transit Enterprise Fund.

Licenses/Permits/Fines & Forfeitures

Revenue from licenses, permits, and fines, are expected to come in over the current year's budget by about \$172,000 mainly due to larger than anticipated revenues from inspections. Total licenses and permits are expected to increase from about \$3 million in 2022-23 to \$3.1 million in 2023-24.

Interest on Investments

The General Fund share of interest earned on the Town's investments is recorded in this category. Investment income is expected to hold steady from the current year's budget estimate of \$100,000 for next year.

Miscellaneous, Transfers, Net Assets (Fund Balance)

Miscellaneous Revenues

The primary miscellaneous revenues include mutual aid reimbursements, court cost reimbursements, and donations (Carol Woods). Miscellaneous revenues are expected to total about \$482,000 for 2022-23 and \$412,485 for 2023-24.

Transfers

Transfers include a transfer of \$45,000 for 2023-24 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 \$10 million of fund balance in 2022-23, but through cost-cutting measures, do not anticipate using any 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 \$2,469,359 in 2023-24 to maintain service levels.

GENERAL FUND

Major Revenue Sources - Descriptions and Estimates

Summary of Revenues

In summary, the annual budget includes \$84.9 million in General Fund revenues, including the use of \$2,469,359 of fund balance.

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

	22-23 Revised Budget	22-23 Estimated	23-24 Adopted Budget
Property Taxes	\$ 35,828,500	\$ 35,633,500	\$ 41,128,500
Sales Taxes	20,246,281	20,749,003	21,993,943
Occupancy Tax	1,250,000	1,500,000	1,500,000
Other State-Collected	87,000	114,000	110,000
Other Revenues	8,241,098	8,399,624	8,330,085
Grants	765,619	783,211	775,748
Licenses/Permits	2,825,910	2,997,562	3,112,660
Service Charges	4,815,824	5,040,154	5,413,705
Interfund Transfers	45,000	45,000	45,000
Fund Balance	10,032,872	4,669,852	2,469,359
Total	\$ 84,138,104	\$ 79,931,906	\$ 84,879,000

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 \$84,879,000 for the 2023-24 budget.

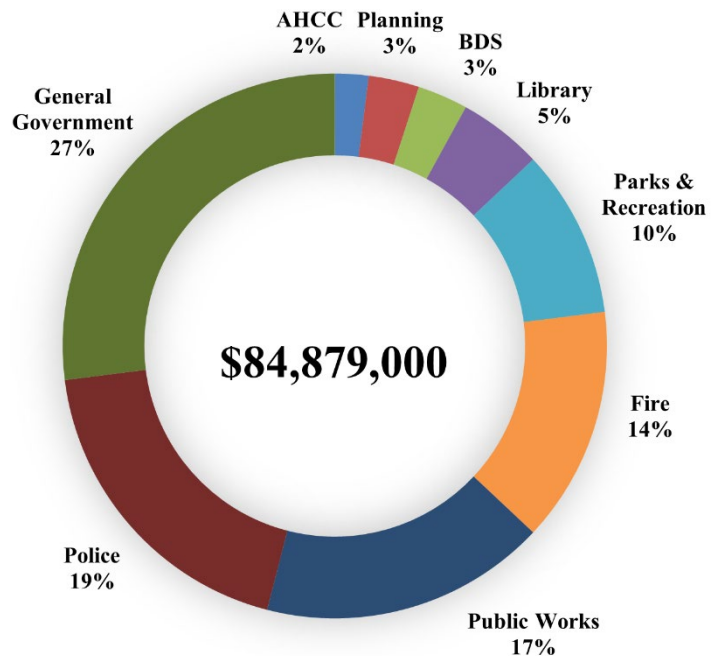
The largest category of expenditures for the General Fund is Public Safety services, with Police Department expenditures of about \$16.4 million and Fire Department expenditures of about \$11.3 million.

Environment and Development comprises about \$20.4 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 \$8.5 million, Library services of \$4.6 million, and General Governmental activities (Administration, Governance Services, Business Management, Human Resources, and Attorney) totaling about \$13 million.

Non-departmental expenditures total \$10.6 million. \$1,777,483 is included in the 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” (\$826,850) and legal funds (\$100,000). The budget for liability and property insurance totals \$350,000.



GENERAL FUND

Major Expenditures - Descriptions and Estimates

The 2023-24 budget includes changes to medical insurance rates. The budget includes a 2% decrease in rates for active employees and under-65 retirees, or about a \$109,000 savings. The Town’s contribution to employee retirement increased by about \$252,000, 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, 2023 (\$2,126,460) as well as 11 new positions: an Engineer, 3 Firefighters, Special Projects Planning Technician, Commercial Plans Reviewer, Crisis Counselor, Municipal Arborist, Maintenance Mechanic, Affordable Housing Manager, and a Greenways and Mobility Planning Manager. These 11 positions total \$954,258. The 2023-24 budget absorbs about \$400,000 in compression adjustments that were made during FY23. The budget also includes \$400,000 towards addressing compression and other benefit options.

The 2023-24 budget includes increased funding for vehicle replacement (\$750,000) and additional funding in various areas for cost of services increases (about \$264,000). The budget includes an increase of \$28,691 for Human Services, \$62,792 for the Interfaith Council, and \$35,330 for the Community Home Trust. The budget also includes funding for fire capital (\$250,000) and 2 apprentices in Building & Development Services (\$32,300).

Additional increases to the FY24 budget include \$250,000 for increased facility maintenance, about \$400,000 for Greenways, and \$911,000 for Parks capital. Fuel and Vehicle Maintenance are also up over FY23, by about \$348,000 in total. The budget also includes \$100,000 towards a tax relief program to address the impact of the tax increase on lower income property owners.

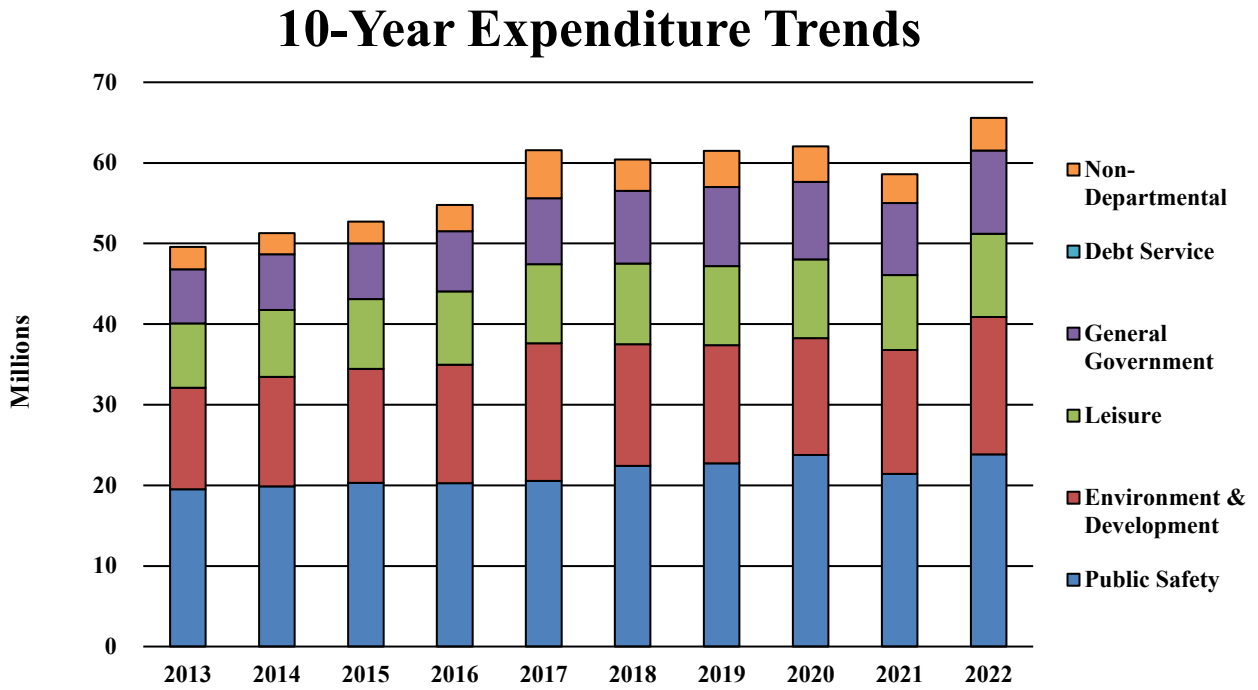
The 2023-24 Budget continues to fund retiree medical costs on a pay-as-you-go basis (\$1,697,000) and contributes \$250,000 towards the post-employment benefit (OPEB) liability.

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

EXPENDITURES						
	2021-22	2022-23	2022-23	2022-23	2023-24	% Change
	Actual	Original	Revised	Estimated	Adopted	from
		Budget	Budget		Budget	2022-23
Personnel	\$ 49,195,574	\$ 56,224,919	\$ 55,650,872	\$ 53,366,278	\$ 60,479,338	7.6%
Operating Costs	21,325,904	20,379,081	28,338,867	26,473,633	24,029,662	17.9%
Capital Outlay	179,918	85,000	148,365	91,995	370,000	335.3%
Total	\$ 70,701,396	\$ 76,689,000	\$ 84,138,104	\$ 79,931,906	\$ 84,879,000	10.7%

GENERAL FUND

Major Expenditures - Descriptions and Estimates



GENERAL FUND
EXPENDITURES BY DEPARTMENT

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Government						
Mayor/Council	\$ 462,818	\$ 498,793	\$ 531,793	\$ 495,413	\$ 590,376	18.4%
Town Manager	2,172,981	2,482,115	2,812,071	2,392,695	3,865,930	55.8%
Governance Services	1,067,470	1,051,359	1,051,359	1,112,340	854,859	-18.7%
Human Resource Dev't	1,543,670	1,809,332	1,856,149	1,638,364	1,577,361	-12.8%
Business Management	2,167,336	2,685,370	2,913,656	2,586,868	2,744,529	2.2%
Technology Solutions	2,456,098	2,691,695	2,730,530	2,646,464	2,801,996	4.1%
Town Attorney	439,610	598,125	619,904	585,470	600,992	0.5%
Non-Departmental	9,186,810	8,269,984	11,799,369	11,413,779	10,577,236	27.9%
Subtotal	\$19,496,793	\$20,086,773	\$24,314,831	\$22,871,393	\$23,613,279	17.6%
Environment & Development						
Planning	\$ 1,775,066	\$ 2,027,957	\$ 3,526,057	\$ 2,452,690	\$ 1,940,251	-4.3%
Affordable Housing and Community Connections	877,132	954,730	1,296,480	1,187,928	1,236,089	29.5%
Public Works	12,397,690	13,578,637	14,365,876	13,692,065	14,419,526	6.2%
Building & Development Services	2,011,914	2,493,251	2,493,251	2,404,460	2,791,188	11.9%
Subtotal	\$17,061,802	\$19,054,575	\$21,681,664	\$19,737,143	\$20,387,054	7.0%
Public Safety						
Police	\$13,650,516	\$15,024,867	\$15,152,701	\$15,307,822	\$16,418,764	9.3%
Fire	10,182,985	10,615,997	10,749,131	10,145,191	11,347,649	6.9%
Subtotal	\$23,833,501	\$25,640,864	\$25,901,832	\$25,453,013	\$27,766,413	8.3%
Leisure						
Parks and Recreation	\$ 6,509,743	\$ 7,763,651	\$ 8,021,304	\$ 7,655,503	\$ 8,543,493	10.0%
Library	3,799,557	4,143,137	4,218,473	4,214,854	4,568,761	10.3%
Subtotal	\$10,309,300	\$11,906,788	\$12,239,777	\$11,870,357	\$13,112,254	10.1%
General Fund Total	\$70,701,396	\$76,689,000	\$84,138,104	\$79,931,906	\$84,879,000	10.7%

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.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Mayor/Council	\$ 462,818	\$ 498,793	\$ 531,793	\$ 495,413	\$ 590,376	18.4%
Town Manager	2,172,981	2,482,115	2,812,071	2,392,695	3,865,930	55.8%
Governance Services	1,067,470	1,051,359	1,051,359	1,112,340	854,859	-18.7%
Human Resources	1,543,670	1,809,332	1,856,149	1,638,364	1,577,361	-12.8%
Business Management	2,167,336	2,685,370	2,913,656	2,586,868	2,744,529	2.2%
Technology Solutions	2,456,098	2,691,695	2,730,530	2,646,464	2,801,996	4.1%
Town Attorney	439,610	598,125	619,904	585,470	600,992	0.5%
Non-Departmental	9,186,810	8,269,984	11,799,369	11,413,779	10,577,236	27.9%
Total	\$ 19,496,793	\$ 20,086,773	\$ 24,314,831	\$ 22,871,393	\$ 23,613,279	17.6%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 19,496,793	\$ 20,086,773	\$ 24,314,831	\$ 22,871,393	\$ 23,613,279	17.6%
Total	\$ 19,496,793	\$ 20,086,773	\$ 24,314,831	\$ 22,871,393	\$ 23,613,279	17.6%

MAYOR/COUNCIL

MISSION STATEMENT:

The primary mission of the Town Council, as the governing body of the Town, is to adopt and provide for the execution of ordinances, rules, and regulations as may be necessary or appropriate to protect health, life, or property, or to promote the comfort, convenience, security, good order, better government, or the general welfare of the Town and its citizens.

The Mayor and eight Council Members constitute the governing body of the Town. In accordance with the Town's Charter, the voters elect a Mayor every two years. Council Members are elected to four-year, staggered terms on an at-large basis. The Mayor chairs Town Council meetings and represents the Town in various intergovernmental matters.

The Mayor and Town Council make policy decisions regarding Town services and other governmental responsibilities of the Town. Most policy decisions occur through adoption of the Comprehensive Plan, the annual budget, the capital improvements program, and other ordinances and resolutions. Town Council duties also include:

- Amendment of previously adopted policies from time to time through changes in the Town Code of Ordinances and the Development Ordinance, and by revision of policies and documents such as the Comprehensive Plan and transportation plans.
- Appointment of advisory boards, commissions, task forces, and committees, including appointment of five of the nine members of the Orange Water and Sewer Authority Board of Directors, a separate entity from the Town, created pursuant to State law.
- Appointment of the Town Manager and Town Attorney.
- Establishment of agreements with other governments, such as the Joint Planning Agreement with Orange County and the Town of Carrboro.

MAYOR
STAFFING COMPARISONS - IN FULL-TIME

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
Mayoral Aide	1.00	1.00	1.00
Mayor's Office Totals	1.00	1.00	1.00

MAYOR
BUDGET SUMMARY

The adopted budget for the Mayor’s Office reflects a 6.5% increase from the 2022-23 budget. Personnel costs increased 7.6%, reflecting a 0.75% retirement increase and a salary increase. The 0.9% increase in operating costs reflects a small increase in funds allocated to telephone costs and computer replacement.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 90,233	\$ 97,774	\$ 97,774	\$ 97,037	\$ 105,240	7.6%
Operating Costs	12,290	20,019	17,119	16,330	20,208	0.9%
Total	\$ 102,523	\$ 117,793	\$ 114,893	\$ 113,367	\$ 125,448	6.5%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 102,523	\$ 117,793	\$ 114,893	\$ 113,367	\$ 125,448	6.5%
Total	\$ 102,523	\$ 117,793	\$ 114,893	\$ 113,367	\$ 125,448	6.5%

COUNCIL

BUDGET SUMMARY

The adopted budget for the Town Council reflects an increase of 22% from the 2022-23 budget, primarily due to an increase in operating expenses since FY23-24 is an election year. Personnel expenses increased 13.1% due to a Council salary increase.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 198,993	\$ 251,468	\$ 251,468	\$ 241,604	\$ 284,411	13.1%
Operating Costs	161,302	129,532	165,432	140,442	180,517	39.4%
Total	\$ 360,295	\$ 381,000	\$ 416,900	\$ 382,046	\$ 464,928	22.0%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 360,295	\$ 381,000	\$ 416,900	\$ 382,046	\$ 464,928	22.0%
Total	\$ 360,295	\$ 381,000	\$ 416,900	\$ 382,046	\$ 464,928	22.0%

TOWN MANAGER

MISSION STATEMENT:

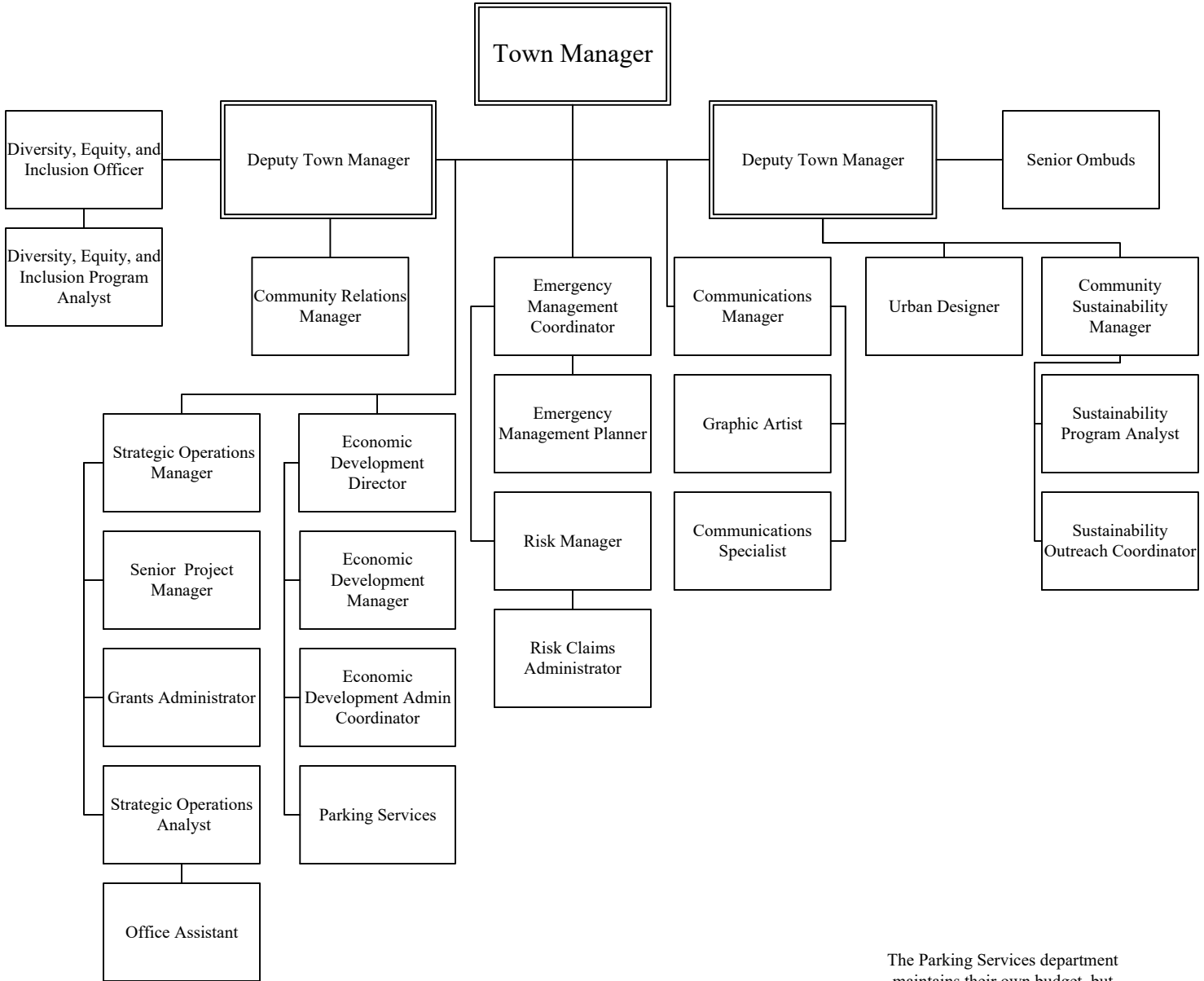
The primary mission of the Town Manager’s Office is to ensure that the laws of the State and the ordinances, resolutions, regulations, and policies of the Council are faithfully executed.

The Town Manager’s Office identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Executive Management & Council Support	Administer and manage operation of Town government to deliver consistently high-quality services to the community, support the Council in their role as a decision-making and policy-setting board, and carry out the Council’s policies efficiently and equitably.
Communications and Community Relations	Contribute to an informed and engaged community by establishing and maintaining channels for sharing information about Town operations and initiatives, producing and distributing information in a variety of formats, and designing and assisting with community engagement efforts.
Diversity, Equity, and Inclusion	Advance and transform the Town’s commitment to diversity, equity, and inclusion. Collaboratively direct, coordinate, and implement programs and activities designed to celebrate Chapel Hill’s diversity and to establish equitable opportunities for all.
Economic Development	Provide support and assistance to prospective and existing businesses to encourage development, promote and encourage job growth, and contribute to a more inclusive community.
Emergency Preparedness & Risk Management	Work collaboratively with all stakeholders to identify and mitigate risks, respond swiftly and efficiently to emergencies, and promote a culture of safety and preparedness.
Ombuds Services	Provide neutral, confidential, and informal management or resolution of issues brought by Town employees and community members.

Sustainability & Resilience	Implement the Town's Climate Action and Response Plan to lower carbon emissions and address the effects of climate change.
Urban Design	Serve as a liaison to staff and applicants during the development application life cycle to coordinate, communicate, and implement design best practices that achieve the vision of the Council and the community.

TOWN MANAGER



The Parking Services department maintains their own budget, but reports to the Manager's Office

TOWN MANAGER'S OFFICE
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
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	1.00	1.00
Grants Administrator	0.00	1.00	1.00
Ombuds	1.00	1.00	0.00
Assistant to the Manager	1.00	1.00	0.00
Director of Organization & Strategy Initiatives	1.00	1.00	0.00
Community Relations Manager	0.00	0.00	1.00
Strategic Operations Manager	0.00	0.00	1.00
Strategic Operations Analyst	0.00	0.00	1.00
Diversity, Equity & Inclusion Officer	1.00	1.00	1.00
Diversity, Equity & Inclusion Program Analyst	0.00	1.00	1.00
Office Assistant	1.00	1.00	1.00
Economic Development Manager	1.00	1.00	1.00
Economic Development Administrative Coordinator	0.00	1.00	1.00
Urban Designer	1.00	1.00	1.00
Sustainability Program Analyst ¹	0.00	1.00	1.00
Sustainability Outreach Coordinator ¹	0.00	1.00	1.00
Communications Manager ²	0.00	0.00	1.00
Graphic Artist ²	0.00	0.00	1.00
Communications Specialist ²	0.00	0.00	1.00
Risk Manager ³	0.00	0.00	1.00
Risk Claims Administrator ³	0.00	0.00	1.00
Community Sustainability Manager ^{1,4}	0.00	0.00	1.00
Senior Project Manager ⁴	0.00	0.00	1.00
Emergency Management Planner ⁵	0.00	0.00	1.00
Emergency Management Coordinator ⁵	0.00	0.00	1.00
Town Manager's Office Totals	12.00	17.00	26.00

¹ These positions are paid out of the Climate Action Fund
² These positions moved from Governance Services.
³ These positions moved from Human Resource Development.
⁴ These positions moved from the Planning Department.
⁵ These positions moved from the Fire Department.

TOWN MANAGER

BUDGET SUMMARY

The adopted budget for the Manager's Office reflects a 55.8% increase from the 2022-23 budget. The 57.5% increase in personnel expenses captures the cost of the Risk Management, Emergency Management, and Communications divisions being moved to the Manager's Office, the Senior Project Manager moving from the Planning department, a 0.75% retirement increase, and a salary increase. The 39.7% increase in operating expenses is largely due to needs associated with absorbing the new positions/divisions.

EXPENDITURES




	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 1,904,089	\$ 2,233,621	\$ 2,200,621	\$ 1,871,952	\$ 3,518,753	57.5%
Operating Costs	268,892	248,494	611,450	520,743	347,177	39.7%
Total	\$ 2,172,981	\$ 2,482,115	\$ 2,812,071	\$ 2,392,695	\$ 3,865,930	55.8%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 2,172,981	\$ 2,482,115	\$ 2,812,071	\$ 2,392,695	\$ 3,865,930	55.8%
Total	\$ 2,172,981	\$ 2,482,115	\$ 2,812,071	\$ 2,392,695	\$ 3,865,930	55.8%

MANAGER'S OFFICE

Performance Measures

 <p>Environmental Stewardship</p>  <p>Economic and Financial Stewardship</p>  <p>Employee Recruitment & Retention</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Reduce organizational greenhouse gas emissions ➤ Create room for business ➤ Increase collaboration, innovation, and learning ➤ Engage the public in Town decision making and Town programs so that outcomes balance community interests, values, and needs ➤ Develop, grow, and maintain effective two-way communication channels that reach people where they are to tell the story of what we are doing and how our actions affect them
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
Economic Development	Sales tax revenue year-over-year growth	15.7%	13.3%	7.9%	5%
Ombuds Services	Number of visitors served	--*	957 visitors	851 visitors	750 visitors
	Monthly report to Town Manager	met	met	met	meet
Community Sustainability & Resilience	Guaranteed energy savings from Town Hall, the Community Center, and the Homestead Aquatics Center	1,843,327 lb of CO2e**	1,844,000 lb of CO2e**	1,839,201 lbs of CO2e**	1,839,201 lbs of CO2e**
Safety and Wellness	Number of employees trained in Occupational, Health and Safety as a percentage of the total workforce.	640	500	500	620
Safety and Wellness	Number of employees trained in Occupational, Health and Safety as a percentage of the total workforce.	90%	78%	85%	86%
Communications and Public Information	Increase subscribers to Chapel Hill eNews, Twitter, and Facebook by a combined increase of 10 %	19%	10%	3.83%	10%
	Meet/exceed the regional benchmark of 2013 Community Survey's results of 51% satisfaction with "availability of information about Town Programs."	55%	N/A	N/A***	N/A***
	Meet/exceed the regional benchmark of 2013 Community Survey's results of 48% satisfaction with "quality of Town website"	56%	48%	56%	48%

Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
Citizen Participation	Meet/exceed 2013 Community Survey's results of 60% satisfaction with "participate in local decisions/volunteering."	56%	50%	N/A***	N/A***
	Meet/exceed the regional benchmark of 2013 Community Survey's results of 40% satisfaction with "Level of public involvement in decision making."	56%	50%	50%	40%

* The Town has incomplete data on Ombuds visitors for FY 21 due to staff turnover

** lb of CO2e = pounds of carbon dioxide equivalent

*** This measure was not included from the Community Survey.

GOVERNANCE SERVICES

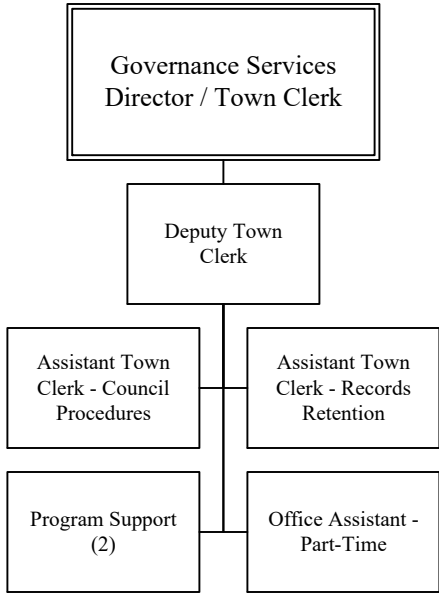
MISSION STATEMENT:

To provide access, maintenance, and management of municipal records and provide the services of the Town Clerk. This includes Town Council functions, code of ordinances, boards and commissions, domestic partnerships, and meeting support. Our mission is to make records accessible to the public with trust and transparency.

The Governance Services Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Governance Support	Provide support for Council Meetings and the Agenda process. Organize and facilitate all Council meetings/workshops, manage Gov. Studio/Chapel Hill TV-18, Council orientation, and prepare Council meeting minutes.
Public Records	Maintain and dispose of public records. Establish standards, maintain, update, and transmit amendments to Municipal Code of Ordinances. Answer public record requests. Maintain Council email archive.
Public Participation	Support the Town's advisory board system, including the establishment of standards, advertising for, and training of advisory board members, and coordination of Council appointments.
Other Services	Issue Domestic Partnerships and “Proof of Life” certificates.

GOVERNANCE SERVICES



GOVERNANCE SERVICES OFFICE
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22	2022-23	2023-24
	ADOPTED	ADOPTED	ADOPTED
Governance Services Director / Town Clerk	1.00	1.00	1.00
Town Clerk - Deputy	1.00	1.00	1.00
Assistant Town Clerk	1.00	1.00	1.00
Office Assistant	0.53	0.53	0.53
Communications Manager ¹	1.00	1.00	0.00
Records Retention Manager	1.00	1.00	1.00
Graphic Artist ¹	1.00	1.00	0.00
Communications Specialist ¹	1.00	1.00	0.00
Governance Services Department Totals	<u>7.53</u>	<u>7.53</u>	<u>4.53</u>

¹ These positions moved to the Manager's Office as of FY24.

GOVERNANCE SERVICES/ TOWN CLERK

BUDGET SUMMARY

The adopted budget for the Governance Services department, formerly known as Communications and Public Affairs, reflects an 18.7% decrease from the 2022-23 budget. Personnel expenses decreased by 33.2% due to three positions moving to the Manager's Office. Operating expenses increased due to Zoom software-related costs and broadcasting software.

EXPENDITURES


	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 744,683	\$ 822,624	\$ 822,684	\$ 833,240	\$ 549,384	-33.2%
Operating Costs	258,377	228,735	228,675	279,100	305,475	33.5%
Capital Outlay	64,410	-	-	-	-	N/A
Total	\$ 1,067,470	\$ 1,051,359	\$ 1,051,359	\$ 1,112,340	\$ 854,859	-18.7%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 1,067,470	\$ 1,051,359	\$ 1,051,359	\$ 1,112,340	\$ 854,859	-18.7%
Total	\$ 1,067,470	\$ 1,051,359	\$ 1,051,359	\$ 1,112,340	\$ 854,859	-18.7%

GOVERNANCE SERVICES

Performance Measures

 <p>Employee Recruitment & Retention</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Council Business Meeting agenda will be posted to the web at least four days prior to the meeting 90% of the time ➤ Council Business Meeting video will be posted to the web by 12 (noon) the following day 90% of the time.
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
Citizen Participation	Approximate number of Council Meeting attendees	1,779	1,327	1,360	1,900
	Approximate number of Live streaming Web Views (Council and Advisory Board Meetings)	988	901	1704	1,700
	Approximate number of Live streaming and Archived YouTube views (Council Meetings)	787	1,165	0*	0*
	Approximate number of Archived streaming Web Views (Council and Advisory Board Meetings)	7,664	14,364	10,255	11,000
	Approximate number of Live & Archived streaming Web Views (Other Events)	630	1,091	2752	1,000
Public Records	Number of records requests received	318	230	305	250
Governance Support	% of the time that the Council Business Meeting agenda is posted at least four days prior to the meeting.	86%	92%	90%	90%
	% of the time that the Council Business Meeting video is posted by 12 (noon) the following day	97%	97%	85%	100%

* Data used during the pandemic

HUMAN RESOURCE DEVELOPMENT DEPARTMENT

MISSION STATEMENT:

The mission of the Human Resource Development Department is to directly contribute to the Town's mission and vision by strengthening the development of human resources, providing quality services to employees and the community, ensuring financially sustainable compensation and benefits programs, while recognizing and valuing diverse backgrounds and improving operational effectiveness.

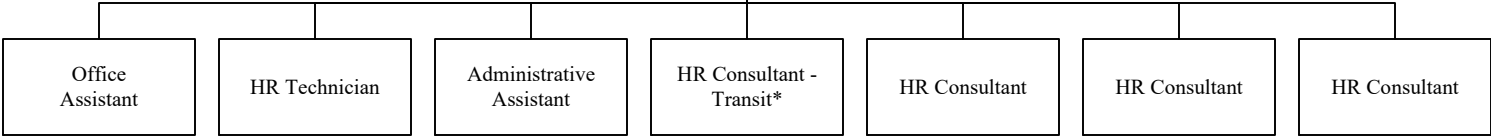
The Human Resource Development Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Administration	Manage the operations of the department to ensure that programs and systems support the Town's mission. Provide support to the Manager and departments in the development, administration, and interpretation of Policies and Procedures.
Classification and Compensation	Establish and maintain the Town's position classification system and pay plan through periodic reviews of position requirements and job descriptions and external and internal compensation comparability.
Benefits	Administer all insurance and retirement plans for employees, retirees, and COBRA participants and their eligible dependents, including medical, dental, life and retirement and health savings plans.
Employee Relations	Ensure communication and understanding of the Town's Code of Ordinances, Town policies and procedures, and State and Federal laws.
Employee Training & Development	Provide programs designed to engage our employees and assist them in reaching their professional potential by building skills and enhancing competencies.
Recruitment Services	Develop, implement, and maintain selection procedures in accordance with applicable policies and laws that identify, attract, and retain the most qualified applicants for employment, while encouraging diverse representation at all levels of the workforce.
Wellness	Manage the Town's Health and Wellness programs.

HUMAN RESOURCE DEVELOPMENT

Human Resource
Development
Director

Assistant Director



*HR Consultant - Transit is funded by Transit, but is housed in Human Resource Development

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

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
Human Resource Development Director	1.00	1.00	1.00
Assistant Director	2.00	1.00	1.00
Risk Manager ¹	1.00	1.00	0.00
Claims Coordinator ¹	1.00	1.00	0.00
Assistant Human Resources Consultant	1.00	1.00	0.00
Human Resources Technician	1.00	1.00	1.00
Human Resources Consultant	2.00	3.00	3.00
Administrative Assistant	1.00	1.00	1.00
Office Assistant	0.00	0.00	1.00
	<hr/>	<hr/>	<hr/>
Human Resource Development Totals	10.00	10.00	8.00

¹ These positions moved to the Manager's Office as of FY24.

HUMAN RESOURCE DEVELOPMENT BUDGET SUMMARY

The adopted budget for the Human Resource Development department reflects a 12.8% decrease from the 2022-23 budget. Personnel expenses decreased by 16.8% due to the Risk Management division moving out of HRD and into the Manager's Office. Operating expenses decreased 6.5%, largely due to costs associated with Risk Management moving out of the department.

EXPENDITURES


	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 958,172	\$ 1,116,057	\$ 1,116,057	\$ 987,018	\$ 929,076	-16.8%
Operating Costs	585,498	693,275	740,092	651,346	648,285	-6.5%
Total	\$ 1,543,670	\$ 1,809,332	\$ 1,856,149	\$ 1,638,364	\$ 1,577,361	-12.8%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 1,543,670	\$ 1,809,332	\$ 1,856,149	\$ 1,638,364	\$ 1,577,361	-12.8%
Total	\$ 1,543,670	\$ 1,809,332	\$ 1,856,149	\$ 1,638,364	\$ 1,577,361	-12.8%

HUMAN RESOURCE DEVELOPMENT

Performance Measures

 <p>Employee Recruitment & Retention</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Ensure the workforce plan is up to date, competitive, promotes clear mobility, and identifies jobs for the future. ➤ Provide benefits plans that meet the needs of our employees, retirees, and their dependents, aids in recruitment and retention, and is cost effective and sustainable. ➤ Treat employees equitably and consistently; resolve issues at the lowest level possible; create a work environment that recognizes and appreciates diversity. ➤ Support the development of our employees, including succession-planning efforts through professional development, career development, and improved performance management. ➤ Develop, implement, and maintain selection procedures in accordance with applicable policies and law that identify, attract, and retain qualified applicants for employment while working with the DEI Officer to encourage diverse representation at all levels of the workforce.
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
Classification and Compensation	Percentage of job descriptions reviewed annually	20%	15%	<10%	20%
Benefits	HRA employee participation rate	98%	97.5%	98%	99%
Employee Relations	Number of grievances per 100 full-time equivalent (FTE) employees	1%	<1%	<1%	1%
Employee Training and Development	Number of participants as a percentage of total workforce/supervisors	90%	90%	90%	75%
	Number of employees trained in various areas by Human Resource Development staff	640	800	900	1100
Recruitment Services	Women and minority employment in the workforce compared to minority representation in local available labor pool.	57.9%	60%	65% (38.3% Female)	65%

BUSINESS MANAGEMENT DEPARTMENT

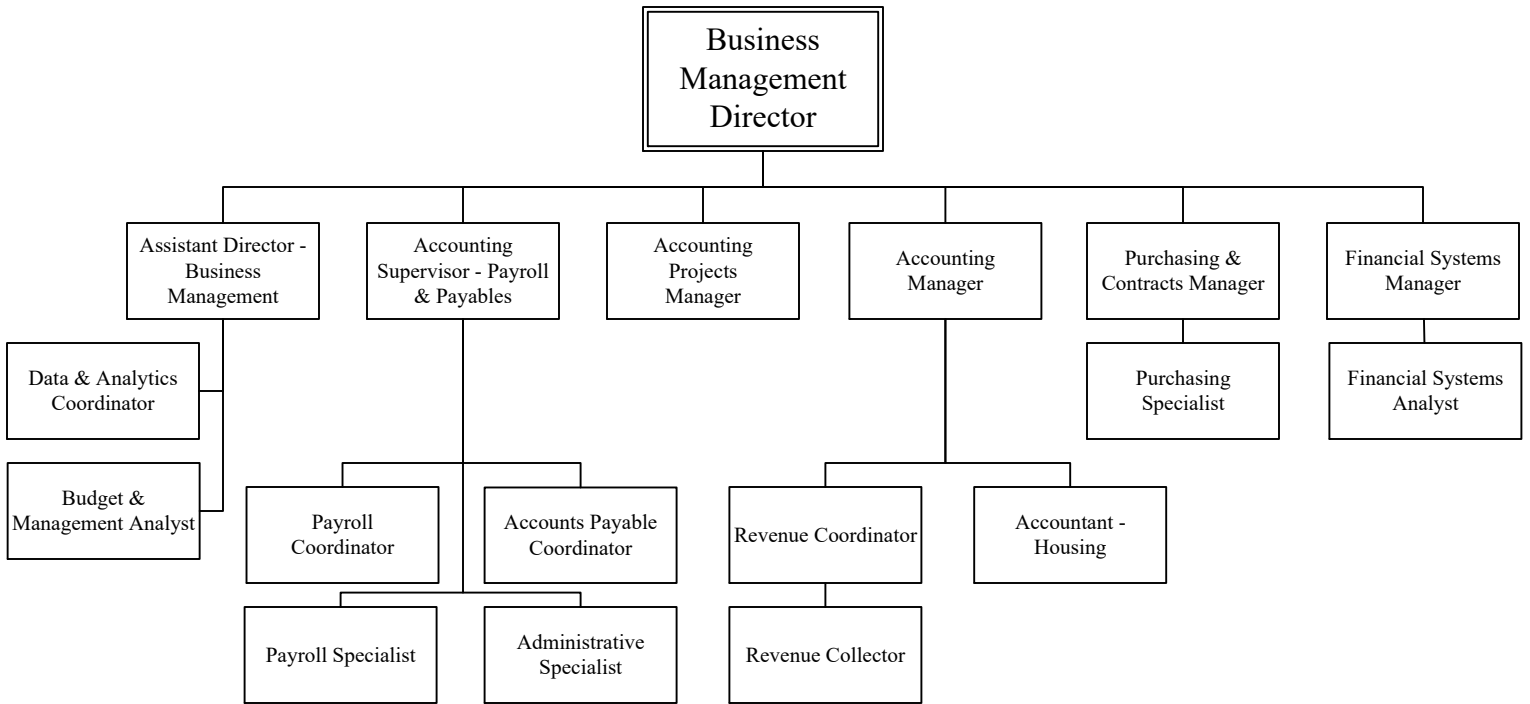
MISSION STATEMENT:

The mission of the Business Management Department is to safeguard the Town’s assets through appropriate financial controls, facilitate Town operations through accurate and timely processing of financial transactions, provide relevant and timely reporting of the Town’s financial condition, and provide financial information and analysis to support decision making.

The Business Management Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Billing & Collections	Provide administration and/or oversight of all Town billings and collections.
Budget	Administer the Town's capital and operating budgets.
Payroll & Payables	Administer the Town's payroll and payables functions.
Accounting & Financial Reporting	Maintain the Town's financial accounting system.
Purchasing & Contracts	Administer the Town's purchasing and contracting systems. Includes: facilitating bids and other competitive procurement processes; reviewing all contracts, bids, and purchases; and disposal of Town assets for compliance with applicable regulations and Town policies.
Liquidity Management	Administer the Town's cash management, investment, banking, and debt management functions.
Financial Planning & Analysis	Provide financial analysis, research, and strategic planning for the Town's financial operations, including: review of agenda items; budget planning and analysis; long-term capital and debt planning; and departmental financial planning support.

BUSINESS MANAGEMENT DEPARTMENT



BUSINESS MANAGEMENT
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22	2022-23	2023-24
	ADOPTED	ADOPTED	ADOPTED
<u>Finance</u>			
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	0.00	1.00	1.00
Data & Analytics Coordinator	0.00	1.00	1.00
Budget & Management Analyst	2.00	1.00	1.00
Accounting Manager	0.00	1.00	1.00
Accounting Projects Manager	1.00	1.00	1.00
Accounting Supervisor - Payroll & Payables	1.00	1.00	1.00
Accountant - Revenue	1.00	0.00	0.00
Accountant Supervisor - Treasury	1.00	0.00	0.00
Accountant - Housing	1.00	1.00	1.00
Purchasing & Contracts Manager	1.00	1.00	1.00
Purchasing Specialist	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	0.00	1.00	1.00
Revenue Collector	2.00	1.00	1.00
Business Management Department Totals	18.00	18.00	18.00

BUSINESS MANAGEMENT BUDGET SUMMARY

The adopted budget for the Business Management department reflects a 2.2% increase from the 2022-23 budget. Personnel expenses decreased by 0.7% due to the Grants Administrator position moving to the Manager's Office, as well as a 2% decrease in health insurance costs. Operating costs increased due to the rising costs of software such as MUNIS and DebtBook, and also because of higher Orange County Tax Collection Fees.

EXPENDITURES



	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 1,572,288	\$ 2,119,320	\$ 2,088,520	\$ 1,824,932	\$ 2,104,591	-0.7%
Operating Costs	595,048	566,050	825,136	761,936	639,938	13.1%
Total	\$ 2,167,336	\$ 2,685,370	\$ 2,913,656	\$ 2,586,868	\$ 2,744,529	2.2%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 2,167,336	\$ 2,685,370	\$ 2,913,656	\$ 2,586,868	\$ 2,744,529	2.2%
Total	\$ 2,167,336	\$ 2,685,370	\$ 2,913,656	\$ 2,586,868	\$ 2,744,529	2.2%

BUSINESS MANAGEMENT

Performance Measures

 <p>Economic and Financial Stewardship</p>  <p>Employee Recruitment & Retention</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Same-day deposits as a percentage of all receipts ➤ Total budget adjustments as a % of expenditures ➤ Projected General Fund revenues as a % of actual ➤ Percent of voided/reissued vendor checks ➤ Percent of voided/reissued/adjusted payroll checks * ➤ Receipt confirmation from LGC ➤ Receive annual GFOA Award for Financial Reporting ➤ Consecutive years receiving GFOA Award for Financial Reporting ➤ Purchase orders issued, as a percentage of all invoices over \$1,000 ➤ Percentage of contracts with funds encumbered prior to execution ➤ General Fund Debt as a percent of assessed value ➤ 10-year payout ratio ➤ Percentage of survey respondents indicating that the Finance Division service “meets” or “exceeds” expectations
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
Billing and Collections	Same-day deposits as a percentage of all receipts	9.40%	8.67%	7.89%	10.00%
Budget	Total budget adjustments as a % of expenditures	9.29%	9.37%	11.76%	9.50%
	Projected General Fund revenues as a % of actual	-2.91%	-1.42%	-2.00%	-2.00%
Payroll and Payables	Percent of voided/reissued vendor checks	1.68%	1.72%	1.39%	2%
	Percent of voided/reissued/adjusted payroll checks	0.171%	0.212%	0.19%	0.25%
Accounting and Financial Reporting	Receipt confirmation from LGC	Yes	Yes	Yes	Yes
	Receive annual GFOA Award for Financial Reporting	Yes	Yes	Yes	Yes
	Consecutive years receiving GFOA Award for Financial Reporting	35	36	37	38
Purchasing and Contracts	Purchase orders issued, as a percentage of all invoices over \$1,000	98%	97%	97%	99%
	Percentage of contracts with funds encumbered prior to execution	99%	98%	96%	99%
Liquidity Management	General Fund Debt as a percent of assessed value	1%	1%	1%	1%
	10-year payout ratio	74%	65.4% ¹	67.6%	75%
Financial Planning and Support	Percentage of survey respondents indicating that the Finance Division service “meets” or “exceeds” expectations	No Data ²	93%	No Data ²	95%

¹This is a result of the borrowing for the East Rosemary Deck

²This survey is completed every two years.

TECHNOLOGY SOLUTIONS DEPARTMENT

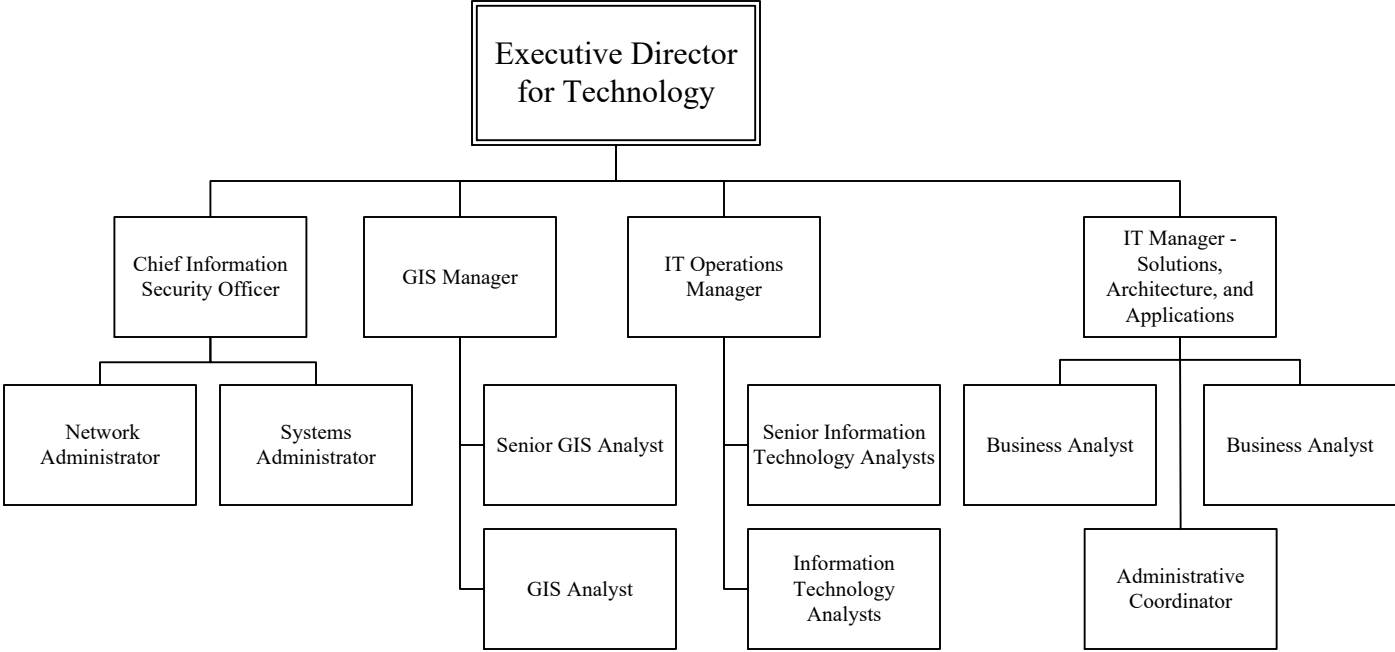
MISSION STATEMENT:

The mission of the Technology Solutions department is to provide technology leadership through innovation, oversight, education, and support to ensure that the Town makes the best possible selection and use of available technology.

The Technology Solutions Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
User Support	Provide user Help Desk support for computer hardware, software, network, servers, and telephones. Provide training and assistance needed to effectively use technology. Review construction projects to ensure IT requirements and opportunities are included. Maintain high levels of training for the IT staff.
IT Infrastructure and Cyber Security	Manage all IT infrastructure, including connectivity, hardware, servers, data storage, networks, end user computers, mobile devices, and internet access. Includes cybersecurity, backups, awareness, incident response, and recovery.
Telecommunications	Administer and manage all telephone systems, including setup and configuration of VoIP desktop telephones, related network infrastructure, and software support. Administer the Town’s cellphone and mobile device services. Manage the Town video meeting systems supporting remote work and remote meetings.
Enterprise Application Analysis & Support	Administer and manage Microsoft Office 365, Geographic Information Systems, and other enterprise productivity and communication applications. Manage the server and cloud environments used to operate financial systems, department systems, records management, databases, and other applications located on Town servers and in the cloud.
IT Planning and Coordination	Collaborate with all Town departments to identify needs and opportunities and to create enterprise-wide plans, project prioritization, data analytics, and process integration for software. Manage the IT Governance needed to invest in and maintain the infrastructure and software procurement with the limited resources available. Collaborate beyond the Town with state and local governments, UNC, and CCHCS on shared areas of interest.

TECHNOLOGY SOLUTIONS DEPARTMENT



Technology Solutions

STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22	2022-23	2023-24
	ADOPTED	ADOPTED	ADOPTED
Executive Director - Technology Solutions	1.00	1.00	1.00
Systems Administrator	1.00	1.00	1.00
Network Administrator	1.00	1.00	1.00
IT Operations Manager	1.00	1.00	1.00
Business Analyst	1.00	1.00	1.00
Information Technology Analyst	2.00	2.00	2.00
Senior Information Technology Analyst	2.00	2.00	2.00
Web Administrator	1.00	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

TECHNOLOGY SOLUTIONS BUDGET SUMMARY

The adopted budget for the Technology Solutions department reflects a 4.1% increase from the 2022-23 budget. Personnel expenses increased by 4.5% due to a 0.75% retirement increase and a salary increase. Operating expenses increased by 2.4% due to conference costs, telephone maintenance, software, and contracted web services. The 10% increase in capital outlay reflects server replacements and additions.

EXPENDITURES


	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 1,801,034	\$ 1,988,532	\$ 1,938,532	\$ 1,902,443	\$ 2,077,882	4.5%
Operating Costs	606,414	653,163	741,998	744,021	669,114	2.4%
Capital Outlay	48,650	50,000	50,000	-	55,000	10.0%
Total	\$ 2,456,098	\$ 2,691,695	\$ 2,730,530	\$ 2,646,464	\$ 2,801,996	4.1%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 2,456,098	\$ 2,691,695	\$ 2,730,530	\$ 2,646,464	\$ 2,801,996	4.1%
Total	\$ 2,456,098	\$ 2,691,695	\$ 2,730,530	\$ 2,646,464	\$ 2,801,996	4.1%

TECHNOLOGY SOLUTIONS

Performance Measures for Service

	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Support – Provide exceptional IT response and experience for departments. ➤ Infrastructure – Ensure network/servers are operating effectively and efficiently. ➤ Security – Implementing Center for Internet Security (CIS) Framework controls which ensure data has confidentiality, integrity, and availability. ➤ Application Services – Overseeing IT Governance Model to ensure the effective and efficient use of IT in enabling the town to achieve its goals. ➤ GIS – Sharing and using GIS data to better plan for growth, inventory, and maintain public infrastructure, improve coordination with neighboring jurisdictions, and provide better and more efficient public services.
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Core Business Program	Performance Measure*	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
User Support	Percent of work ticket surveys with Exceptional/Good Experience	NA	NA	98%	100%
Cyber Security	Information Security Satisfaction Survey Score	NA	NA	80%	100%
Application Services	GIS Services Satisfaction Survey Score	NA	NA	85%	100%
	Application Satisfaction Survey Score	NA	NA	63%	100%
Infrastructure	Network Support Satisfaction Survey Score	NA	NA	72%	100%

*These performance measures are new for FY23. No prior year data is available.

TOWN ATTORNEY

MISSION STATEMENT:

The primary mission of the Office of the Town Attorney is to protect the legal interests of the Town of Chapel Hill.

The Town Attorney serves as general counsel to the Town and provides advice to the Mayor and Council, Town administration and Town departments, and Town boards and commissions. Duties of the Town Attorney include:

- Preparing for and attending Council meetings.
- Conferring with the Mayor, Council, and individual Council members.
- Providing general legal services to Town administration and Town departments.
- Participating in administrative agenda planning sessions and special projects.
- Advising Town Boards and Commissions and attendance at certain meetings as necessary.
- Defending Town interests in lawsuits and threatened litigation.
- Coordinating work of retained law firms representing the Town in litigation, bond financing, special projects, and other matters where outside counsel is needed.
- Providing guidance in the acquisition and transfer of interests in land.
- Advising staff in reviewing development projects, drafting ordinances, code enforcement, and other matters such as zoning, housing initiatives, construction projects, and annexation.
- Presentation of orientation materials for new Council members.
- Supervising and collaborating with the Assistant Town Attorney and Legal Services Administrator.

TOWN ATTORNEY
STAFFING COMPARISONS - IN FULL-TIME

	2021-22	2022-23	2023-24
	ADOPTED	ADOPTED	ADOPTED
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	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>

TOWN ATTORNEY

BUDGET SUMMARY

The adopted budget for the Attorney's Office reflects a 0.5% increase from the 2022-23 budget. Personnel expenses decreased by 0.4% due to a 2% decrease in health insurance costs. Operating expenses increased by 18.9%, largely due to the Attorney's Office splitting the cost of a legal research service contract with the Police Department.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 428,534	\$ 571,760	\$ 571,760	\$ 541,746	\$ 569,645	-0.4%
Operating Costs	11,076	26,365	48,144	43,724	31,347	18.9%
Total	\$ 439,610	\$ 598,125	\$ 619,904	\$ 585,470	\$ 600,992	0.5%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 439,610	\$ 598,125	\$ 619,904	\$ 585,470	\$ 600,992	0.5%
Total	\$ 439,610	\$ 598,125	\$ 619,904	\$ 585,470	\$ 600,992	0.5%

**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.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Retiree Medical Insurance	\$ 1,569,624	\$ 1,615,000	\$ 1,615,000	\$ 1,688,355	\$ 1,697,000	5.1%
Other Personnel Costs	(3,038)	160,505	139,505	20,000	405,000	152.3%
Liability Insurance	403,677	350,000	350,000	350,000	350,000	0.0%
Transfer to Affordable Housing Operations	688,395	688,395	688,395	688,395	826,850	20.1%
Supplemental PEG Fees	375,970	1,444,664	1,355,469	1,280,530	1,384,664	-4.2%
Transfer to Other Funds	164,790	175,000	175,000	175,000	175,000	0.0%
Transfer to Downtown Service District Fund	959,229	17,000	2,180,800	2,180,800	17,000	0.0%
Transfer to Capital Improvement Funds	-	100,000	100,000	100,000	100,000	0.0%
Transfer to Debt Fund	2,423,000	634,500	1,384,500	1,384,500	2,248,903	254.4%
OPEB Liability Contributions	445,100	445,100	445,100	445,100	445,100	0.0%
Transfer to Climate Action Fund	250,000	250,000	250,000	250,000	250,000	0.0%
Grant Matching Funds	470,000	550,000	550,000	550,000	804,259	46.2%
Agency Contributions	126,089	107,627	108,627	107,627	95,977	-10.8%
	1,313,974	1,732,193	2,456,973	2,193,472	1,777,483	2.6%
Total	\$ 9,186,810	\$ 8,269,984	\$ 11,799,369	\$ 11,413,779	\$ 10,577,236	27.9%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 9,186,810	\$ 8,269,984	\$ 11,799,369	\$ 11,413,779	\$ 10,577,236	27.9%
Total	\$ 9,186,810	\$ 8,269,984	\$ 11,799,369	\$ 11,413,779	\$ 10,577,236	27.9%

ENVIRONMENT & DEVELOPMENT ***BUDGET SUMMARY***

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

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Planning	\$ 1,775,066	\$ 2,027,957	\$ 3,526,057	\$ 2,452,690	\$ 1,940,251	-4.3%
Affordable Housing & Community Connections	877,132	954,730	1,296,480	1,187,928	1,236,089	29.5%
Public Works	12,397,690	13,578,637	14,365,876	13,692,065	14,419,526	6.2%
Building & Development Services	2,011,914	2,493,251	2,493,251	2,404,460	2,791,188	11.9%
Total	\$ 17,061,802	\$ 19,054,575	\$ 21,681,664	\$ 19,737,143	\$ 20,387,054	7.0%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 12,732,800	\$ 15,438,922	\$ 553,451	\$ 15,701,196	\$ 16,113,689	4.4%
State-Shared Revenues	46,807	42,000	42,000	43,000	43,000	2.4%
Charges for Services	1,345,310	1,334,343	1,334,343	1,566,780	1,699,605	27.4%
Licenses/Permits/Fines	2,640,421	2,172,310	2,172,310	2,328,662	2,461,260	13.3%
Other Revenues	296,464	67,000	67,000	82,664	69,500	3.7%
Total	\$ 17,061,802	\$ 19,054,575	\$ 4,169,104	\$ 19,737,143	\$ 20,387,054	7.0%

PLANNING DEPARTMENT

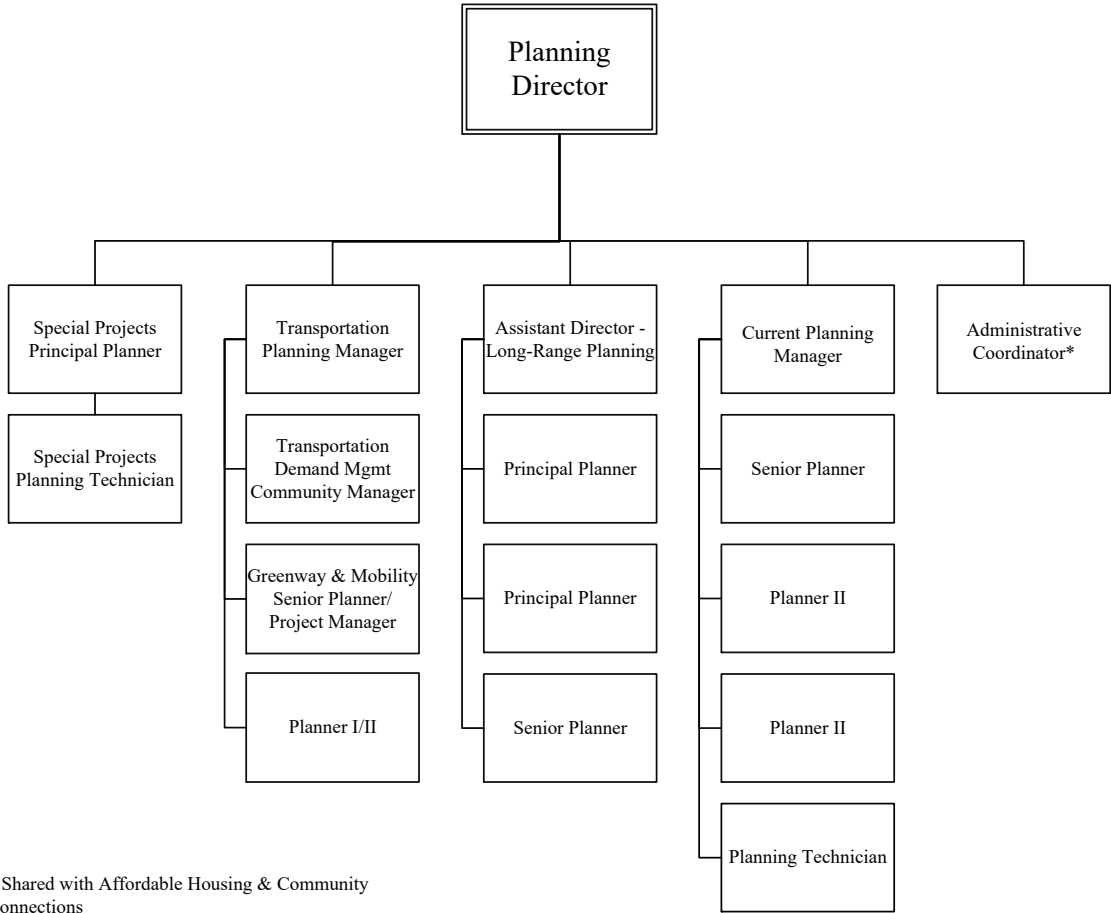
MISSION STATEMENT:

The Chapel Hill Planning Department is charged with providing collaborative leadership to create and implement policies, plans, and programs that reflect Chapel Hill values as an equitable, livable, and sustainable town today and in the future. We help Chapel Hill guide equitable growth through publishing various planning documents, including the Comprehensive Plan, evaluating land development, moving people around town, and serving as the steward of our historic resources.

The Planning Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Long-Range Planning	Engage with regional and local stakeholders around land use planning and growth management issues; create planning documents that reflect community values guided by the Complete Community strategies. Translate values and planning best practices into land use management policy for the Town while monitoring and evaluating development trends.
Current Development	Implement land use management provisions in accordance with policies established in the comprehensive plan. Review land use applications and oversee the development review process.
Transportation Planning & Transportation Demand Management	Oversee long range transportation plans and manage projects related to pedestrians, bicycles, and road traffic.
Historic Preservation	Uphold the Town’s Certified Local Government (CLG) status through the North Carolina Historic Preservation Office (HPO); identify, evaluate, and document historic sites within the Town’s three local historic districts for inclusion on the National Register of Historic Places (NRHP); provide guidance on best historic preservation practices, promote historic preservation and appreciation in the community.
Design and Urban Forestry	Preserve and enhance the Town tree canopy coverage through considering the ordinance, working with designers to reduce the construction impacts on critical root zones, monitoring invasive species, and relaying design and plant material options to promote native species or drought tolerant plant selections.
Land Use Management Ordinance and Equity	Align updated LUMO with the Town’s values and vision for equitable planning and development. Facilitate equity dialogue in community.

PLANNING



* Shared with Affordable Housing & Community Connections

PLANNING DEPARTMENT
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22	2022-23	2023-24
	ADOPTED	ADOPTED	ADOPTED
<u>Planning</u>			
Director - Planning	1.00	1.00	1.00
Assistant Director - Planning	0.00	1.00	1.00
Operations Manager - Planning	1.00	0.00	0.00
Community Sustainability Manager ¹	1.00	1.00	0.00
Planning Manager ²	1.00	1.00	2.00
Planner/Planner II/Principal Planner/Senior Planner ³	8.00	8.00	8.00
Transportation Demand Management Community Manager ⁴	1.00	1.00	1.00
Administrative Coordinator	0.80	0.80	0.80
Downtown Project Manager ¹	1.00	1.00	0.00
LUMO Project Manager	1.00	1.00	0.00
Planning Technician	0.00	1.00	2.00
Greenway & Mobility Senior Planner/Project Manager	0.00	0.00	1.00
Planning Department Totals	15.80	16.80	16.80

¹ These positions moved to the Manager's Office as of FY24.

² Planning Manager is partially grant-funded.

³ A number of Planner positions are partially or fully grant-funded in FY24.

⁴ Transportation Demand Management Community Manager is 50% grant-funded.

PLANNING

BUDGET SUMMARY

The adopted budget for the Planning Department reflects a 4.3% decrease from the 2022-23 budget. The 1.4% decrease in personnel expenses is due to two positions moving out of the department, which is somewhat offset by the addition of two new positions, as well as a 0.75% retirement increase and a salary increase. Operating expenses decreased by 13.8% largely due to costs associated with community sustainability moving to the Climate Action Fund.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 1,350,398	\$ 1,549,220	\$ 1,524,375	\$ 1,330,075	\$ 1,527,598	-1.4%
Operating Costs	424,668	478,737	2,001,682	1,122,615	412,653	-13.8%
Total	\$ 1,775,066	\$ 2,027,957	\$ 3,526,057	\$ 2,452,690	\$ 1,940,251	-4.3%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 805,620	\$ 1,444,442	\$ 2,942,542	\$ 1,708,439	\$ 1,012,146	-29.9%
Charges for Services	549,813	535,015	535,015	720,558	905,105	69.2%
Licenses/Permits/Fines	406,445	40,000	40,000	17,380	12,000	-70.0%
Other Revenues	13,188	8,500	8,500	6,313	11,000	29.4%
Total	\$ 1,775,066	\$ 2,027,957	\$ 3,526,057	\$ 2,452,690	\$ 1,940,251	-4.3%

PLANNING

Performance Measures

 <p>Environmental Stewardship</p>  <p>Economic and Financial Stewardship</p>  <p>Affordable Housing & Housing Production</p>  <p>Connected Community</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Provide high quality customer service with substantial opportunities for public input ➤ Provide high quality customer service with improved permit approval times ➤ Track special project progress within a fiscal year (for projects managed by Planning Department) ➤ Create a system of policies and tools that provide clear guidance to residents, developers, staff, and council on future land use and can be used for review of development applications ➤ Make progress on implementation of Mobility and Connectivity Plan and Everywhere to Everywhere Greenways recommendations
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Target
Current Development	Number of Public Information Meetings held on current development projects.	25	15	9	10
	Number of Advisory Board Meetings held	84	85	52	50
Planning	Progress made across all special projects managed by Planning Department as a percentage of the work targeted	80%	95%	95%	85%
Long-Range Planning	Number of Community Planning Meetings held	5	25	22	20
	Completion of staff evaluation memos for all rezoning cases	100%	100%	100%	100%
Transportation Planning	Number of Mobility and Connectivity Plan and Everywhere to Everywhere Greenways projects/recommendations advanced	3	7	11	9

PUBLIC WORKS

MISSION STATEMENT:

The Public Works team strives to provide excellent customer service, emphasizing public safety and environmental stewardship by preserving, maintaining, and enhancing the Town's infrastructure and natural resources.

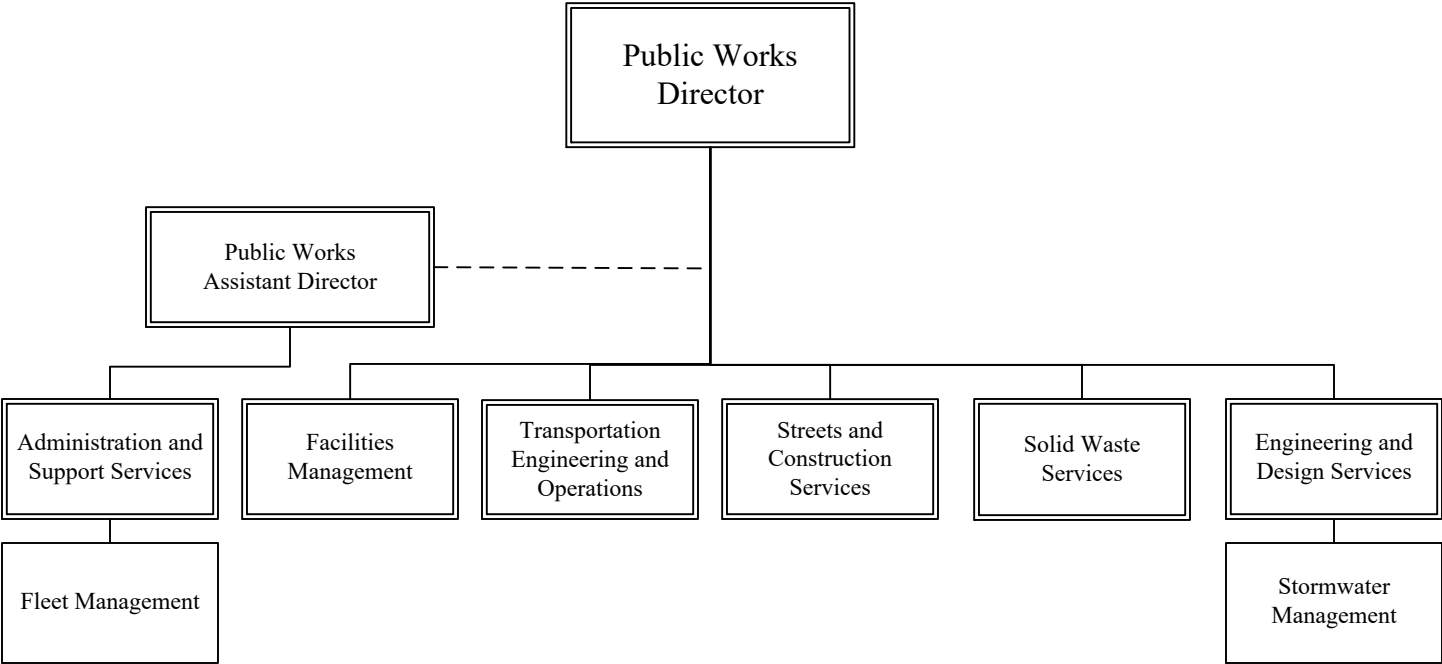
The Public Works Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Traffic Signals	Implement timing plans; oversee traffic monitoring; perform emergency repairs, preventive maintenance, and small improvements; and manage contracts in Chapel Hill and Carrboro.
Traffic Signs/Markings/Calming	Collaborate with the Bike and Pedestrian Team in support of the Town's Vision Zero. Oversee traffic impact studies and manage the traffic calming program. Install and maintain all traffic control signs and pavement markings along approximately 750 town-maintained streets totaling approximately 165 center line miles. Issue traffic work zone permits and monitor for compliance.
Street Lighting	Ensure new development compliance with established standards, respond to improvement requests, routinely inspect major roadways and the central business district for malfunctions, and budget and manage service agreements.
Special Event Services	Plan and assist Public Safety with event operations in opening and closing streets and clean-up. Plan for and assist with the installation of seasonal banners, flags, and holiday decorations.
Inclement Weather	Manage large scale inclement weather events including oversight of disaster contracts. Provide planning, response, and recovery to inclement weather events (high water, wind damage and ice/snow), including continuous service as required.
Miscellaneous Construction	Perform small to medium construction projects including (ADA) sidewalk and curb/gutter repairs and improvements; installation and maintenance of streetscape amenities (benches, bike racks, trash receptacles, etc.); and occasional projects such as the installation of a bus shelter and small parking lot improvements.

PUBLIC WORKS

Streets and Parking Lots	Oversee the evaluation of all town-maintained streets, parking lots, bike paths, and trails. Perform street maintenance and resurfacing along various sections of the Town’s ~750 streets totaling ~165 center lane miles.
Facilities Management & Maintenance	Manage facility condition assessments, maintenance, and improvement master planning for approximately 50 publicly owned buildings. Perform in-house maintenance and repair, oversight of service contracts, and management of small to medium-sized construction improvement projects.
Solid Waste Collection & Management	Develop and submit the Town of Chapel Hill’s Solid Waste Management Report to the State. Support the Solid Waste Advisory Group’s development and implementation of Orange County’s Zero Waste Initiative. Provide weekly collection of household solid waste, containerized vegetative materials, and small piles of brush from approximately 12,200 single family properties. Collect leaves from mid-October to mid-February. Collect waste from approximately 200 street and bus shelter trash receptacles per week.
Special Collections	Provide fee-based, scheduled in-house collection of bulky items, including appliances, electronics, and furniture. Provide fee-based collection of loose residential brush that exceeds 3 cubic yards. Provide fee-based use of yard waste roll-off containers. Collect and dispose of dead animals within the right-of-way.
Commercial Solid Waste Collection	Collect solid waste placed in dumpsters for a fee established annually by Town Council. Oversee service contracts for collection, maintenance, and cleaning of the two town-owned downtown compactors.
Civil Engineering Services	Provide engineering services, including capital project management, surveying, design, private developer review, and infrastructure inspection. Review developer-submitted plans for private development projects for compliance with requirements and standards for infrastructure and environmental protection. Provide field inspection of various infrastructure improvements to ensure quality of infrastructure and compliance with Town Standards. Monitor surety bonds to ensure proper infrastructure is completed by developers. Provide surveying services related to public rights-of-way, easements, and other public properties. Gather survey data required for development of in-house computer-aided drafting and design (CADD). Provide design services for in-house small to medium-sized projects.

PUBLIC WORKS OVERVIEW



PUBLIC WORKS DEPARTMENT
STAFFING COMPARISONS - IN FULL TIME EQUIVALENTS

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
<u>Administration</u>			
Director - Public Works	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00
Administrative Analyst	1.00	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 Coordinator	1.00	0.00	0.00
Administrative Assistant	2.00	2.00	2.00
Division Totals	9.00	9.00	9.00
<u>Engineering and Design Services</u>			
Manager of Engineering & Infrastructure	1.00	1.00	1.00
Engineering Coordinator - Sr	1.00	1.00	1.00
Survey/Project Coordinator ¹	0.75	0.75	0.75
Senior Engineer ¹	0.50	0.50	0.50
Engineering Inspector	1.00	1.00	1.00
Engineering Inspector - Sr ¹	0.70	0.70	0.70
Engineering Technician	1.00	1.00	1.00
Capital Projects Manager	1.00	1.00	1.00
Engineer I-III ¹	0.00	0.00	0.50
Unit Totals	6.95	6.95	7.45
<u>Transportation Engineering and Operations</u>			
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
Unit Totals	11.00	11.00	11.00
Division Totals	17.95	17.95	18.45

continued

PUBLIC WORKS DEPARTMENT
STAFFING COMPARISONS - IN FULL TIME EQUIVALENTS

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
<u>Streets and Construction Services</u>			
Streets			
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
Street Crew Supervisor	1.00	1.00	1.00
Construction Worker (Levels I-IV)	8.00	8.00	8.00
Senior Heavy Equipment Operator	1.00	1.00	1.00
Lead Construction Worker	1.00	1.00	1.00
Unit Totals	<u>14.00</u>	<u>14.00</u>	<u>14.00</u>
Construction			
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	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Division Totals	<u>20.00</u>	<u>20.00</u>	<u>20.00</u>
<u>Facilities Management</u>			
Buildings			
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 ²	0.25	0.25	0.25
Unit Totals	<u>10.25</u>	<u>10.25</u>	<u>10.25</u>
Division Totals	<u>10.25</u>	<u>10.25</u>	<u>10.25</u>
<u>Solid Waste and Fleet Services</u>			
Solid Waste			
Solid Waste Services Manager	1.00	1.00	1.00
Solid Waste Operating Services Coordinator	2.00	1.00	1.00
Solid Waste Services Crew Supervisor	1.00	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	<u>34.00</u>	<u>34.00</u>	<u>34.00</u>
Public Works Totals	<u>91.20</u>	<u>91.20</u>	<u>91.70</u>

¹ The Stormwater fund assumes a portion of salaries of the Survey/Project Coordinator, Senior Engineer, Engineering Inspector - Sr., and Engineer I-III.

² Position split between Facilities Management and Fleet Management.

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

PUBLIC WORKS BUDGET SUMMARY

The adopted budget for the Public Works Department reflects a 6.2% increase from the 2022-23 budget. Personnel expenses in the adopted budget reflect a 0.75% retirement increase and a salary increase. Operating expenses increased primarily due to vehicle replacement, vehicle maintenance, and fuel costs.

EXPENDITURES




	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Administration	\$ 1,072,391	\$ 1,224,971	\$ 1,231,925	\$ 1,141,152	\$ 1,260,680	2.9%
Engineering & Design	740,809	915,815	927,440	904,476	985,587	7.6%
Transportation	1,993,991	2,020,434	2,002,134	1,900,621	2,139,633	5.9%
Construction	473,353	656,471	603,231	536,270	759,989	15.8%
Streets	2,036,239	2,301,107	2,875,506	2,716,388	2,551,261	10.9%
Facilities Management	2,076,863	2,174,707	2,275,689	2,191,882	2,165,421	-0.4%
Solid Waste	4,004,044	4,285,132	4,449,951	4,301,276	4,556,955	6.3%
Total	\$ 12,397,690	\$ 13,578,637	\$ 14,365,876	\$ 13,692,065	\$ 14,419,526	6.2%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 10,994,665	\$ 12,486,299	\$ 13,273,538	\$ 12,496,369	\$ 13,318,266	6.7%
State Shared	46,807	42,000	42,000	43,000	43,000	2.4%
Charges for Services	795,497	799,328	799,328	846,222	794,500	-0.6%
Licenses/Permits/Fines	277,445	192,510	192,510	215,282	205,260	6.6%
Other Revenues	283,276	58,500	58,500	76,351	58,500	0.0%
Total	\$ 12,397,690	\$ 13,578,637	\$ 14,365,876	\$ 13,692,065	\$ 14,419,526	6.2%

PUBLIC WORKS

Performance Measures

 <p>Environmental Stewardship</p>  <p>Connected Community</p>  <p>Safe Community</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Address 95% of traffic signal system problems per the North Carolina Department of Transportation (NCDOT) and Federal Highway Administration (FHWA) standards ➤ Perform preventive maintenance on 95% of traffic signals twice per year ➤ Perform 100% of emergency maintenance on regulatory traffic control signs per the Institute of Transportation Engineers (ITE) standards within two hours ➤ Review, approve, and issue permits within five business days for all traffic control plans for lanes and street closures ➤ Perform traffic calming studies within six months of receiving the request ➤ Achieve an average pavement condition rating of 81 or better for 80% of town-maintained street system ➤ Achieve a resurfacing cycle of once every 15 years by resurfacing at least 7% of town-maintained streets annually ➤ Complete one leaf collection cycle between Halloween and Thanksgiving ➤ Complete 90% of one leaf collection cycle between Thanksgiving and Christmas ➤ Review and respond to 100%¹ of Survey Plat review request applications within five working days of receipt of a properly certified survey plat. ➤ Complete 100% of development plan reviews by assigned deadlines (roadway and sidewalks in the public right of way) ➤ Collect 530 tons² of residential refuse per collection FTE ➤ Recover 45% of commercial collection costs via commercial collection fees ➤ Maintain quality of residential trash/yard waste collection services customer satisfaction level ➤ Pre-treat all priority Town roadways and facilities prior to each anticipated significant winter inclement weather event ➤ Complete initial snow removal from 80% of priority streets within 48 hours after the end of each snowstorm event ➤ Ensure at least 45% of facility work orders are preventive maintenance work ➤ Complete 85% of customer repair requests within 2 business days of receipt ➤ Dispatch personnel to 100% of facility emergency work orders within 1 hour
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual ³	FY23 Estimate	FY24 Target
Traffic Signals	Percent of emergency traffic signal problems addressed within 2 hours.	100%	100%	100%	95%
	Percent of signal preventive maintenance completed as planned	82%	61% ⁴	Est. 81% ⁵	95%
Traffic Signs / Markings / Calming	Percent of emergency maintenance requests addressed on critical regulatory traffic control signs (i.e., stop sign, yield sign, one-way sign, do not enter sign) within two hours	N/A	100%	Est. 100% ⁶	100%

¹ Objective has changed from 90% to 100% beginning FY22.

² Objective has changed from 520 to 530 tons beginning FY22.

³ COVID impacted our daily operations for the period of March 2020 to present and may be reflected in our reported measures.

⁴ Developing new tracking system for collecting data.

⁵ Inconsistent data before April 2023.

⁶ The data is not available to confirm but standard operating procedure is to address all emergency requests within 2 hours.

Core Business Program	Performance Measure	FY21 Actual	FY22 Actual ³	FY23 Estimate	FY24 Target
Traffic Signs / Markings / Calming	Percent of permits issued within five business days for traffic control plans for lanes and street closures	98%	82% ⁷	100%	100%
	Percent of traffic calming studies completed within six months of receiving the request	N/A	100%	100% ⁸	100%
Streets and Parking Lots	Percent of town-maintained street system rated 81 or better (square yards)	46.5%	N/A	56%	80%
	Percent of town-maintained streets (square yards) resurfaced annually	1.8%	5%	4%	7%
	Percent of leaf collection cycle completed between Halloween and Thanksgiving	65% ⁹	100%	100%	100%
	Percent of leaf collection cycle completed between Thanksgiving and Christmas	40% ¹⁰	50%	90%	90%
Civil Engineering	Percent of properly certified and submitted Survey Plats reviewed and responded to within five (5) working days of receipt	100%	100%	98%	100%
	Percent of development plan reviews completed by assigned deadline ¹¹	99%	95%	82%	100%
Solid Waste Collection	Tons of Residential Refuse Collected per Collection FTE	559	548	535	530
	Percent of commercial collection costs recovered via fees ¹²	34%	32%	TBD	45%
	Percent of community “satisfied” or “very satisfied” with quality of trash/yard waste collection services	88% ¹³	87% ¹⁴	87%	88%
Inclement Weather	Percent of priority Town roadways pre-treated prior to each anticipated significant inclement weather event	100%	100%	N/A ¹⁵	100%
	Percent of priority streets where initial snow removal is completed within 48 hours	100%	100%	N/A	80%
Facilities Management	Preventive maintenance work orders as a percent of total annual work orders	73%	70%	62%	45%
	Percent of customer repair requests completed within 2 business days of receipt	91%	91%	89%	85%
	Percent of emergency work orders that personnel respond to within 1 hour	100%	100%	100%	100%

* Public Works staff completed an internal review of data and identified improvements needed to ensure high quality data; therefore, data for previous reporting periods is not available.

⁷ Estimate is less than previous years as a result of lack of staff available to issue permits.

⁸ Due to vacancies in the division, data tracking was inconsistent for FY23. The division is working with Transportation Planning and Vision Zero leadership to update our traffic calming policy and procedures. Since key positions have been filled, 100% of traffic calming studies were completed within 6 months.

⁹ Heavy fall foliage fell at one time and the department was experiencing staffing shortages in FY21 and FY22.

¹⁰ Heavy fall foliage fell at one time and the department was experiencing staffing shortages in FY21 and FY22.

¹¹ The development plan review tracking system for Engineering was established in Fall 2019. Data is reported from October 2019 – June 2020.

¹² The reduction in commercial collection costs recovered is related to a decrease in commercial tonnage due to COVID-19 (966 fewer tons in FY20 compared to FY19).

¹³ Using last year’s available data point. Community Survey completed biennially.

¹⁴ Second highest rated service based on the 2022 Community Survey

¹⁵ No inclement snow events in FY23.

PUBLIC WORKS - Administration Division
BUDGET SUMMARY

The adopted budget for the Administration Division of the Public Works Department reflects a 2.9% increase from the 2022-23 budget. Personnel expenses increased by 3.5% due to a 0.75% retirement increase and a salary increase. Operating expenses remain relatively flat.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 871,617	\$ 1,031,801	\$ 1,013,301	\$ 937,856	\$ 1,068,403	3.5%
Operating Costs	200,774	193,170	218,624	203,296	192,277	-0.5%
Total	\$ 1,072,391	\$ 1,224,971	\$ 1,231,925	\$ 1,141,152	\$ 1,260,680	2.9%

PUBLIC WORKS - Engineering
BUDGET SUMMARY

The adopted budget for the Engineering Division of the Public Works Department reflects a 7.6% increase from the 2022-23 budget. Personnel costs have increased 7.8% due to the addition of an Engineer position split with Stormwater, as well as a 0.75% retirement increase and a salary increase. Operating expenses went up by 3.6% due to various small increases in vehicle maintenance, computer replacement, software costs, and supplies.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 694,645	\$ 867,655	\$ 867,655	\$ 847,850	\$ 935,671	7.8%
Operating Costs	46,164	48,160	59,785	56,626	49,916	3.6%
Total	\$ 740,809	\$ 915,815	\$ 927,440	\$ 904,476	\$ 985,587	7.6%

PUBLIC WORKS - Transportation Engineering
BUDGET SUMMARY

The adopted budget for the Transportation Engineering Division of the Public Works Department, formerly known as Traffic, reflects a 5.9% increase from the 2022-23 budget. Personnel expenses increased by 7.2% due to additional program support staff, a 0.75% retirement increase, and a salary increase. Operating expenses increased by 4.4% largely due to costs associated with street lighting electricity.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 939,493	\$ 1,103,999	\$ 1,063,999	\$ 961,804	\$ 1,183,139	7.2%
Operating Costs	1,054,498	916,435	938,135	938,817	956,494	4.4%
Total	\$ 1,993,991	\$ 2,020,434	\$ 2,002,134	\$ 1,900,621	\$ 2,139,633	5.9%

PUBLIC WORKS - Construction
BUDGET SUMMARY

The adopted budget for the Construction Division of the Public Works Department reflects a 15.8% increase from the 2022-23 budget. Personnel expenses increased by 6.9% due to a 0.75% retirement increase and a salary increase. Operating expenses increased by 33.1% due to the replacement of a crew truck and an increase in vehicle maintenance and fuel.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 236,230	\$ 433,911	\$ 383,911	\$ 312,770	\$ 463,789	6.9%
Operating Costs	237,123	222,560	219,320	223,500	296,200	33.1%
Total	\$ 473,353	\$ 656,471	\$ 603,231	\$ 536,270	\$ 759,989	15.8%

PUBLIC WORKS - Streets
BUDGET SUMMARY

The adopted budget for the Streets division reflects an overall expenditure increase of 10.9% from the 2022-23 budget. The 2.9% increase in personnel is due to a 0.75% retirement increase and a salary increase. The operating budget increased by 20% primarily due to the replacement of a crew truck, with additional increased expenditures on fuel, vehicle maintenance, a pavement condition survey, and conference costs. Capital outlay remains flat.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 879,488	\$ 1,199,007	\$ 1,138,783	\$ 979,135	\$ 1,233,376	2.9%
Operating Costs	1,118,308	1,077,100	1,711,058	1,717,958	1,292,885	20.0%
Capital Outlay	38,443	25,000	25,665	19,295	25,000	0.0%
Total	\$ 2,036,239	\$ 2,301,107	\$ 2,875,506	\$ 2,716,388	\$ 2,551,261	10.9%

PUBLIC WORKS - Facilities Management
BUDGET SUMMARY

The adopted budget for the Facilities Management division, formerly known as Building Maintenance, reflects a 0.4% decrease from the 2022-23 budget. The 4.5% increase in personnel costs reflects a 0.75% retirement increase and a salary increase. The 5.2% decrease in operations reflects a lower amount for planned facility maintenance, a decrease in contracted building services, and decreased utility costs.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 1,037,619	\$ 1,067,227	\$ 1,067,227	\$ 1,031,899	\$ 1,115,736	4.5%
Operating Costs	1,039,244	1,107,480	1,208,462	1,159,983	1,049,685	-5.2%
Total	\$ 2,076,863	\$ 2,174,707	\$ 2,275,689	\$ 2,191,882	\$ 2,165,421	-0.4%

PUBLIC WORKS - Solid Waste Services
BUDGET SUMMARY

The adopted budget for the Solid Waste Services division reflects an overall expenditure increase of 6.3% from last year's budget. The 4.4% increase in personnel costs is due to a 0.75% retirement increase and a salary increase. The 9.3% increase in operating costs is due to an increase in vehicle maintenance, a tipping fee increase, the replacement of a front loader, and increased vehicle fuel costs.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 2,438,233	\$ 2,563,982	\$ 2,548,982	\$ 2,471,192	\$ 2,676,045	4.4%
Operating Costs	1,565,811	1,721,150	1,900,969	1,830,084	1,880,910	9.3%
Total	\$ 4,004,044	\$ 4,285,132	\$ 4,449,951	\$ 4,301,276	\$ 4,556,955	6.3%

AFFORDABLE HOUSING & COMMUNITY CONNECTIONS

VISION:

A vibrant and inclusive community where all residents have access to affordable housing and opportunities to thrive.

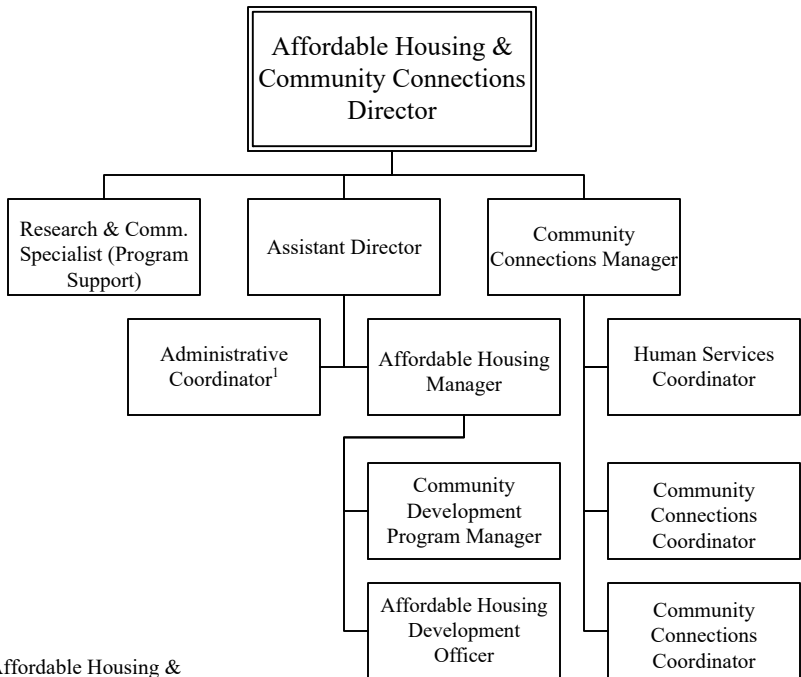
MISSION:

*Creating Partnership
Catalyzing Affordable Housing
Building Community*

The Affordable Housing and Community Connections Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Affordable Housing	<ul style="list-style-type: none"> ▪ Funding Community Partner Projects ▪ Creating Affordable Housing Policies ▪ Managing Affordable Housing Units ▪ Initiating Development and Preservation of Affordable Housing
Community Connections	<ul style="list-style-type: none"> ▪ Funding Human Services Agencies ▪ Managing Equitable Engagement Initiatives ▪ Creating Communications for Residents and Community Partners ▪ Providing Technical Assistance to Departments for engagement planning ▪ Managing Language Access Initiatives

AFFORDABLE HOUSING & COMMUNITY CONNECTIONS



¹ 20% funded by Affordable Housing & Community Connections and shared with Planning

* AH&CC Budget also includes a Maintenance Mechanic position split with Public Housing

***AFFORDABLE HOUSING & COMMUNITY CONNECTIONS
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS***

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
Affordable Housing and Community Connections			
Director - Affordable Housing & Community Connections	1.00	1.00	1.00
Assistant Director - Affordable Housing & Community Connections	1.00	1.00	1.00
Administrative Coordinator	0.20	0.20	0.20
Community Connections Manager	1.00	1.00	1.00
Community Connections Coordinator	1.00	1.00	1.00
Affordable Housing Manager	0.00	0.00	1.00
Affordable Housing Development Officer	1.00	1.00	1.00
Community Development Program Manager	1.00	1.00	1.00
Human Services Coordinator	1.00	1.00	1.00
Maintenance Mechanic ¹	0.00	0.00	0.50
Department Totals	7.20	7.20	8.70

¹ Position split between AH&CC and Public Housing.

AFFORDABLE HOUSING & COMMUNITY CONNECTIONS

BUDGET SUMMARY

The adopted budget reflects an overall increase of 29.5% from the previous fiscal year's budget. The 29.1% increase in personnel costs is attributed to the addition of an Affordable Housing Manager position and a Maintenance Mechanic split with Public Housing, as well as a 0.75% retirement increase and a salary increase. Operating costs decreased by 14.2% due to a decrease in supplies and contracted services. Capital outlay has increased due to the purchase of a van for the new Maintenance Mechanic position.

EXPENDITURES


	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 655,766	\$ 871,130	\$ 871,130	\$ 768,731	\$ 1,124,325	29.1%
Operating Costs	221,366	83,600	425,350	419,197	71,764	-14.2%
Capital Outlay	-	-	-	-	40,000	N/A
Total	\$ 877,132	\$ 954,730	\$ 1,296,480	\$ 1,187,928	\$ 1,236,089	29.5%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 877,132	\$ 954,730	\$ 1,296,480	\$ 1,187,928	\$ 1,236,089	29.5%
Total	\$ 877,132	\$ 954,730	\$ 1,296,480	\$ 1,187,928	\$ 1,236,089	29.5%

AFFORDABLE HOUSING & COMMUNITY CONNECTIONS

Performance Measures

	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ To increase access to housing for individuals across a range of incomes, and to constantly strive for more equitable outcomes and opportunities for historically underserved populations ➤ Deepen the Town’s connections and engagement with organizations, groups, and populations that historically have been disengaged or disconnected from the Town ➤ Increase the diversity of residents engaged in Town processes and programs to fully reflect the composition of the community, with particular focus on engaging populations that have been historically disengaged or disconnected from the Town
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Actuals	FY24 Target
Affordable Housing	% of funding available for affordable housing projects allocated.	85%	72%	100%	90%
	Number of affordable homes developed with support from the Town.	3	10	25	30
	Number of affordable homes preserved with support from the Town.	554	13	16	20
	Number of households assisted through our Rental and Utility Assistance Program.	535	460	---	--
	Number of units in our Transitional Housing Program	16	21	21	21
	Dollars dedicated to affordable housing strategies in Town Budget	\$6.38 M	\$5.73 M	\$15.9 M	\$7.2 M
	Number of new development units that received funding approval	130	105	244	100
	Number of preservation units that received funding approval*	603	516*	615	150
	Percentage of affordable housing in Town within a 1/2 mile of a bus stop.	96%	96%	98%	98%
	Percentage of residents satisfied with the availability of a range of housing options by price.	27%	20%	20%	20%
	Dollars deployed to community partners to support affordable housing development and preservation projects	\$1.81 M	\$2.52 M	\$10 M	\$7 M
	Number of affordable housing units approved by council	198	123	163	200
Community Connections	Percentage of human services agencies who are satisfied with our funding process.	87%	90%	79%	90%

Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Actuals	FY24 Target
	% of total students living off campus that read the Tar Heel Citizen Times (open rate)	30%	34%	42.4%	35%
	% of department staff who participate in Racial Equity Training	100%	100%	89%	100%
Community Connections	Total subscribers to Tar Heel Citizen Times (based on August/Sept issue). *Starting in FY19, THCT was sent to all undergraduate, graduate, and professional students.	20,960	20,303	22,510	23,000
	Number of low-income youth employed through our Summer Youth Employment Program	0	5	22	22
	Total budget for Human Services Program	\$546,600	\$573,825	\$602,516	\$610,000
	Number of Town meetings where interpretation is provided	10	61	64	75
	Number of nonprofits funded by our Human Services Program	39	39	40	40
	Number of residents graduated from our Peoples Academy	39	15	58	60
	Number of community engagement meetings facilitated	46	69	215	230
	Town budget for Community Connections strategies	\$1.2 M	\$923K	\$1.1 M	\$1.2 M

*Funding approvals include Town or County funding

BUILDING & DEVELOPMENT SERVICES

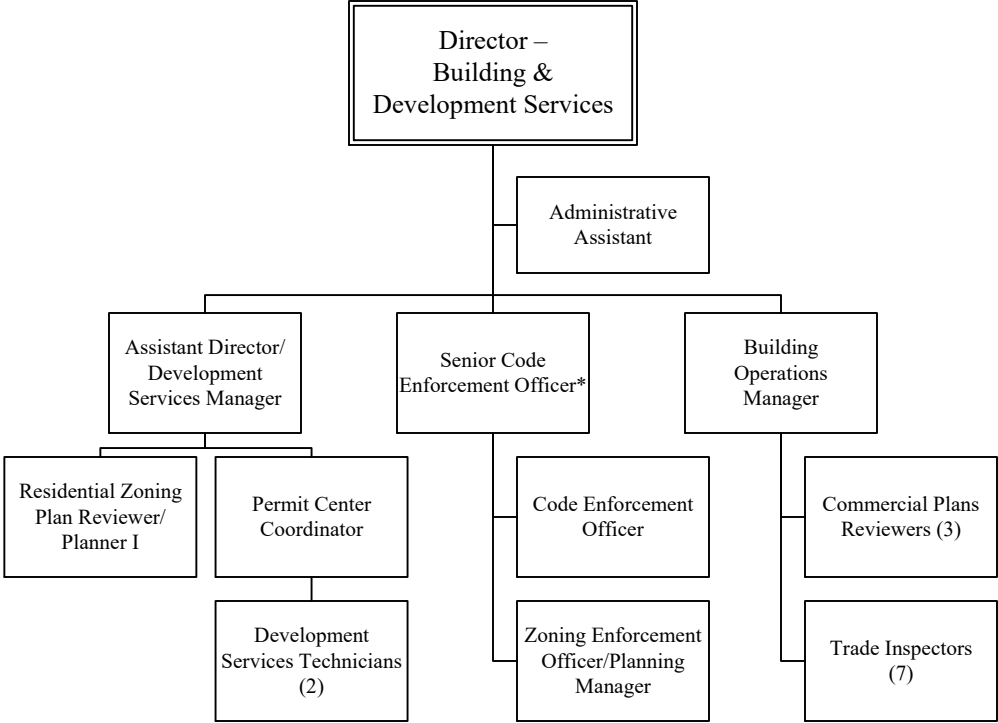
MISSION STATEMENT:

To provide guidance and serve as a resource to our customers while upholding and verifying compliance with local ordinances, General Statutes, and Current Building Codes and Standards in a manner consistent with the Town Values for the health and safety of our residents with integrity.

The Building & Development Services Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Permit Center	Assist the public in navigating the permit process by answering questions; solving problems and anticipating pitfalls through regular positive customer interactions; review permits submitted through the online portal; process requests for inspections and public information requests.
Plan Review	Review all plans submitted for NC code compliance, applicable local ordinances, and LUMO; take the lead on providing guidance to the development community during the review process; identify deficiencies and request corrective actions and documentation.
Field Inspections	Perform and manage the field inspections for various new construction projects throughout the Town; verify compliance with NC Codes, applicable local ordinances, LUMO, and NC Statutes.
Code Enforcement	Enforce local ordinance to include Housing and LUMO in a manner consistent with NC Statutes for existing properties throughout the Town.

BUILDING & DEVELOPMENT SERVICES DEPARTMENT



*This position is part of the Police Department budget but is housed within Building & Development Services.

BUILDING & DEVELOPMENT SERVICES
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22	2022-23	2023-24
	ADOPTED	ADOPTED	ADOPTED
<u>Building & Development Services</u>			
Director - Building & Development Services	1.00	1.00	1.00
Assistant Director - Building & Development Services	0.00	0.00	1.00
Code Enforcement Officer	1.00	1.00	1.00
Building Operations Manager	1.00	1.00	1.00
Commercial Plans Reviewer	0.00	0.00	1.00
Commercial Plans Reviewer - Sr.	1.00	1.00	2.00
Development Technician	3.00	3.00	2.00
Administrative Assistant	1.00	1.00	1.00
Inspector	7.00	7.00	7.00
Permit Center Coordinator	1.00	1.00	1.00
Permit Technician	2.00	2.00	0.00
Planning Manager	1.00	1.00	1.00
Permitting Systems Admin	1.00	1.00	0.00
Planner I	1.00	1.00	1.00
BDS Department Totals	<u>21.00</u>	<u>21.00</u>	<u>20.00</u>

Building & Development Services

BUDGET SUMMARY

The adopted budget for the Building & Development Services department reflects an overall expenditure increase of 11.9% from the 2022-23 budget. Personnel expenses increased 12.5% due to the addition of a Commercial Plans Reviewer and 2 Apprentices, as well as a 0.75% retirement increase and a salary increase. Operating costs increased by 6.4% largely due to wireless facility permit review fees, which will be offset by customers paying these fees to the Town as part of the permit process.

EXPENDITURES


	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 1,839,745	\$ 2,254,646	\$ 2,254,646	\$ 2,190,160	\$ 2,537,209	12.5%
Operating Costs	172,169	238,605	238,605	214,300	253,979	6.4%
Total	\$ 2,011,914	\$ 2,493,251	\$ 2,493,251	\$ 2,404,460	\$ 2,791,188	11.9%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 55,383	\$ 553,451	\$ 553,451	\$ 308,460	\$ 547,188	-1.1%
Licenses/Permits/Fines	1,956,531	1,939,800	1,939,800	2,096,000	2,244,000	15.7%
Total	\$ 2,011,914	\$ 2,493,251	\$ 2,493,251	\$ 2,404,460	\$ 2,791,188	11.9%

BUILDING & DEVELOPMENT SERVICES

Performance Measures

	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Improve customer service delivery with technology enhancements ➤ Improve customer service and delivery of commercial plan reviews within targeted deadlines ➤ Improve customer service and delivery of residential plan reviews within targeted deadlines. ➤ Improve response time to inspections requests within targeted deadlines ➤ Improve response time to code complaints and within targeted deadlines
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
Code Enforcement (State Laws and Local Ordinances), Inspections, Plan Review, and Permitting (all programs assume building and zoning)	% of staff trained on usage of new program once installed	84%	100%	100%	100%
	Increase percentage of commercial plans reviews completed within 30 days of acceptance.	92%	90%	93%	95%
	Increase percentage of residential plan reviews completed within 5 days of acceptance.	89%	90%	94%	95%
	Increase percentage of inspections completed within one workday of request	99%	98%	99%	100%
	Increase percentage of code complaints responded to within 2 business days	94%	98%	97%	96%

PUBLIC SAFETY

BUDGET SUMMARY

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

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Police	\$ 13,650,516	\$ 15,024,867	\$ 15,152,701	\$ 15,307,822	\$ 16,418,764	9.3%
Fire	10,182,985	10,615,997	10,749,131	10,145,191	11,347,649	6.9%
Total	\$ 23,833,501	\$ 25,640,864	\$ 25,901,832	\$ 25,453,013	\$ 27,766,413	8.3%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 21,839,485	\$ 23,522,280	\$ 23,705,626	\$ 23,322,763	\$ 25,710,054	9.3%
State-Shared Revenues	1,037,969	1,106,256	1,106,256	1,025,000	1,025,000	-7.3%
Grants	12,796	6,000	83,622	83,622	6,000	0.0%
Charges for Services	652,505	707,728	707,728	707,728	728,959	3.0%
Licenses/Permits/Fines	174,345	198,600	198,600	213,900	196,400	-1.1%
Other Revenues	116,401	100,000	100,000	100,000	100,000	0.0%
Total	\$ 23,833,501	\$ 25,640,864	\$ 25,901,832	\$ 25,453,013	\$ 27,766,413	8.3%

CHAPEL HILL POLICE DEPARTMENT

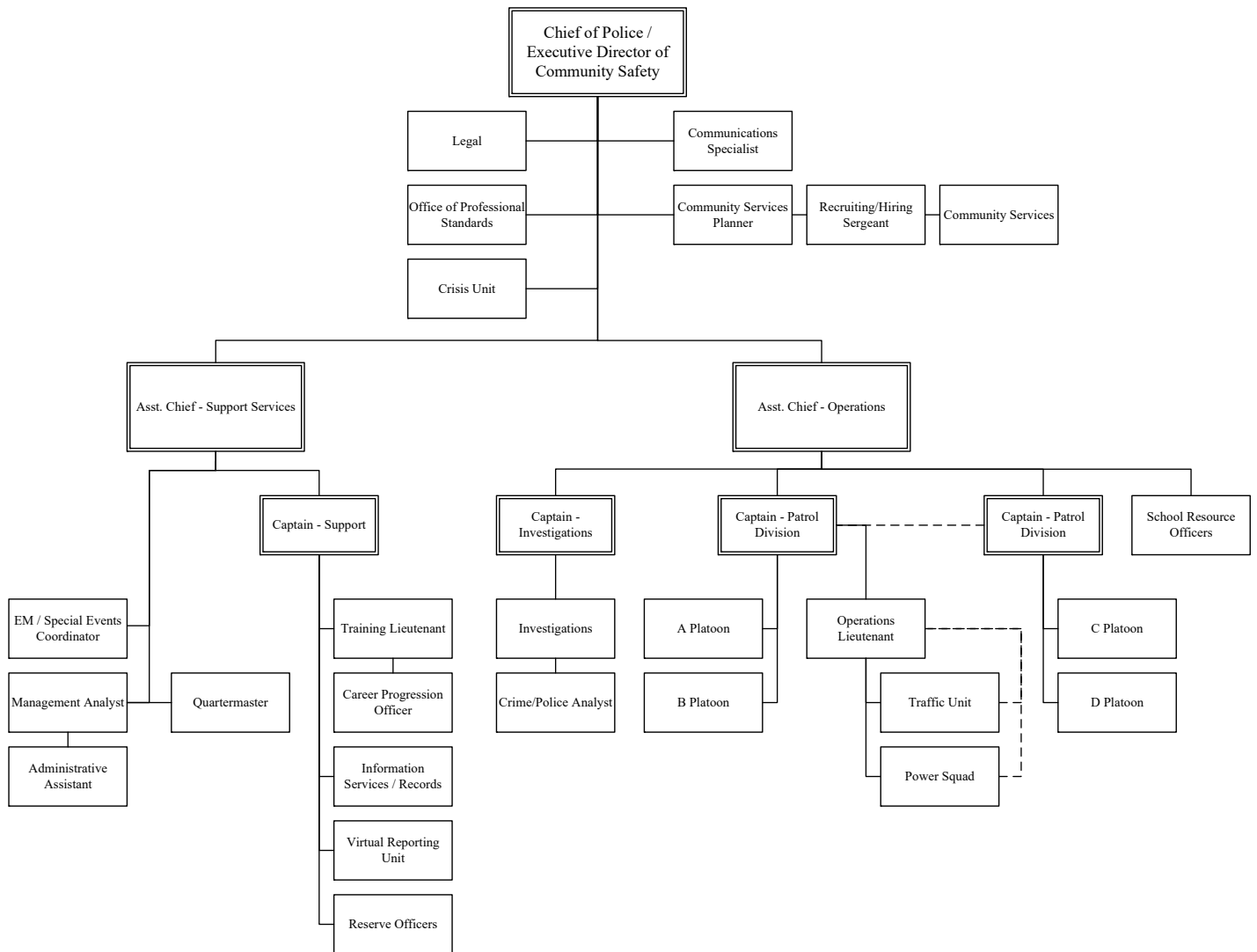
MISSION STATEMENT:

The primary mission of the Police Department is to preserve and protect life and property and enhance the quality of life in our community through the fair and effective delivery of services.

As a first step towards Priority-Based Budgeting, the Chapel Hill Police Department identified the following primary programs that are included in the projected budget for 2023-24.

Program	Description
Patrol Division	Respond to 911 calls, investigate traffic crashes, conduct directed patrols, and provide patrols in the field. Organize and participate in community safety meetings and provide crime prevention and traffic education to the community.
Investigative Division	Investigate crimes against people and property, including dangerous drug- and alcohol-related offenses. Gather and analyze evidence and investigate crime scenes.
Crisis Unit	A staff of social workers, mental health and peer support experts help community members handle social/emotional issues following a variety of incidents. Organize and participate in community safety discussions.
Support Services	Coordinate and provide required training to meet State Criminal Justice standards of departmental employees. Manage and oversee budget and day-to-day financial records. Archive police records and make them available to community members.
School Resource Officers	Organize outreach to middle and high schools in Chapel Hill while serving as a liaison to the Police Department and partnering to provide safe learning environments.
Special Events	Provide logistical support for special events and coordinate with the emergency management team.

Police Department



POLICE DEPARTMENT
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22	2022-23	2023-24
	ADOPTED	ADOPTED	ADOPTED
Support Services			
Police Chief/Executive Director for Community Safety	1.00	1.00	1.00
Police Attorney/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
Crisis Counselor	5.00	5.00	6.00
Records Supervisor	1.00	1.00	0.00
Administrative Assistant	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00
Communications Specialist	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	0.00	0.00	1.00
Community Services Planner	1.00	1.00	1.00
Division Totals	19.00	19.00	20.00
Operations			
Assistant Police Chief	2.00	2.00	2.00
Police Captain	4.00	4.00	4.00
Police Lieutenant	8.00	8.00	9.00
Police Sergeant	12.00	12.00	11.00
Forensic and Evidence Specialist	2.00	2.00	1.00
Police Officer	73.00	73.00	74.00
Division Totals	101.00	101.00	101.00
Police Department Totals	120.00	120.00	121.00

POLICE

BUDGET SUMMARY

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 new Crisis Counselor position, a 0.75% retirement increase, and a salary increase. Operating cost increases are attributed to increases in contract costs, vehicle replacement, vehicle maintenance, and fuel.

EXPENDITURES


	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 11,903,626	\$ 13,349,883	\$ 13,191,437	\$ 13,422,375	\$ 14,327,620	7.3%
Operating Costs	1,746,890	1,674,984	1,961,264	1,885,447	2,091,144	24.8%
Total	\$ 13,650,516	\$ 15,024,867	\$ 15,152,701	\$ 15,307,822	\$ 16,418,764	9.3%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 13,109,793	\$ 14,445,325	\$ 14,573,159	\$ 14,742,980	\$ 15,819,805	9.5%
Grants	12,796	6,000	6,000	6,000	6,000	0.0%
Charges for Services	376,496	432,342	432,342	432,342	453,959	5.0%
Licenses/Permits/Fines	35,030	41,200	41,200	26,500	39,000	-5.3%
Other Revenues	116,401	100,000	100,000	100,000	100,000	0.0%
Total	\$ 13,650,516	\$ 15,024,867	\$ 15,152,701	\$ 15,307,822	\$ 16,418,764	9.3%

POLICE

Performance Measures

	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Achieve or maintain “very satisfied” or “satisfied” survey ratings for customer perception of the Chapel Hill Police Department from at least 70% of customers surveyed. ➤ The annual number of part 1 Crimes against Persons and Property does not exceed 1,500 crimes. ➤ Achieve an annual Clearance Rate of Part 1 Crimes against Persons of 60%. ➤ Achieve an annual Clearance Rate of Part 1 Property Crime of 17%. ➤ Maintain “very safe” or “safe” survey ratings for “Level of Safety and Security” in neighborhoods from at least 90% of residents surveyed. ➤ Achieve a decrease in vehicle crash resulting in injuries. ➤ Achieve “very satisfied” or “satisfied” survey ratings for employee perception of the police department from at least 75% of employees surveyed.
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
Patrol Division, Investigative Division, Police Crisis Unit	Survey residents and ascertain satisfaction with overall quality of police protection.	N/A*	74%	N/A*	70%
	Total Number of Part 1 Crimes against Persons and Property	1,111	1,204	1,623	1,200
	Percentage of Part 1 Crimes against Persons cleared	41%	50%	39%**	53%
	Percentage of Part 1 Property Crimes cleared	17%	17%	12%	21%
	“Very safe” or “safe” survey ratings for “Level of Safety and Security” in neighborhoods in Community Survey	N/A	84%	N/A	80%
	Percentage of vehicle crashes resulting in injuries <17% of our total number of crashes	19% 3% ***	21% 4% ***	24% 4% ***	17%, 2%***
Support Services	% of employees who advance through career progression program on-time	100%	100%	100%	100%
	% of police applicants successfully passing BLET/FTP	95%	87%	100%	100%
	Reduce turnover rate to national average (8%)	9%	14%	8%	8%

* The Community Survey is conducted every other year.

** This number includes active cases that have not been closed yet.

*** The top (larger) number includes all crashes where any complaint of injury, no matter how small, is made known to the investigating officer. The smaller number includes only crashes where an injury was clearly evident or there was a fatality.

POLICE - Support Services Division
BUDGET SUMMARY

The adopted budget for the Support Services division reflects an overall expenditure increase of 8.6% from last year's budget. The 11.1% increase in personnel is due to the addition of a Crisis Counselor, as well as a 0.75% retirement increase and a salary increase. There is a 2.9% increase in operating costs due to an increase in telephone and telephone maintenance costs, animal control services, pre-hire medical evaluations, various software costs, and increases in the copier lease and custodial services contract.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 1,742,618	\$ 1,956,795	\$ 1,926,795	\$ 2,046,937	\$ 2,174,264	11.1%
Operating Costs	911,182	872,195	1,037,942	1,021,129	897,775	2.9%
Total	\$ 2,653,800	\$ 2,828,990	\$ 2,964,737	\$ 3,068,066	\$ 3,072,039	8.6%

POLICE - Operations Division
BUDGET SUMMARY

The Operations Division reflects a 9.6% increase from the 2022-23 budget. The personnel budget reflects a 6.7% increase due to a 0.75% increase in retirement costs and a salary increase. The 53.9% increase in operating costs is primarily attributed to replacing four vehicles, vehicle maintenance, fuel, and increased costs to contracts for conducted electrical weapons and body-worn cameras.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 10,161,008	11,393,088	11,264,642	11,375,438	12,153,356	6.7%
Operating Costs	780,963	742,939	898,978	841,768	1,143,519	53.9%
Total	\$ 10,941,971	\$ 12,136,027	\$ 12,163,620	\$ 12,217,206	\$ 13,296,875	9.6%

POLICE - Special Events
BUDGET SUMMARY

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. Efforts to contain the downtown Halloween celebration in recent years have been successful. The adopted budget for 2023-24 decreased compared to 2022-23.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Operating Costs	\$ 54,745	\$ 59,850	\$ 24,344	\$ 22,550	\$ 49,850	-16.7%
Total	\$ 54,745	\$ 59,850	\$ 24,344	\$ 22,550	\$ 49,850	-16.7%

FIRE DEPARTMENT

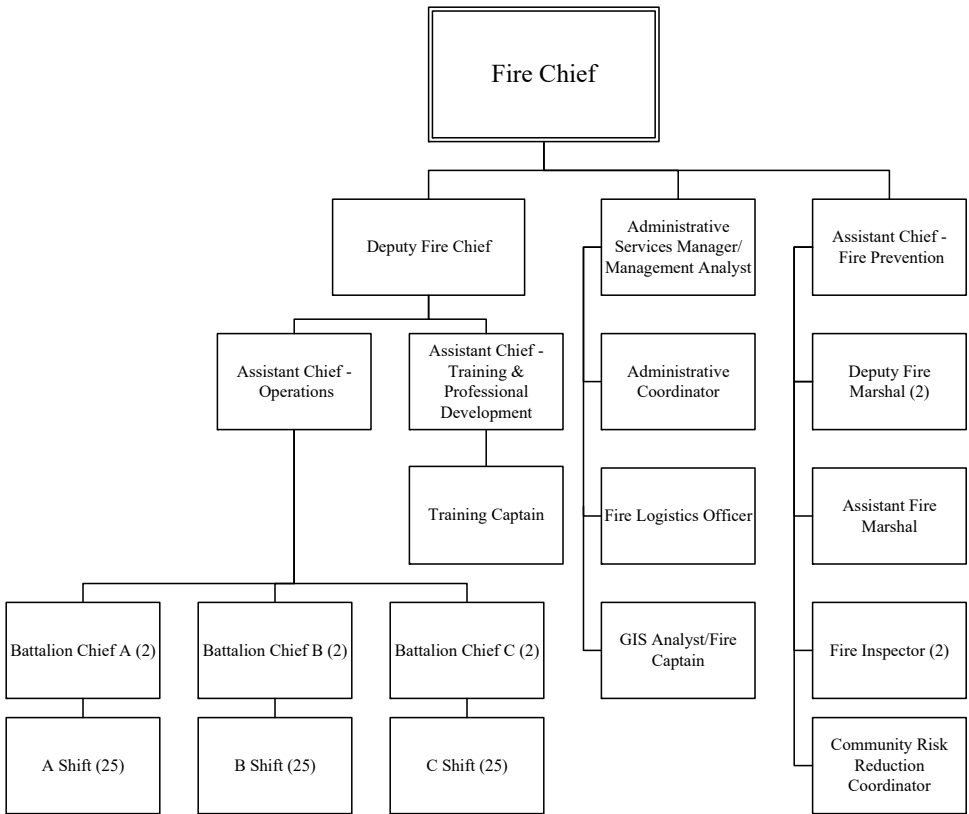
MISSION STATEMENT:

The primary mission of the Chapel Hill Fire Department is to protect life, property, and the community environment from the destructive effects of fire, disasters, or other life hazards by providing public education, incident prevention, and emergency response services.

As a first step towards Priority-Based Budgeting, the Fire Department identified the following primary programs that are included in the projected budget for 2023-24.

Program	Description
Emergency Operations	Provide fire suppression, rescue, extrication/accident response, hazard mitigation, and response to environmental threats in the Town of Chapel Hill and to neighboring jurisdictions under Mutual Aid agreements.
Code Enforcement	Enforce the fire and safety codes of the Town and State through inspection, plan review, and investigating the causes of fires.
Command-Control Administration	Provide command and control of emergency incidents and fire operations. Provide Departmental administration. Coordinate emergency preparedness of Town including related resources.
Fire Prevention & Life Safety Education	Schedule, coordinate, and conduct public education and outreach services providing information on fire prevention, CPR, child safety seats, home safety, and smoke alarms.
Emergency Medical Services	Provide response to medical emergencies within Town limits as part of emergency operations. Manage resources and coordinate administrative efforts to ensure proper coverage and service delivery.

FIRE



FIRE DEPARTMENT
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
Administration			
Fire Chief	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00
Management Analyst	0.00	1.00	1.00
Emergency Management Planner ¹	1.00	1.00	0.00
Emergency Management Coordinator ¹	1.00	1.00	0.00
Division Totals	4.00	5.00	3.00
Emergency Operations			
Deputy Fire Chief	1.00	1.00	1.00
Battalion Fire Chief	3.00	3.00	6.00
Fire Captain	25.00	21.00	18.00
Training Captain	1.00	1.00	1.00
Fire Logistics Officer	0.00	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	19.00	21.00	21.00
Firefighter/Master	33.00	34.00	37.00
Division Totals	84.00	84.00	87.00
Life Safety			
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	2.00	1.00	1.00
Community Risk Reduction Coordinator	1.00	1.00	1.00
Division Totals	8.00	7.00	7.00
Fire Department Totals	96.00	96.00	97.00

¹ These positions moved to the Manager's Office as of FY24.

FIRE

BUDGET SUMMARY

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 6.9% due to personnel increases and increases to vehicle fuel and maintenance. Capital outlay increased due to purchase of new fire equipment. The Emergency Management division will move to the Manager's Office as of FY24.

EXPENDITURES


	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 9,017,915	\$ 9,488,845	\$ 9,461,253	\$ 8,951,369	\$ 9,888,898	4.2%
Operating Costs	1,165,070	1,117,152	1,277,878	1,183,822	1,208,751	8.2%
Capital Outlay	-	10,000	10,000	10,000	250,000	2400.0%
Total	\$ 10,182,985	\$ 10,615,997	\$ 10,749,131	\$ 10,145,191	\$ 11,347,649	6.9%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 8,729,692	\$ 9,076,955	\$ 9,132,467	\$ 8,579,783	\$ 9,890,249	9.0%
State-Shared Revenues	1,037,969	1,106,256	1,106,256	1,025,000	1,025,000	-7.3%
Grants	-	-	77,622	77,622	-	N/A
Charges for Services	276,009	275,386	275,386	275,386	275,000	-0.1%
Licenses/Permits/Fines	139,315	157,400	157,400	187,400	157,400	0.0%
Total	\$ 10,182,985	\$ 10,615,997	\$ 10,749,131	\$ 10,145,191	\$ 11,347,649	6.9%

FIRE

Performance Measures

 <p>Safe Community</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Achieve and maintain a response time (dispatch to on-scene) consistent with national standards of coverage (NFPA 1710) of a 5-minute arrival time for the first due or 9-minute arrival time for the full dispatched assignment in at least 90% of all incidents. ➤ Make building familiarization and pre-incident planning tours of each commercial, industrial, and other similar building at least annually. ➤ Maintain out-of-service time of front line apparatus at 10% or less ➤ Achieve and maintain a response time (dispatch to on-scene) of 5 minute arrival time in first due area at least 90% of the time ➤ Work collaboratively with OCEM to coordinate efforts to release fire units as quickly as possible on medical calls without compromising care to the citizens. Reduce on-scene time to less than 20 minutes 90% of the time ➤ Enforce the fire and safety codes of the Town and State through inspection, plan review, and investigating the causes of fires ➤ Reach at least 15% of the Chapel Hill population annually with presentations, demonstrations, programs, materials, and events with messages to raise awareness and knowledge of how to prevent emergency incidents and/or how to appropriately react when an emergency does occur ➤ Achieve full ISO credit for training standards in the areas of: the company, officer, driver operator, and hazardous material
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Target
Emergency Operations	Percentage of structure fire responses within 5 minutes from dispatch to the arrival of the first unit	84%	83%	57%	90%
	Percentage of structure fire responses within NFPA 1710 standard of 8 minutes from dispatch to the arrival of the full alarm	81%	82%	11%	90%
	Percentage of non-medical emergency responses within 5 minutes from dispatch to the arrival of the first unit.	82%	84%	71%	90%
	Percentage of front-line apparatus with out-of-service time greater than 10%	66%	66%	100%	20%
	Percentage of full alarm structure fire responses to high hazard occupancies within NFPA 1710 standard of 10 minutes and 10 seconds	New Metric in FY23	New Metric in FY23	0%	90%
First Responder Medical Services	CHFD response time to medical calls within 5 minutes from dispatch to arrival	79%	80%	70%	90%

Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Target
Code Enforcement	Percentage of State required inspections completed*	No Data Available	No Data Available	59.62%	100%
Fire Prevention and Safety Education	Combined audiences of public safety presentation, as a percentage of total population**	No Data Available	No Data Available	11%	15%
	Defining and conducting determinations on the risk as it relates to Community Risk Reduction	New Metric in FY23	New Metric in FY23	No Data Available	10%
Training and Development	Personnel completed company training (192 hours required)	100%	100%	44.54%	100%
	Personnel completed full officer training (12 hours required)	90%	94%	100%	100%
	Personnel completed existing driver operator training (12 hours required)	96%	94%	86%	100%
	Personnel completed hazardous material training (6 hours required).	94%	94%	92%	100%
	Personnel completed 2 hours of mutual aid training quarterly	New Metric in FY24			100%
	Personnel completed facilities training (18 hours required)	New Metric in FY24			100%

*Note many inspections were put on hold during COVID-19 protocols

**Note many types of public education events were not executed during COVID-19 protocols

FIRE - Administration Division
BUDGET SUMMARY

The adopted budget for the Administration division reflects an overall expenditure increase of 8.6% from last year's budget. The increase in personnel costs is the result of a 0.75% retirement increase and a salary increase. The operating budget remains relatively flat.

EXPENDITURES

	2021-22	2022-23	2022-23	2022-23	2023-24	% Change
	Actual	Original	Revised	Estimated	Adopted	from
		Budget	Budget		Budget	2022-23
Personnel	\$ 341,092	\$ 383,987	\$ 384,907	\$ 355,910	\$ 426,442	11.1%
Operating Costs	134,564	\$ 116,655	\$ 171,667	118,160	\$ 117,060	0.3%
Total	\$ 475,656	\$ 500,642	\$ 556,574	\$ 474,070	\$ 543,502	8.6%

FIRE - Emergency Operations Division

BUDGET SUMMARY

The adopted budget for the Emergency Operations Division reflects a 10.1% increase overall. Personnel expenditures experienced a 7% increase due to the addition of 3 new FTE Firefighter positions, as well as a 0.75% retirement costs increase and a salary increase. Operating expenditures saw an 11.6% increase, reflecting increases to fuel, vehicle maintenance, uniforms, and supplies. Capital outlay expenditures increased due to the purchase of new fire equipment.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 7,723,135	\$ 8,061,520	\$ 8,033,008	\$ 7,642,054	\$ 8,624,914	7.0%
Operating Costs	932,003	905,317	998,661	966,687	1,010,765	11.6%
Capital Outlay	-	10,000	10,000	10,000	250,000	2400.0%
Total	\$ 8,655,138	\$ 8,976,837	\$ 9,041,669	\$ 8,618,741	\$ 9,885,679	10.1%

FIRE - Life Safety Division
BUDGET SUMMARY

The adopted budget for the Life Safety division reflects an overall expenditure increase of 5.5% from the 2022-23 budget. The 5.3% increase in personnel is due to a 0.75% retirement increase and a salary increase. The operating budget increased by 7.4% due to increases in vehicle fuel and vehicle maintenance.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 739,599	\$ 795,443	\$ 795,443	\$ 704,682	\$ 837,542	5.3%
Operating Costs	71,440	75,340	77,340	76,635	80,926	7.4%
Total	\$ 811,039	\$ 870,783	\$ 872,783	\$ 781,317	\$ 918,468	5.5%

FIRE - Emergency Management
BUDGET SUMMARY

The Emergency Management division was created during FY21. As of FY24, it is being moved to the Manager's Office, which is why the 2023-24 adopted budget shows a 100% decrease in both personnel and operations.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 214,089	\$ 247,895	\$ 247,895	\$ 248,723	\$ -	-100.0%
Operating Costs	27,063	19,840	30,210	22,340	-	-100.0%
Total	\$ 241,152	\$ 267,735	\$ 278,105	\$ 271,063	\$ -	-100.0%

**LEISURE
BUDGET SUMMARY**

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

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Parks and Recreation	\$ 6,509,743	\$ 7,763,651	\$ 8,021,304	\$ 7,655,503	\$ 8,543,493	10.0%
Library	3,799,557	4,143,137	4,218,473	4,214,854	4,568,761	10.3%
Total	\$ 10,309,300	\$ 11,906,788	\$ 12,239,777	\$ 11,870,357	\$ 13,112,254	10.1%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 8,378,390	\$ 10,157,476	\$ 10,488,465	\$ 9,942,104	\$ 11,207,279	10.3%
Grants	682,580	681,997	681,997	684,748	769,748	12.9%
Charges for Services	1,138,214	975,415	975,415	1,141,575	1,058,592	8.5%
Other Revenues	65,116	46,900	48,900	56,930	31,635	-32.5%
Transfers/Other Sources	45,000	45,000	45,000	45,000	45,000	0.0%
Total	\$ 10,309,300	\$ 11,906,788	\$ 12,239,777	\$ 11,870,357	\$ 13,112,254	10.1%

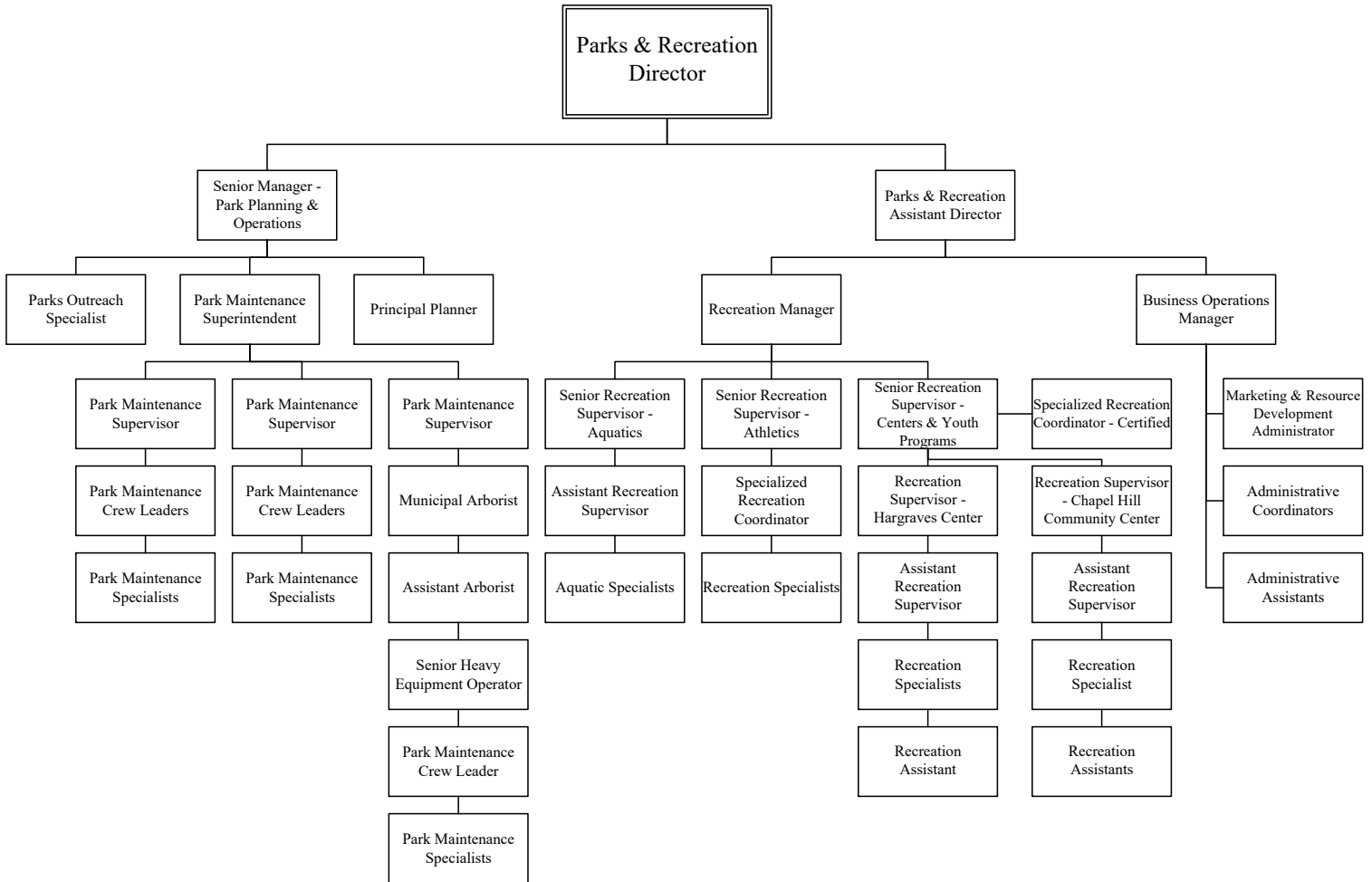
PARKS AND RECREATION DEPARTMENT

MISSION STATEMENT: *To enliven our community by providing exceptional service, creating opportunities for inclusive recreational and cultural experiences, and nurturing beautiful, sustainable spaces.*

The Parks and Recreation Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Park and Landscape Maintenance	Operate and maintain Town owned and controlled outdoor properties, including parks, playgrounds, athletic fields, green/open space, cemeteries, and trails and greenways. Perform or coordinate landscape maintenance at rights of way along public roadways and thoroughfares throughout Chapel Hill, including vegetative maintenance at most Town facilities and tree/arboriculture responsibilities.
Planning and Development	Lead the planning and development of new facilities and renovations - parks, greenways/trails, and recreation venues. Coordinate comprehensive and strategic planning efforts related to Parks and Recreation. Manage construction and renovation projects.
Cemetery Operations	Administer operation of Memorial Cemetery, including sale of columbarium niches, resale of burial plots, and scheduling of services. Provide landscaping, routine maintenance, and record keeping of the 4 Town owned cemeteries.
Recreation Programming and Facility Management	Provide recreational programming throughout the Town, including youth and teen programs, aquatics and swimming classes, instructional sports, athletic leagues, fitness and arts programs, open gym and field play opportunities, as well as specialized programs including Special Olympics of Orange County and adapted recreation. Operate recreational, aquatic, and athletic facilities and coordinate the use of athletic fields, gyms, meeting rooms, and other facilities.
Business Operations	Facilitate administrative and business operations, including marketing and promotion, facility booking and program registration software and process coordination, resource development, reporting and evaluation, and payroll. Coordinate picnic shelter bookings and customer service management processes department-wide.

PARKS AND RECREATION DEPARTMENT



PARKS & RECREATION DEPARTMENT
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
Administration			
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	0.00	0.00	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	9.00	9.00	10.00
Landscape Services and Park Maintenance			
Park Maintenance Superintendent	1.00	1.00	1.00
Park Maintenance Supervisor	3.00	2.00	3.00
Parks Outreach Specialist	0.00	1.00	1.00
Municipal Arborist	1.00	0.00	1.00
Principial Planner	0.00	1.00	1.00
Project Manager	0.00	1.00	0.00
Assistant Arborist	1.00	1.00	1.00
Senior Heavy Equipment Operator	0.00	0.00	1.00
Park Maintenance Specialist/Crew Leader	17.00	17.00	16.00
Administrative Coordinator	1.00	1.00	1.00
Landscape Architect	1.00	0.00	0.00
Division Totals	25.00	25.00	26.00
Athletics			
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
Community Center			
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

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
Aquatics Center			
Senior Recreation Supervisor	1.00	1.00	1.00
Assistant Recreation Supervisor	1.00	1.00	1.00
Aquatics Specialist	4.00	4.00	3.00
Division Totals	<u>6.00</u>	<u>6.00</u>	<u>5.00</u>
Hargraves Center			
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	<u>4.80</u>	<u>4.80</u>	<u>4.80</u>
Parks & Recreation Department Totals	<u>53.80</u>	<u>53.80</u>	<u>54.80</u>

* One additional Groundskeeper is funded by the Downtown Service District.

PARKS AND RECREATION

BUDGET SUMMARY

The adopted budget for Parks & Recreation reflects a 10% overall increase. The personnel budget includes a new position, a 0.75% retirement increase, and a salary increase. The 19.6% increase in operations is due to increases in contract costs, specifically custodial services and right-of-way mowing contracts, as well as vehicle costs and an increased cost of electricity.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 4,863,390	\$ 5,961,769	\$ 5,918,669	\$ 5,637,291	\$ 6,387,660	7.1%
Operating Costs	1,617,938	1,801,882	2,039,935	1,955,512	2,155,833	19.6%
Capital Outlay	28,415	-	62,700	62,700	-	N/A
Total	\$ 6,509,743	\$ 7,763,651	\$ 8,021,304	\$ 7,655,503	\$ 8,543,493	10.0%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Revenues	\$ 5,285,371	\$ 6,748,476	\$ 7,006,129	\$ 6,448,813	\$ 7,455,006	10.5%
Grants	84,760	83,760	83,760	83,760	83,760	0.0%
Charges for Services	1,087,110	906,415	906,415	1,079,000	991,592	9.4%
Other Revenues	52,502	25,000	25,000	43,930	13,135	-47.5%
Total	\$ 6,509,743	\$ 7,763,651	\$ 8,021,304	\$ 7,655,503	\$ 8,543,493	10.0%

PARKS & RECREATION

Performance Measures

 <p>Environmental Stewardship</p>  <p>Connected Community</p>  <p>Healthy & Inclusive Community</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Use contracted services to maintain community space ➤ Use employees to maintain community space ➤ Maintain community space in an attractive and timely manner ➤ Provide community use of Town recreation facilities ➤ Offer exceptional recreational and cultural programs to the community ➤ Planning and Facility Development
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
Park Maintenance and Landscape Services	Number of acres contracted for Right of ways	70	70	70	70
	Number of acres contracted for Transit and Park and Ride Lots	16	16	16	16
	Number of acres contracted for the Library	4	4	4	4
	Number of Acres maintained per employee	22	22	22	22
	Mowing Frequency of Hybrid Bermuda fields	3	3	3	3
	Mowing Frequency of Fescue ball fields	7	7	7	7
	Mowing Frequency of Parks, Facilities and Greenways	7	7	7	7
	Mowing Frequency of Tractor Right of Way	42	42	42	42
	Mowing Frequency of Contracted Right of Way mowing	14	14	14	14
Recreation Programming	Field rentals - number of rentals	4,581	3,170	3,338	3,100
	Field rentals - revenue	\$363,716	\$245,563	\$466,229	\$400,000
	Field rentals - attendance	305,830	185,405	253,005	250,000
	Shelter rentals - number of rentals	287	681	713	700
	Shelter rentals - revenue	\$13,261	\$31,388	\$29,641	\$29,000
	Shelter rentals - attendance	8750	21,157	22,435	22,000
	Pool rentals - number of rentals	0	0	1,390	1,200
	Pool rentals - revenue	0	0	\$15,142	\$13,000
	Pool rentals - attendance	0	0	4,867	4,500
	Other Indoor Rentals - number of rentals for meeting rooms, gyms and auditorium	0	0	337	340
	Other Indoor Rentals - revenue	0	0	\$14,489	\$14,500

Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
Recreation Programming	Other Indoor Rentals - attendance	0	0	13,242	13,000
	Number of programs offered	511	623	1,476	550
	Percentage of programs completed	70%	75%	90%	90%
	Number of registered participants in all programs	6,785	5,316	7,338	7,000
	Number of waitlisted participants in all programs	688	1,270	2,177	1,500
	Number of drop-in participants in all programs	41,127	29,100	72,777	69,000
Administration	Department and Co-hosted events - number of events held (New)	7	10	10	10
Planning and Facility Development	Complete the Cedar Falls Tennis Court Project (Design only)	60%	90%	100%	N/A
	Complete the Community Center Inclusive Playground Project (Design Only)	N/A	N/A	N/A	60%
	Complete Comprehensive System Wide Master Plan	N/A	N/A	N/A	30%
	Complete Hargraves Park Tennis Courts Resurfacing Project (Construction)	N/A	N/A	N/A	100%
	Complete the Morgan Creek Trail - Western Extension to Carrboro (Design only)	30%	30%	60%	100%
	Complete the Morgan Creek Bridge - Eastern Extension to Oteys Rd (Design only)	20%	30%	60%	100%

PARKS & RECREATION - Administration Division
BUDGET SUMMARY

The adopted budget for the Administration division reflects an overall expenditure increase of 20.6% from the 2022-23 budget. The 24.6% increase in personnel costs is attributed to a position being moved from the Aquatics division to Administration, as well as a 0.75% retirement increase and a salary increase. The operating budget has an increase of 5.2% due to increases in conference costs, electricity, contracted custodial services, and vehicle maintenance.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 823,424	\$ 1,000,750	\$ 1,070,203	\$ 1,068,269	\$ 1,246,919	24.6%
Operating Costs	227,115	263,168	414,569	387,905	276,964	5.2%
Total	\$ 1,050,539	\$ 1,263,918	\$ 1,484,772	\$ 1,456,174	\$ 1,523,883	20.6%

PARKS & RECREATION - Special Events
BUDGET SUMMARY

The Parks and Recreation Special Events division was moved to the Library department in Fiscal Year 2018-19. The remaining budget in FY22 represents 140 West programming funds.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Operating Costs	5,100	-	-	-	-	N/A
Total	\$ 5,100	\$ -	\$ -	\$ -	\$ -	N/A

PARKS & RECREATION - Parks Maintenance
BUDGET SUMMARY

The adopted budget for the Parks Maintenance division reflects an overall expenditure increase of 14.3% from last year's budget. The 6.4% increase in personnel costs is due to the addition of a Municipal Arborist position, a 0.75% retirement increase, and a salary increase. Operating costs increased 40.8% due to the replacement of a crew truck, increased fuel costs, and an increase to the contract for right-of-way mowing and landscaping.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 1,853,129	\$ 2,095,986	\$ 2,078,986	\$ 1,907,672	\$ 2,230,021	6.4%
Operating Costs	588,075	629,522	687,712	656,964	886,408	40.8%
Capital Outlay	23,294	-	-	-	-	N/A
Total	\$ 2,464,498	\$ 2,725,508	\$ 2,766,698	\$ 2,564,636	\$ 3,116,429	14.3%

PARKS & RECREATION - Athletics
BUDGET SUMMARY

The adopted budget for the Athletics division reflects an overall expenditure increase of 3.2% from the 2022-23 budget. The 4.2% increase in personnel costs reflects a 0.75% retirement increase and a salary increase. The 1.7% increase in operating costs is attributed to an increase in water and sewer costs.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 428,472	\$ 561,091	\$ 561,091	\$ 539,691	\$ 584,484	4.2%
Operating Costs	326,646	385,407	363,027	367,259	392,012	1.7%
Capital Outlay	-	-	62,700	62,700	-	N/A
Total	\$ 755,118	\$ 946,498	\$ 986,818	\$ 969,650	\$ 976,496	3.2%

PARKS & RECREATION - Community Center
BUDGET SUMMARY

The adopted budget for the Community Center division reflects an overall expenditure decrease of 1.6% from the 2022-23 budget. The 5.7% decrease in personnel costs reflects staff turnover and a 2% decrease in health insurance costs. Operating costs increased by 20.5% due to increases in the cost of custodial services, electricity, and increased day camp and ceramics supplies, some of which will be offset by revenues generated by these programs.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 501,866	\$ 661,127	\$ 661,127	\$ 522,406	\$ 623,386	-5.7%
Operating Costs	120,401	124,189	139,778	135,098	149,652	20.5%
Capital Outlay	5,121	-	-	-	-	N/A
Total	\$ 627,388	\$ 785,316	\$ 800,905	\$ 657,504	\$ 773,038	-1.6%

PARKS & RECREATION - Aquatics
BUDGET SUMMARY

The adopted budget for the Aquatics division reflects an overall expenditure increase of 5.8% from last year's budget. The 4.7% increase in personnel costs is due to a 0.75% retirement increase and a salary increase. The 9.4% increase in operating costs is attributed in large part to an increase in contracted custodial services.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 728,749	\$ 948,003	\$ 852,450	\$ 946,912	\$ 992,970	4.7%
Operating Costs	233,203	267,406	303,078	281,673	292,444	9.4%
Total	\$ 961,952	\$ 1,215,409	\$ 1,155,528	\$ 1,228,585	\$ 1,285,414	5.8%

PARKS & RECREATION - Hargraves
BUDGET SUMMARY

The adopted budget for the Hargraves division reflects an overall expenditure increase of 5.0% from the 2022-23 budget. The 2.2% increase in personnel costs reflects a 0.75% retirement increase and a salary increase. Operating costs increased by 19.8% due to increased contract custodial services and an increase to day camp supplies, which will be offset by revenues generated by the camp programs.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 527,750	\$ 694,812	\$ 694,812	\$ 652,341	\$ 709,880	2.2%
Operating Costs	117,398	132,190	131,771	126,613	158,353	19.8%
Total	\$ 645,148	\$ 827,002	\$ 826,583	\$ 778,954	\$ 868,233	5.0%

CHAPEL HILL PUBLIC LIBRARY

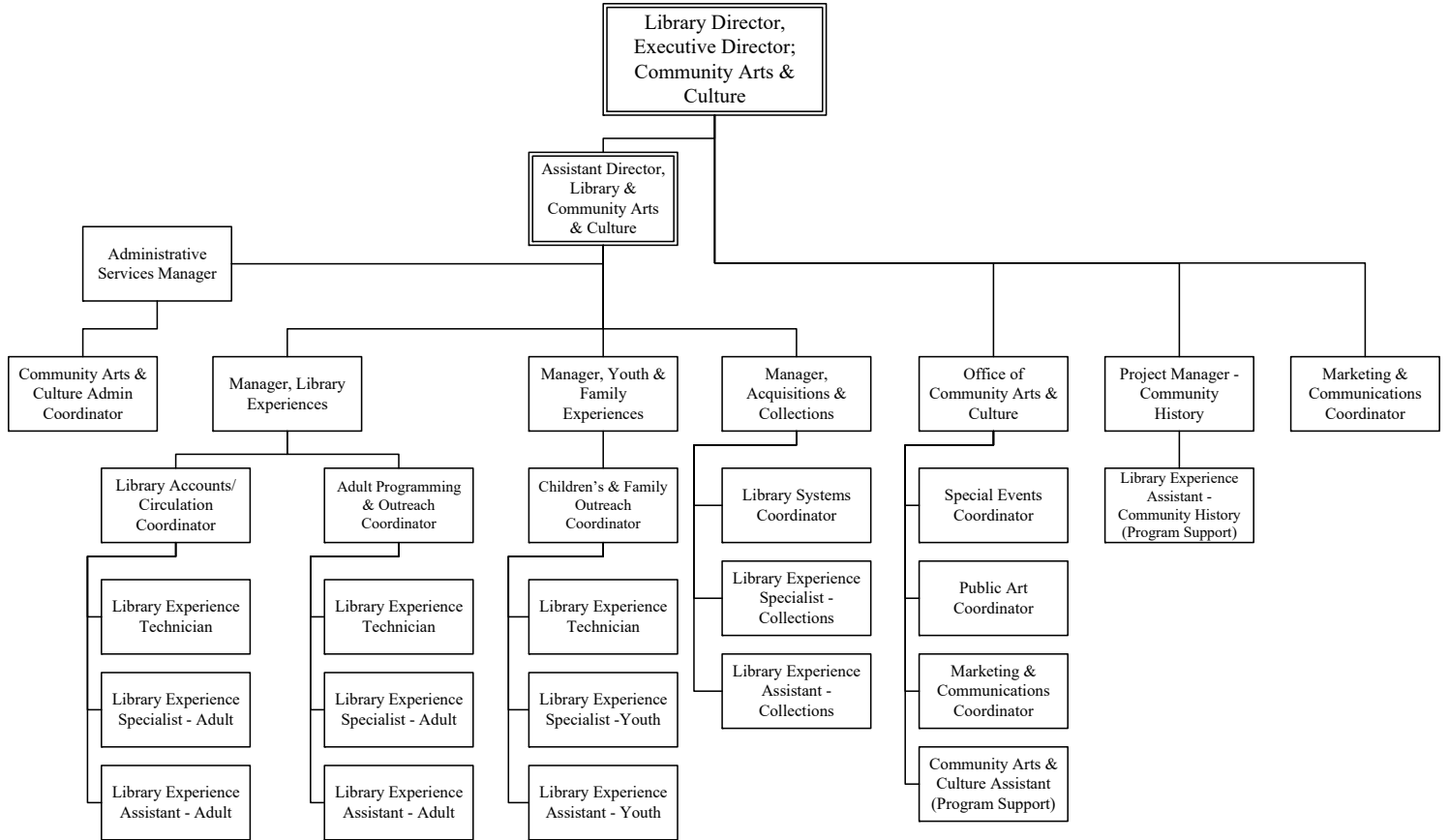
MISSION STATEMENT:

Sparking Curiosity. Inspiring Learning. Creating Connections.

The Chapel Hill Public Library Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Friendly and Helpful Customer Service	Engaged, empowered, and well-trained staff who embody our values of opportunity, hospitality, and stewardship.
Relevant and Responsive Collections	Curated collections of print and digital materials for all ages that reflect diverse community interests and demographics.
Community Engagement and Outreach	Collaborative relationships and joint initiatives with a wide variety of organizations that help our community thrive.
Diverse and Inclusive Public Programs	Events and experiences for all ages that spark curiosity, inspire learning, and create connections.
Access to Current Technology and Digital Resources	Devices, services, and infrastructure that support 21 st century learning, working, and connecting.
Sustainable and Accessible Public Spaces	Building and grounds that show our commitment to user experience, environmental sustainability, and accessibility.

LIBRARY



LIBRARY DEPARTMENT
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
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	0.00	1.00	1.00
Library Experience Specialist	6.00	7.00	4.00
Library Experience Assistant	12.16	11.66	11.66
Library Experience Technician	0.00	0.00	3.00
Library Systems Coordinator	1.00	1.00	1.00
Learning and Development Coordinator	1.00	0.00	0.00
Environmental Education	0.50	0.00	0.00
Marketing & Communications Coordinator	1.00	1.00	1.00
Division Total	30.66	30.66	30.66
Public Arts			
Public Arts Coordinator	1.00	1.00	1.00
Marketing & Communications Coordinator	1.00	1.00	1.00
Division Total	2.00	2.00	2.00
Community Cultural Arts			
Special Events Coordinator	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Division Total	2.00	2.00	2.00
Library Department Totals	34.66	34.66	34.66

LIBRARY
BUDGET SUMMARY

The adopted budget for the Library reflects an overall expenditure increase of 10.3% from the 2022-23 budget. The 8.1% increase in personnel is the result of a 0.75% retirement increase and a salary increase. Operating costs increased 18.2% in large part due to increased collections and a new vehicle for the Community Arts & Culture division.

Library revenues reflect support from Orange County in the amount of \$568,139. Transfer from the Library Gift Fund remains at the historic level of \$45,000 in 2023-24.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 2,952,797	\$ 3,255,183	\$ 3,253,583	\$ 3,265,444	\$ 3,518,887	8.1%
Operating Costs	846,760	887,954	964,890	949,410	1,049,874	18.2%
Total	\$ 3,799,557	\$ 4,143,137	\$ 4,218,473	\$ 4,214,854	\$ 4,568,761	10.3%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
General Fund	\$ 3,093,019	\$ 3,409,000	\$ 3,482,336	\$ 3,493,291	\$ 3,752,273	10.1%
Grants	597,820	598,237	598,237	600,988	685,988	14.7%
Charges for Services	51,104	69,000	69,000	62,575	67,000	-2.9%
Other Revenues	12,614	21,900	23,900	13,000	18,500	-15.5%
Transfers/Other Sources	45,000	45,000	45,000	45,000	45,000	0.0%
Total	\$ 3,799,557	\$ 4,143,137	\$ 4,218,473	\$ 4,214,854	\$ 4,568,761	10.3%

LIBRARY

Performance Measures

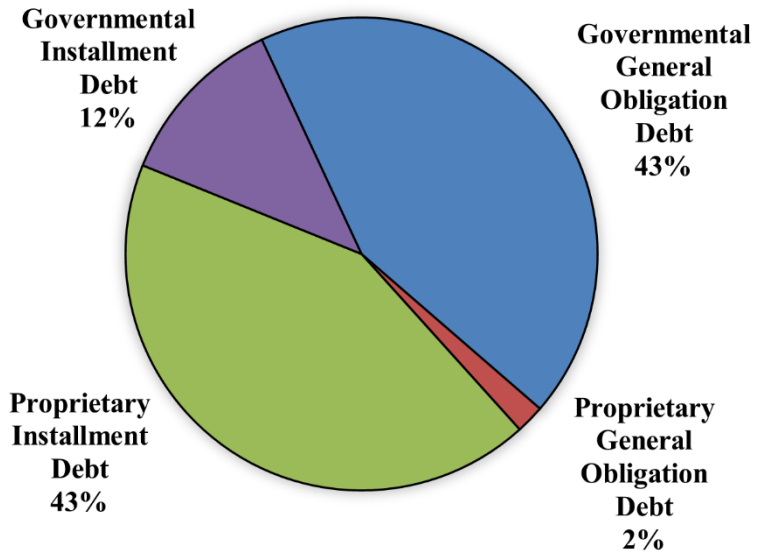
	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Increase engagement with community history ➤ Increase efforts to reduce the effects of climate change ➤ Increase equity, diversity & inclusion of library collections, programs, and services ➤ Improve usability & sustainability of library spaces and services
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
Friendly and Helpful Customer Service	Conduct 2 Department-wide staff training & development days per year	1	1	3	2
	Provide quarterly customer service training opportunities for all staff members	met	met	met	meet
Diverse and Inclusive Public Programs	Total program attendance per 1,000 capita - greater than or equal to state average (state average FY22=195)	130	110	234	200
	Number of Summer Reading Program registered participants over previous year	556	950	952	500
Sustainable and Accessible Public Spaces	Number of events held in library meeting rooms for functions not sponsored, organized, or initiated by the library.	0	0	311	350
	Library visits per capita greater than state average (state average FY22=1.84)	.27	3.81	5.34	5.5
	Pounds of compostable waste diverted from landfill per year	2,935	4,450	6,826	7,000
Relevant and Responsive Collections	Percentage of operating budget spent on collections equal to state average (state average FY22=10%)	6%	6%	6%	7%
	Circulation per registered borrower greater than state average (state average FY22=10.05)	14.58	23.54	26.59	28
	Collection expenditure per use less than state average (state average FY22=\$0.69)	\$0.22	\$0.15	\$0.18	\$0.25
Useful Technology and Digital Resources	Technology lending circulation	77	304	1,925	2,000
	Uses of public internet computers at library annually (public computing, studio, resource stations, and Youth and Family Experience area computers)	1,185	12,902	23,107	25,000
Community Engagement and Outreach	Number of off-site outreach services and events	47	56	96	100
	Volunteer service hours contributed to library	202	1,123	2,737	2,800

DEBT SERVICE FUND

The Debt Service Fund accounts for the principal and interest payments for the Town's general obligation bonds and limited obligation bonds issued for projects such as the construction of the Town Operations Center and the East Rosemary Parking Deck.

TOTAL DEBT



DEBT & BOND RATINGS

Outstanding Debt

As of June 30, 2023, the Town had about \$118.1 million in debt outstanding. As shown in the following table, this consists of General Obligation (G.O.) debt and installment financings as well as employee related obligations such as separation allowance and compensated absences.

In March 2023, the Town issued \$12.9 million of G.O. bonds. The G.O. bonds were issued for the following uses: Streets & Sidewalks \$7.7 million and Affordable Housing \$5.245 million.

In March 2023, the Town issued \$1.98 million of Two-thirds bonds for the purchase of public safety radio equipment.

Also in March 2023, the Town closed on an installment financing for \$8.155 million for the purchase of up to 8 transit buses. The buses were financed for a 10-year term at an interest rate of 3.29%. The Chapel Hill Transit funding partners (Carrboro, UNC, and Chapel Hill) are sharing the cost of repaying the debt.

		Long-Term Debt June 30, 2023
Governmental Debt		
General obligation debt	\$	45,491,000
Limited Obligation Bonds		8,900,000
Installment debt		4,268,000
Separation allowance		6,398,000
Compensated absences		<u>3,314,000</u>
Total	\$	<u>68,371,000</u>
Proprietary Fund Debt		
Enterprise Funds		
General obligation debt	\$	2,025,000
Limited Obligation Bonds		36,000,000
Installment debt		10,889,000
Compensated absences		<u>858,000</u>
Total	\$	<u>49,772,000</u>

In August 2021, the Town issued \$58.2 million in Limited Obligation Bonds (LOBS) as follows: \$39.4 million for the East Rosemary Parking Deck, an 1,100-space deck, \$6.5 million for Phase II of the Ephesus Fordham public improvements, \$1.5 million for the refunding of the 2015 installment purchase agreement, and \$10.8 million for the refunding of the 2012 LOBS.

In May 2021, the Town closed on \$3.205 million of Two-thirds bonds and \$4.755 million of G.O. bonds. The two-thirds bonds were used for parks and recreation, public safety, and streets and sidewalks projects. The G.O. bonds were used for affordable housing projects including 2200 Homestead Road, Weavers Grove Development, and the Johnson Street Apartments.

In November 2019, the Town sold \$9.505 million of G.O. refunding bonds to pay off the remaining 2010 Build America Bonds that were issued for the library expansion. The refunding bonds sold at a very competitive interest rate of 1.42%, resulting in net present value savings of \$784,954.

DEBT & BOND RATINGS

In April 2018, the Town closed on \$12.5 million of G.O. bonds. The G.O. bonds were issued for the following uses: Stormwater \$2,700,000, Parks & Recreation \$4,300,000, and Streets & Sidewalks \$5,500,000.

In February 2017, the Town closed on \$1.46 million of Two-thirds Public Safety bonds and \$9,000,000 of G.O. bonds. The two-thirds bonds were used to purchase fire apparatus. The G.O. bonds funded trails and greenways, parks and recreation facility improvements, and street and sidewalk projects. The G.O. bonds were the first issuance from the successful 2015 Bond Referendum.

Also in February 2017, the Town closed on an installment financing for \$6.408 million for the purchase of 14 transit buses. The buses were financed for a 10-year term at an interest rate of 2.09%. The Chapel Hill Transit funding partners (Carrboro, UNC, and Chapel Hill) are sharing the cost of repaying the debt.

In March 2016, the Town completed a combined installment financing for streets and buildings for \$7,984,000. The financing had a 15-year term and net interest cost of 2.32%.

In February 2013, the Town sold \$3.05 million of G.O. refunding bonds. The refunding bonds sold at a very competitive interest rate of 2.02%, resulting in net present value savings of \$158,563.

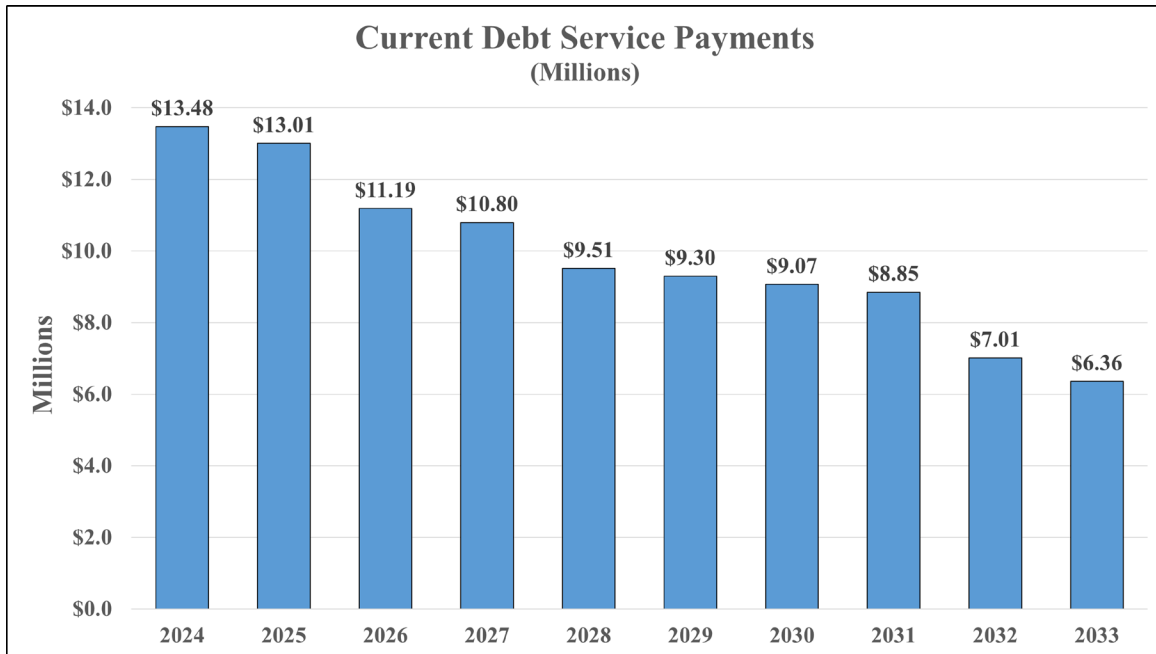
In May 2012, the Town sold \$1.7 million of two-thirds G.O. bonds and \$4.655 million in G.O. refunding bonds. The refunding bonds closed in FY12 with a rate of 2.26%, generating \$432,217 in net present value savings. The two-thirds bonds closed in FY13, with a rate of 1.42%.

Current Debt Obligations

The Town has a rapid pay-down of existing debt typically in the 70% - 80% of existing debt scheduled to be retired within 10 years. The Town's 10-year payout is currently 72.9%.

The Town's long-term debt payments for existing G.O. bonds and installment finance debt, for all funds, are shown below for the next ten years:

DEBT & BOND RATINGS



(Includes enterprise and vehicle financings that are not paid from the Debt Fund)

Future Additional Debt

In November 2018, the Town held a general obligation bond referendum. There was one bond order that appeared on the ballot, and it was approved by the voters. The amount of the authority approved by the voters, the amounts issued through June 30, 2023, and the balance of the authority remaining is shown in the following table. The full amount of the referendum authority has been issued.

BOND ORDER	AUTHORITY	ISSUED	BALANCE
Affordable Housing	\$ 10,000,000	\$ 10,000,000	\$ 0
Total	\$ 10,000,000	\$ 10,000,000	\$ 0

In November 2015, the Town held a general obligation bond referendum. All five of the bond orders that appeared on the ballot were approved by the voters. The amount of authority approved by the voters, by bond order, the amounts issued through June 30, 2023, and the balance of authority remaining are shown in the following table.

BOND ORDER	AUTHORITY	ISSUED	BALANCE
Streets & Sidewalks	\$ 16,200,000	\$ 16,200,000	\$ 0
Trails & Greenways	5,000,000	5,000,000	0
Recreation Facilities	8,000,000	5,300,000	2,700,000
Solid Waste Facility	5,200,000	0	5,200,000
Stormwater Improvements	5,900,000	2,700,000	3,200,000
Total	\$ 40,300,000	\$ 29,200,000	\$ 11,100,000

DEBT & BOND RATINGS

The projects planned for each of the bond orders were identified through the Town’s capital planning process, which includes consideration of multiple master plans, special studies, and public facility assessments. Through this process, a number of large-scale projects were identified that could be financed through G.O. Bonds.

In addition to the referendum, the Town is also planning to finance the following projects using installment debt. Depending on the timing of these projects, they may be combined into a single financing to reduce the cost of issuance.

- The Town is currently in the planning process for the replacement of public safety facilities, including police headquarters and several fire stations. In addition, the Town is looking to address other space needs by combining public safety with other uses in one “multi-agency” facility. Preliminary estimates suggest that the total cost of a multi-agency facility, including remediation costs at the current Police Headquarters site, will be about \$34 million, depending on the final design of the project. It is expected that the project will be financed sometime in late 2024 or early 2025.

Debt Limits

By State law, local governments may issue debt totaling 8% of the total assessed value of its property tax base. The 8% limit applies to G.O. bonds and certificates of participation.

Outstanding debt in most governmental units falls well below the 8% of the total assessed value limit, and typically ranges from about 1% to 4% for most governments, depending on the utility enterprises operated by the unit.

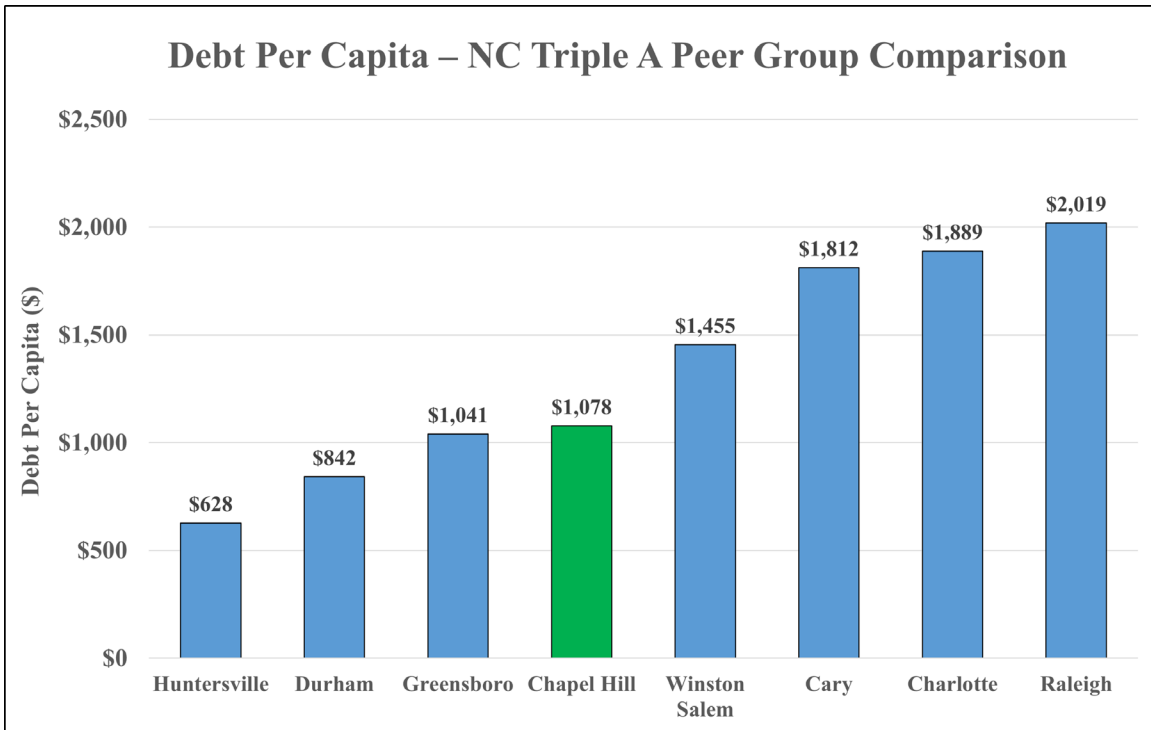
As of June 30, 2023, the Town had \$45,491,000 in outstanding G.O. Bonds that apply to this limit. The total is less than 1% of the Town’s June 30, 2023 tax base (\$9.73 billion).

Debt Benchmarks

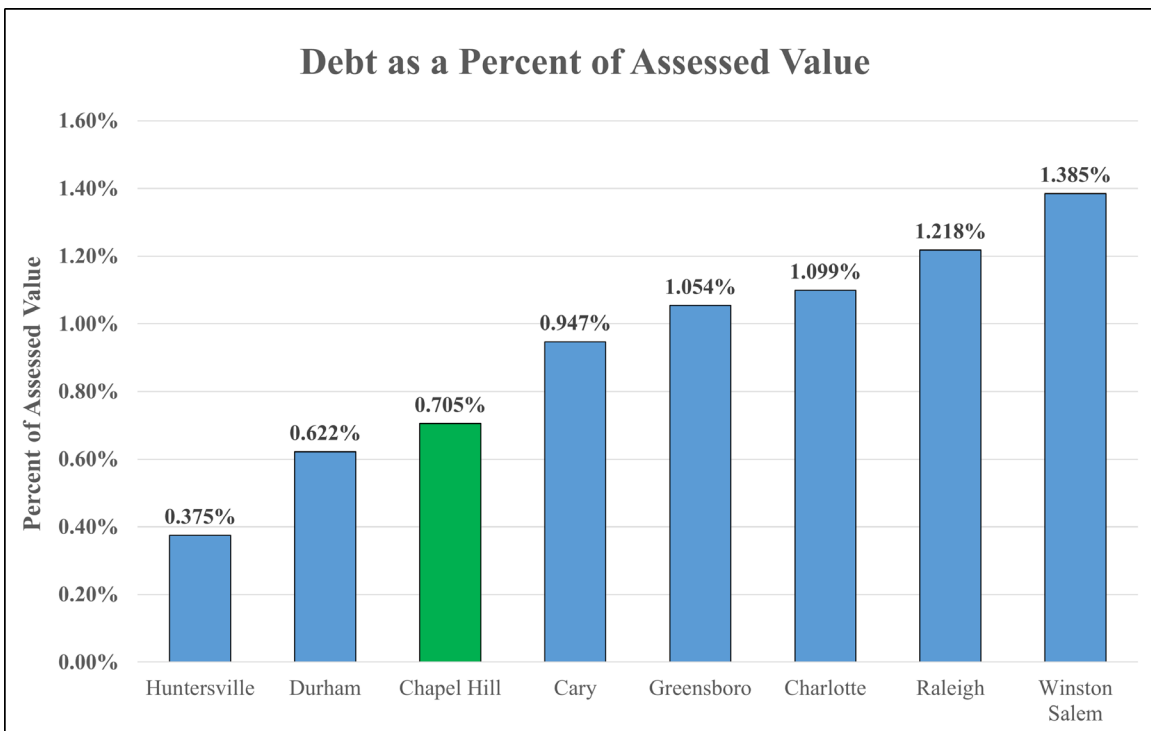
The Town’s annual General Fund G.O. bond and installment financing debt service cost for FY 24 is about \$11.59 million, or about 13.65% of the adopted General Fund budget. As a percentage of adopted governmental funds budgets (Debt Management Fund and General Fund), debt service costs are about 11.88%. Annual debt service is considered to be low to moderate if it is less than 10% of the annual governmental appropriations. Our projections show that we will have debt service levels between 9.3% and 13.2% of governmental budgets for the next several years as borrowing increases to meet capital needs. We will continue to monitor this indicator, because it is one of numerous factors used to determine the Town’s credit rating.

Two commonly used debt burden measures are debt per capita and debt as a percentage of assessed value. The Town’s values for these two benchmarks compared to other triple A rated credits in North Carolina are shown in the following graphs. For both benchmarks, the Town is slightly below the average for the triple A peer group. This suggests that the Town’s debt levels are on par with other highly rated jurisdictions.

DEBT & BOND RATINGS



(Ratios of total outstanding G.O.B. debt, authorized & unissued G.O.B. debt, and IP debt, excluding enterprise, for N.C. populations with a triple A rating. Source: Analysis of Debt of N.C. Municipalities 6/30/2022, Department of State Treasurer, Division of State and Local Government Finance.)



(Ratios of total outstanding G.O.B. debt, authorized & unissued G.O.B. debt, and IP debt, excluding enterprise, for N.C. populations with a triple A rating. Source: Analysis of Debt of N.C. Municipalities 6/30/2022, Department of State Treasurer, Division of State and Local Government Finance.)

DEBT & BOND RATINGS

Bond Ratings

The Town's bond ratings evidence its financial strength. When the Town issues G.O. bonds or other securities, rating agencies reevaluate

Moody's	AAA
Standard & Poor's	AAA

the Town's current and future ability to repay debt. As a part of the evaluations, the agencies examine the Town's management, reserves, current debt obligations, community growth, and stability of key revenue sources. Because of a solid employment base in and around the Town of Chapel Hill and the Town's careful management of resources, the Town has maintained especially high bond ratings for a municipality of its size. Both Moody's Investor Services and Standard and Poor's affirmed the Town's triple A General Obligation Bond Rating for the March 2023 issuance of G.O. Bonds. Triple A is the highest rating attainable for G.O. Bonds.

DEBT SERVICE FUND

BUDGET SUMMARY

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. The FY 2023-24 budget maintains the dedicated Debt Service Fund tax rate at 8.8 cents.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Principal Payments	\$ 5,847,000	\$ 5,201,000	\$ 7,732,000	\$ 7,732,000	\$ 8,323,000	60.0%
Interest Expense	2,786,108	1,659,901	2,904,133	2,904,133	3,266,913	96.8%
Bond Issuance Costs	-	-	-	-	-	N/A
Advanced Refunding	12,241,044	-	-	-	-	N/A
Transfer to Parking Fund	-	2,710,026	-	-	1,162,399	-57.1%
Contribution to Reserve	3,646,004	-	-	-	-	N/A
Total	\$ 24,520,156	\$ 9,570,927	\$ 10,636,133	\$ 10,636,133	\$ 12,752,312	33.2%

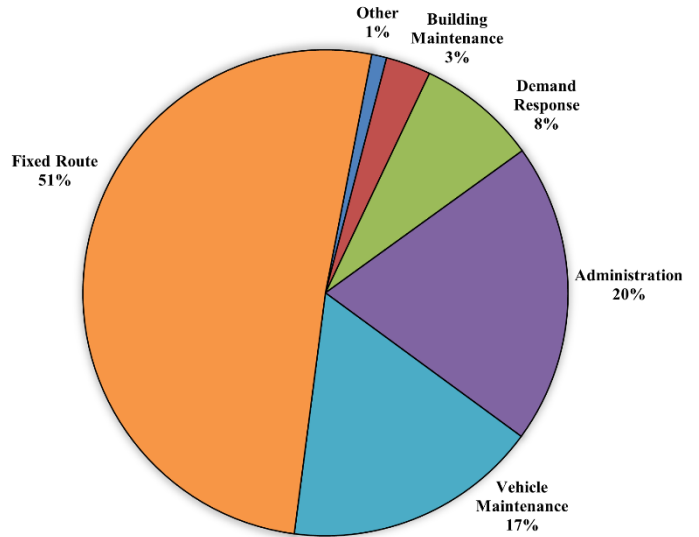
REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Property Taxes	\$ 8,330,087	\$ 8,443,000	\$ 8,443,000	\$ 8,410,000	\$ 8,559,000	1.4%
Transfer from Off-Street Parking	-	-	437,797	437,797	-	N/A
Transfer from General Fund	445,100	445,100	445,100	445,100	445,100	0.0%
Debt Proceeds	12,322,881	-	-	-	-	N/A
Transfer from LOBS Fund	3,399,950	-	-	-	-	N/A
Interest Income	22,138	10,000	10,000	411,500	385,000	3750.0%
Appropriated Fund Balance	-	672,827	1,300,236	931,736	3,363,212	399.9%
Total	\$ 24,520,156	\$ 9,570,927	\$ 10,636,133	\$ 10,636,133	\$ 12,752,312	33.2%

TRANSIT FUND

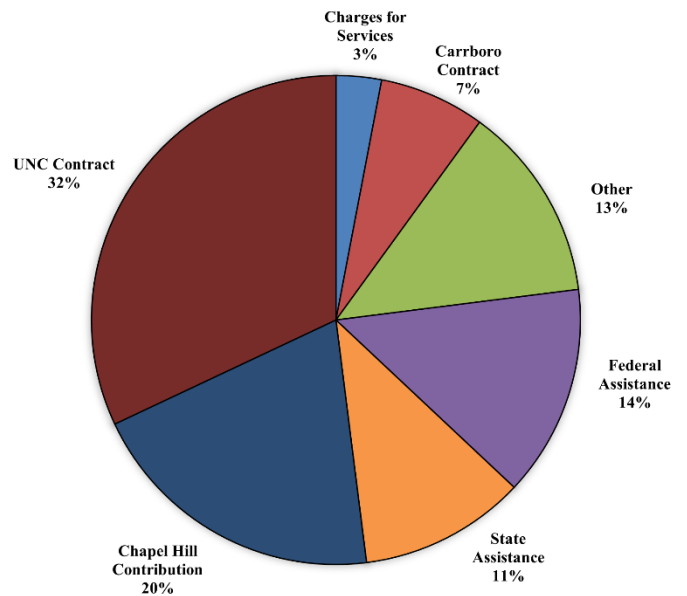
The Transit Fund is used to account for the operations of the Town's public transit system.

TRANSIT EXPENDITURES



Total \$32,149,890

TRANSIT REVENUES



TRANSIT

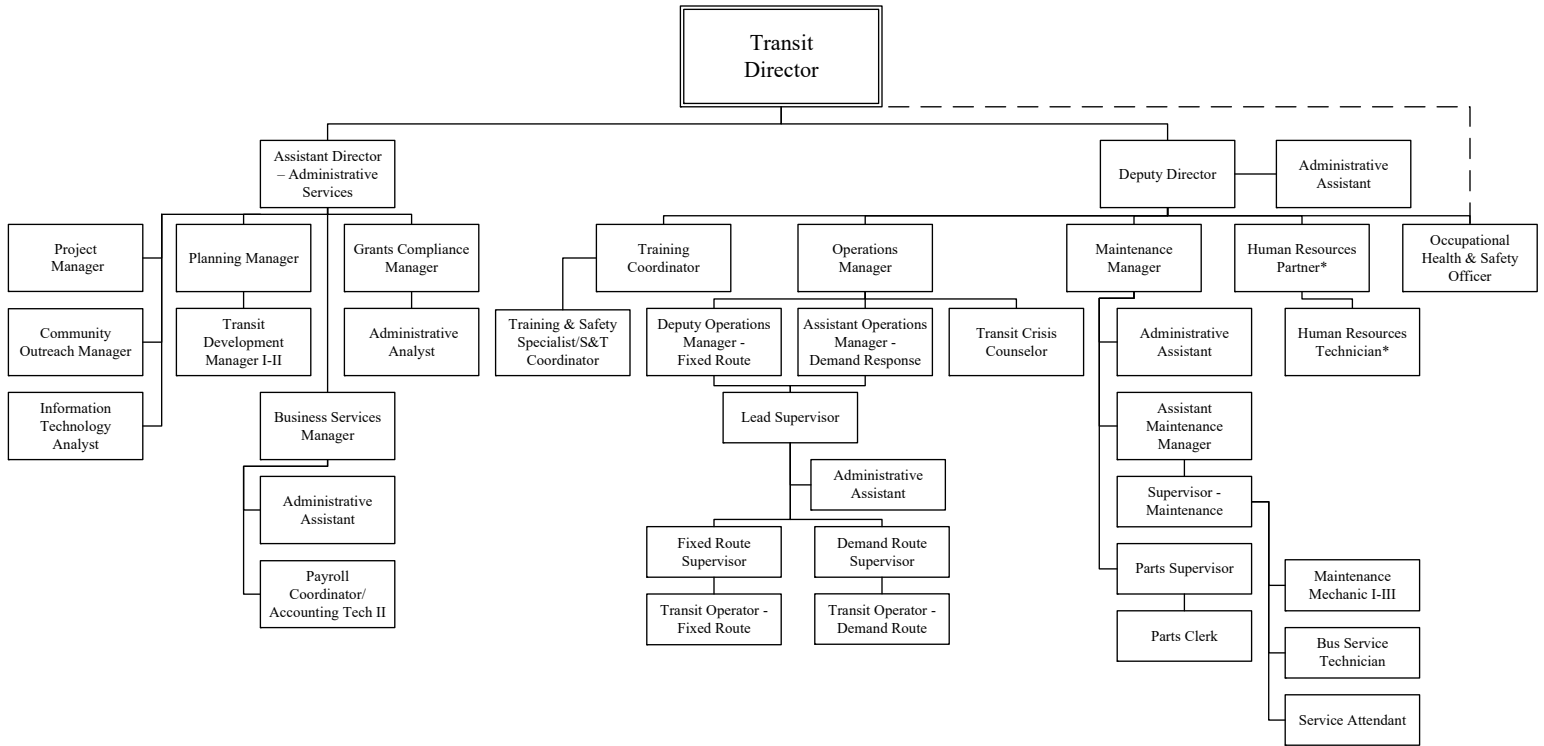
MISSION STATEMENT:

Chapel Hill Transit's mission is to build and operate a public transit system that provides personal mobility, while supporting local development and environmental goals of our community.

The Transit Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Fixed-Route Bus Service	Provide public transportation for the Towns of Chapel Hill and Carrboro and the University of North Carolina-Chapel Hill (UNC). CHT provides fare-free fixed route bus service on 23 weekday and weekend routes, utilizing 98 transit buses. Includes local, express, regional express and Tar Heel Express routes.
Demand-Response Service	Provide ADA Paratransit service within three-quarter miles of each fixed route for persons with a qualified disability who are unable to use fixed-route services, utilizing 15 lift-equipped vehicles. The service operates the same days and times as fixed-route services.
Maintenance	Maintain and repair CHT fleet of 113 buses/vans and 25 support/maintenance vehicles. Responsible for general maintenance of the transit facility and all customer amenities (e.g. shelters, benches, trash cans, etc.)
Administration and Finance	Manage all aspects of the transit system, including: Administration and Finance, Short and Long Range Planning, Regional Service Coordination, Grant Management (Federal and State), Marketing and Public Relations.
Transit Advertising	Maintain a viable advertising sales business for the transit system. Coordinate with advertisers, third-party ad developers, and others to generate revenues for the transit fund.

TRANSIT



*These positions have a shared report structure which includes both the Deputy Director and Human Resources Director.

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 budget for the Transit Fund for fiscal year 2023-24 totals about \$32.1 million, an increase of 2.2% from 2022-23. 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 2023-24. 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.

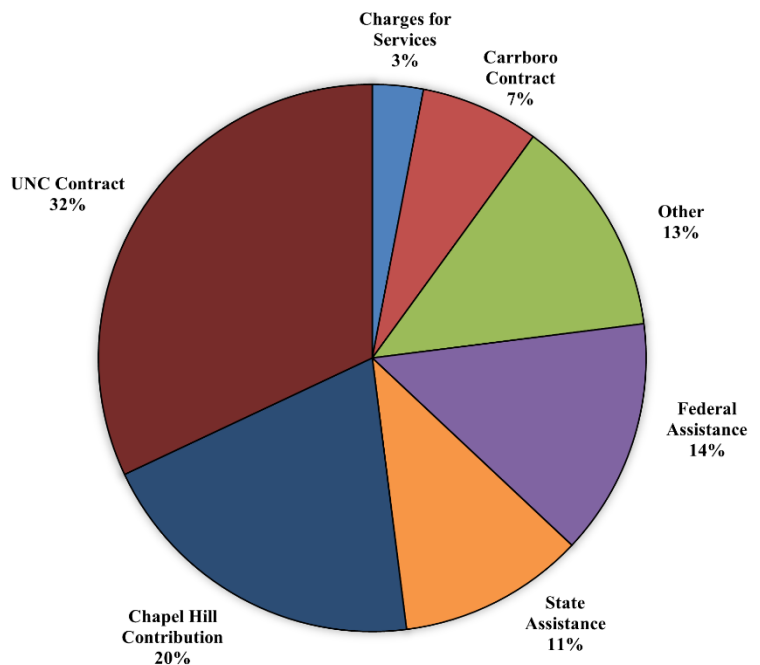
Federal Operating Assistance

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 increase from 2022-23 levels to \$2.6 million. A further \$1.75 million is anticipated in federal operating grants. Additional operating grants will be sought for 2023-24 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 anticipated to increase in 2023-24 to \$3.5 million.

TRANSIT REVENUES



TRANSIT FUND

Major Revenue Sources - Descriptions and Estimates

University Contract

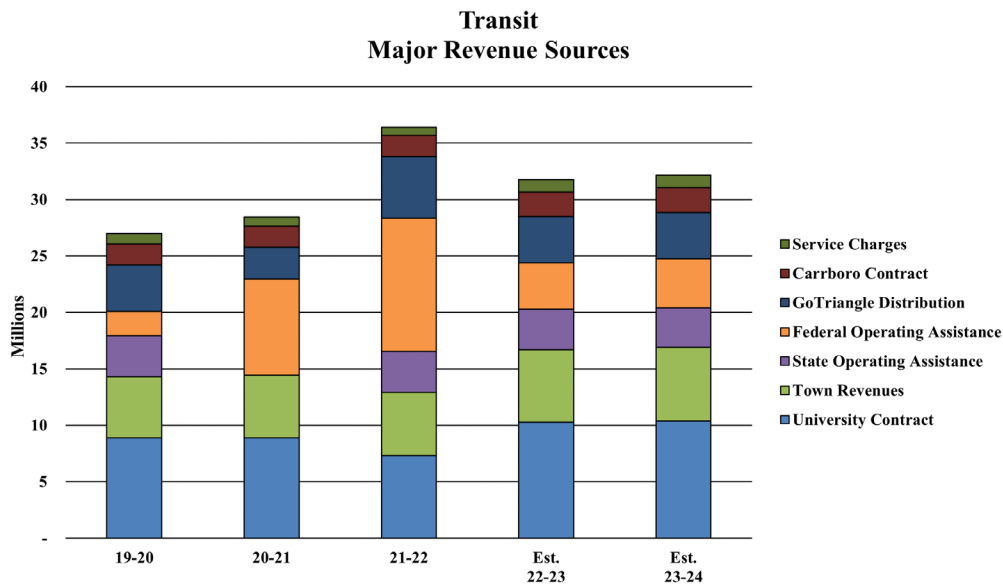
The University of North Carolina contracts with the Town for bus service for routes on and surrounding the campus of the University and UNC Health Care System. The University contract also covers routes determined to serve mainly students and employees of the University. The cost of these services is 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 \$8.5 million in 2021-22 and \$10.3 million in 2022-23. UNC’s allocation for 2023-24 is up slightly at \$10.4 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 2022-23 was about \$2.1 million and the budget for 2023-24 increased to \$2.2 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. This share of cost in the budget for the Transit Fund in fiscal year 2023-24 is about \$6.52 million. Also included in Town revenues are interest income and \$450,000 for vehicle license fees.



TRANSIT FUND

Major Revenue Sources - Descriptions and Estimates

Park and Ride Fees

The budget for 2023-24 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 2023-24 adopted budget includes fee revenues of \$95,000.

Other revenues expected for the system include about \$306,000 in fares for the Tar Heel Express and other special events, and about \$375,000 in services for GoTriangle.

Fund Balance

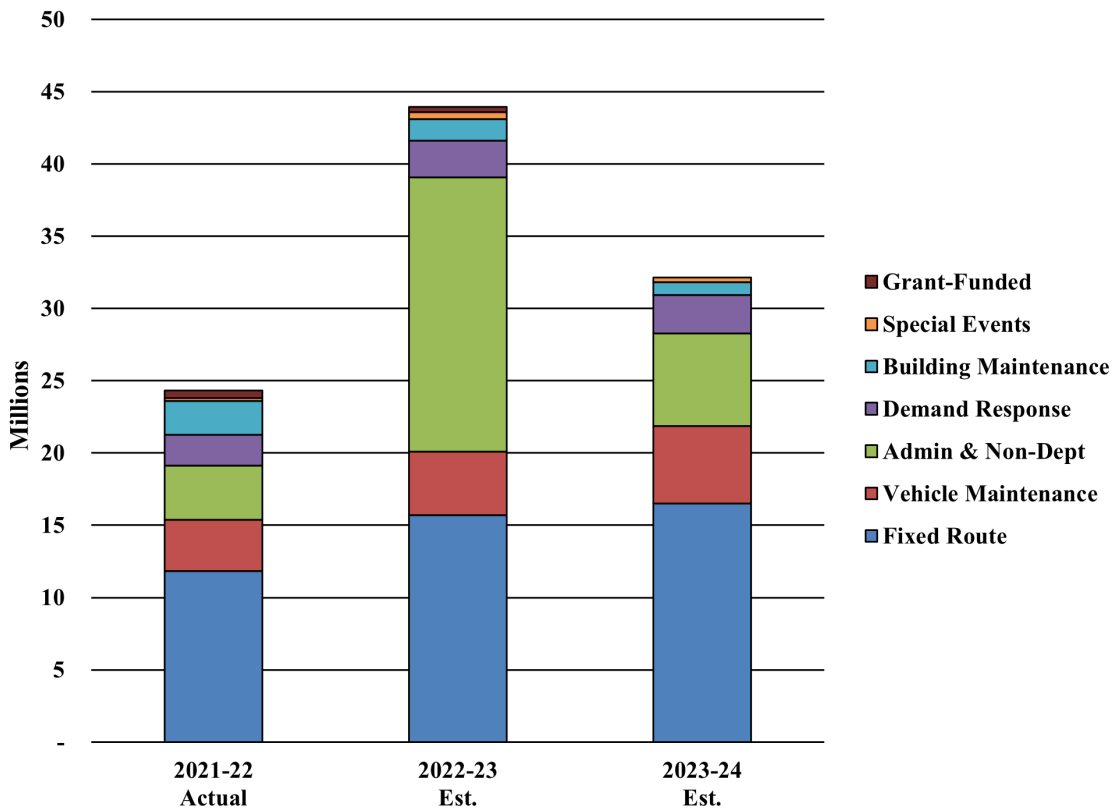
The 2023-24 budget was balanced with no appropriation of fund balance.

TRANSIT FUND

Major Expenditures - Descriptions and Estimates

The budget for Transit for 2023-24 continues fare free services for fixed routes in the system and totals \$32.1 million. Major expenditures of the system consist primarily of personnel, operating, and maintenance costs for a planned fleet of 98 buses, 15 lift-equipped vans, and 25 support vehicles that provide transit service to the entire community. Operational costs total about \$25.9 million and Maintenance costs total about \$6.2 million.

Transit Expenses



Expenditures for 2023-24 include a 2% health insurance cost decrease, a pay increase, and a 0.75% retirement increase. There is \$184,800 budgeted cost for other post-employment benefits (OPEB).

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

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
Administration			
Director - Transportation	1.00	1.00	1.00
Deputy Director - Transportation	1.00	1.00	1.00
Assistant Director - Admin Services	0.00	1.00	1.00
Business Services Manager	1.00	1.00	1.00
Community Outreach Manager	1.00	1.00	1.00
Administrative Analyst	0.00	1.00	1.00
Transit Project Manager	1.00	1.00	1.00
Grants Compliance Manager	1.00	1.00	1.00
Procurement Specialist	1.00	0.00	0.00
Transit Development Manager	1.00	1.00	1.00
Administrative Assistant	3.00	2.00	2.00
Human Resources Consultant	1.00	1.00	1.00
Human Resources Technician	0.00	1.00	1.00
Transit Planning Manager	1.00	1.00	1.00
Accounting Technician II	1.00	1.00	1.00
Information Tech Analyst	0.00	0.00	1.00
Division Totals	14.00	15.00	16.00
Operations			
OCC Health & Safety Officer	1.00	1.00	1.00
Transit Development Manager	1.00	1.00	1.00
Lead Transit Supervisor	0.00	0.00	1.00
Crisis Counselor	0.00	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	17.00
Transit Operator - Fixed Route	121.66	119.66	118.66
Service Attendant	0.00	0.00	1.00
Training & Safety Specialist	2.00	2.00	2.00
Administrative Assistant	2.00	2.00	1.00
Safety & Training Coordinator	0.00	0.00	1.00
Division Totals	158.66	157.66	158.66
Equipment Maintenance			
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)	16.00	15.00	15.00
Bus Service Technician	2.00	3.00	3.00
Mechanic Helper	1.00	1.00	0.00
Administrative Assistant	1.00	1.00	1.00
Parts Clerk	2.00	2.00	2.00
Service Attendant	5.00	5.00	7.00
Division Totals	33.00	33.00	34.00
Transit Department Totals	205.66	205.66	208.66

TRANSIT

BUDGET SUMMARY

The budget for the Transit Department continues fare-free service. Federal and State assistance has increased for FY24. GoTriangle revenues remain flat. The 2023-24 budget also includes increased revenues from partners including the Town of Carrboro and the University of North Carolina at Chapel Hill. Cost increases include a 0.75% retirement increase and a pay increase.

EXPENDITURES


	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Admin & Non-Dept	\$ 3,749,641	\$ 6,985,692	\$ 23,163,215	\$ 18,976,121	\$ 6,405,778	-8.3%
Grant-Funded	537,165	-	360,240	360,240	-	N/A
Fixed Route	11,826,338	15,640,223	18,195,563	15,717,581	16,515,644	5.6%
Demand Response	2,137,085	2,515,061	2,486,561	2,517,472	2,659,688	5.8%
Special Events	208,130	311,275	301,275	511,461	311,364	0.0%
Vehicle Maintenance	3,546,325	5,110,782	5,011,461	4,390,918	5,342,805	4.5%
Building Maintenance	2,340,474	891,330	2,243,466	1,480,747	914,611	2.6%
Total	\$ 24,345,158	\$ 31,454,363	\$ 51,761,781	\$ 43,954,540	\$ 32,149,890	2.2%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Charges for Services	\$ 714,801	\$ 1,174,187	\$ 1,174,187	\$ 1,079,187	\$ 1,079,187	-8.1%
Federal Assistance	2,700,754	2,500,000	2,500,000	2,500,000	2,600,000	4.0%
Federal Ops Grants	9,113,457	1,600,000	1,884,693	1,600,000	1,750,000	9.4%
State Assistance	3,631,704	3,200,000	3,200,000	3,631,704	3,500,000	9.4%
GoTriangle Fees	5,447,427	4,074,423	4,074,423	4,074,423	4,074,423	0.0%
UNC Contract	7,338,447	10,266,042	10,266,042	10,266,042	10,389,234	1.2%
Carrboro Contract	1,900,088	2,196,177	2,196,177	2,196,177	2,233,512	1.7%
Chapel Hill Revenues	5,570,246	6,443,534	6,443,534	6,413,534	6,523,534	1.2%
Proceeds from						
Installment Financing	-	-	8,155,000	8,155,000	-	N/A
Appropriated Fund						
Balance	(12,071,766)	-	11,867,725	4,038,473	-	N/A
Total	\$ 24,345,158	\$ 31,454,363	\$ 51,761,781	\$ 43,954,540	\$ 32,149,890	2.2%

TRANSIT

Performance Measures

 <p>Environmental Stewardship</p> <p>Affordable Housing & Housing Production</p> <p>Connected Community</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Maintain favorable productivity levels. ➤ Demand response services will be on time (arriving within the 20 minute pick-up window) at least 90 percent of the time. ➤ 100% of scheduled weekday and weekend Demand Response (DR) service will be placed into service. ➤ Keep the rate of demand response accidents at three or fewer per 100,000 miles. ➤ Keep the rate of demand response preventable accidents at one or fewer per 100,000 miles. ➤ Fixed route services will operate according to published schedules at least 90% of the time. ➤ 100% of scheduled weekday and weekend Fixed Route Response (FR) service will be placed into service. ➤ Keep customer complaints rate low – i.e., no more than 15 complaints per 100,000 fixed route trips and no more than 2 complaints per 100 demand response rides. ➤ Keep the rate of fixed route accidents at three or fewer per 100,000 miles. ➤ Keep the rate of preventable fixed route accidents at one per 100,000 miles. ➤ Comply with preventative maintenance schedule for all vehicles at least 90% of the time. ➤ Maintain a Fixed Route and Demand Response fleet age that is within industry standards in compliance with federal recommendations.
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimated	FY24 Target
Demand – Response Service	Number of passengers per mile in demand response paratransit service	0.18	0.20	0.22	0.21
	Cost per hour for demand response paratransit services	\$68.96	\$70.96	\$74.51	\$65.85
	On-time performance percentage	94.7%	89.19%	88%	90%
	Scheduled weekday/weekend DR service placed into service on time	100%	100%	100%	100%
	Demand Response accidents per 100,000 miles	2.1	2.3	2.5	3.00
	Preventable demand response accident per 100,000 miles	1.05	0.75	1.25	1.00
Fixed - Route Bus Service	Number of passengers per mile in fixed route transit service	1.64	2.32	2.5	3.70
	Cost per hour for fixed route services	\$123.38	\$125.39	\$131.66	\$125.00
	Percentage of on-time performance	77.4%	80%	85%	90%

Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimated	FY24 Target
Fixed – Route Bus Service	Scheduled weekday/weekend FR service placed into service on time	80%*	80%*	90%	98%
	Complaints per 100,000 fixed route trips	2.25	4.00	4.5	6.50
	Fixed Route accidents per 100,000 miles	1.47	2.20	2.25	3.00
	Preventable Fixed Route accident per 100,000 miles	1.06	1.10	1.15	1.00
Maintenance	Number of service miles between road calls that may interrupt (DR)	160,849	126,932	115,297	150,000
	Number of service miles between road calls that may interrupt (FR)	17,849	17,381	17,543	16,000
	Compliance with preventative maintenance percentage	100%	100%	100%	100%
Administration and Finance	Passengers per Revenue Hour (DR)	2.11	2.35	2.45	2.65
	Passengers per Revenue Hour (FR)	21.2	25	28	40.00
	Passengers per Revenue Mile (DR)	0.17	0.2	0.2	0.20
	Passengers per Revenue Mile (FR)	1.63	2.1	2.5	3.65
	Average age of fleet vehicle (DR)	3.76	4.76	5.25	4.27
	Average age of fleet vehicle (FR)	8.56	9.56	10.2	6.70

*Service reduced due to operator shortages

TRANSIT - ADMINISTRATION DIVISION

MISSION STATEMENT: *The Mission of Chapel Hill Transit is to build and operate a safe, efficient, responsive public transit system serving Chapel Hill, Carrboro, and the University of North Carolina with trained and dedicated team members.*

Chapel Hill Transit will provide mobility, support local development and environmental goals, while improving the quality of life and preserving the natural beauty of our community.

The Administration Division supervises departmental operations, manages grant and service contracts, and participates in transportation planning. Duties of the division include:

- Contract monitoring and negotiation with the University of North Carolina and the Town of Carrboro for transportation services and funding arrangements.
- Grants management (from the Federal Transit Administration and the State of North Carolina).
- Transit planning activities including short range and long range transit plans and special transit initiatives.
- Review of development proposals to assess impact on public transportation.
- Marketing and public relations activities.
- Participation in local, regional, and state-wide public transit activities.
- Monitor, evaluate, and analyze transit operations to ensure that services are being provided with the highest level of customer service in the most efficient and cost-effective manner possible.

TRANSIT - Administration and Non-Departmental BUDGET SUMMARY

The adopted budget for 2023-24 includes an 8.3% overall decrease. Personnel has increased by 17.8% due to the addition of an Information Technology Analyst position, reclassification of the Grants Compliance Manager and Admin Analyst positions, a 0.75% retirement increase, and a salary increase.

Operating costs decreased by 18% due to the elimination of contributions to reserves.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 1,771,773	\$ 1,895,920	\$ 1,903,220	\$ 1,953,260	\$ 2,233,068	17.8%
Operating Costs	1,906,845	5,089,772	10,617,995	6,380,861	4,172,710	-18.0%
Transfer to						
Capital Grant	34,515	-	2,542,000	2,542,000	-	N/A
Capital Outlay	36,508	-	8,100,000	8,100,000	-	N/A
Total	\$ 3,749,641	\$ 6,985,692	\$ 23,163,215	\$ 18,976,121	\$ 6,405,778	-8.3%

TRANSIT - Grants
BUDGET SUMMARY

As of the time of the adopted budget, there were no planned grant related expenditures for 2023-24.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 41,850	\$ -	\$ -	\$ -	\$ -	N/A
Operating Costs	495,315	-	360,240	360,240	-	N/A
Total	\$ 537,165	\$ -	\$ 360,240	\$ 360,240	\$ -	N/A

TRANSIT- OPERATIONS DIVISION

MISSION STATEMENT: *The Mission of Chapel Hill Transit is to build and operate a safe, efficient, responsive public transit system serving Chapel Hill, Carrboro, and the University of North Carolina with trained and dedicated team members.*

Chapel Hill Transit will provide mobility, support local development and environmental goals, while improving the quality of life and preserving the natural beauty of our community.

The Operations Division manages fixed-route bus service and demand-responsive services with smaller vehicles. Duties of the division include:

- Provide fixed-route bus service to meet the mobility goals of Chapel Hill, Carrboro, and the University of North Carolina.
- Coordinate transit service with other public transit systems in the Triangle to enhance the mobility of our citizens.
- Operate demand-responsive door-to-door service for certified persons with disabilities, using lift-equipped vans and sedans.
- Operate shuttle service (Tar Heel Express) to all UNC home football and basketball games.
- Hire, train, and motivate bus operators and support staff to ensure efficient, safe, on-time, and courteous service to the public.

***TRANSIT - Fixed Route
BUDGET SUMMARY***

The adopted budget reflects a 5.6% increase in overall costs. Personnel costs are up 1.2% due to the addition of a Safety and Training Coordinator position, a 0.75% increase in retirement costs, and a salary increase.

Operating expenses increased by 15.6% due to increases in contract costs for Intelligent Transportation Systems and Transportation Support Services, as well as increased diesel fuel costs.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 8,365,077	\$ 10,820,454	\$ 10,800,604	\$ 9,188,061	\$ 10,946,302	1.2%
Operating Costs	3,445,884	4,819,769	6,772,914	5,907,475	5,569,342	15.6%
Capital Outlay	15,377	-	622,045	622,045	-	N/A
Total	\$ 11,826,338	\$ 15,640,223	\$ 18,195,563	\$ 15,717,581	\$ 16,515,644	5.6%

TRANSIT - Demand Response
BUDGET SUMMARY

The adopted budget for the Demand Response division has a 5.8% increase over the 2022-23 budget. Personnel expenditures increased by 6.6% due to a 0.75% increase in retirement costs and a salary increase. Operating expenses increased by 3.2% due to increased gasoline costs.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 1,722,051	\$ 1,878,791	\$ 1,806,791	\$ 1,885,590	\$ 2,003,341	6.6%
Operating Costs	415,034	636,270	679,770	631,882	656,347	3.2%
Total	\$ 2,137,085	\$ 2,515,061	\$ 2,486,561	\$ 2,517,472	\$ 2,659,688	5.8%

TRANSIT - Tarheel Express / Special Events
BUDGET SUMMARY

The adopted budget for Tarheel Express & Special Events in 2023-24 is largely unchanged from FY22-23.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 171,050	\$ 228,941	\$ 258,941	\$ 414,516	\$ 229,030	0.0%
Operating Costs	37,080	82,334	42,334	96,945	82,334	0.0%
Total	\$ 208,130	\$ 311,275	\$ 301,275	\$ 511,461	\$ 311,364	0.0%

TRANSIT - MAINTENANCE DIVISION

MISSION STATEMENT: *The Mission of Chapel Hill Transit is to build and operate a safe, efficient, responsive public transit system serving Chapel Hill, Carrboro, and the University of North Carolina with trained and dedicated team members.*

Chapel Hill Transit will provide mobility, support local development and environmental goals, while improving the quality of life and preserving the natural beauty of our community.

The Maintenance Division services and repairs transit vehicles and support equipment to ensure safe, reliable, and clean transit vehicles. Duties of the division include:

- Daily service, fueling, and cleaning of all transit vehicles.
- Ongoing maintenance, inspection, and repair of buses, vans, and support vehicles.
- Ongoing maintenance of transit amenities, such as benches and shelters.
- Maintain an inventory system of fuel and bus parts to support the timely operation of services.
- Develop capital improvement plan and procurement of major capital equipment.
- Ensure that team members have the proper training and skills to ensure the safe efficient operation of Town vehicles.

TRANSIT - Vehicle Maintenance
BUDGET SUMMARY

The adopted budget for 2023-24 represents a 4.5% increase in expenditures from the 2022-23 fiscal year. The 7.6% increase in personnel costs is due to the addition of a Service Attendant position, the reclassification of two existing positions, a 0.75% increase for retirement costs, and a salary increase. Operating costs are largely unchanged from FY23.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 2,155,311	\$ 2,833,907	\$ 2,711,407	\$ 2,471,191	\$ 3,049,336	7.6%
Operating Costs	1,375,319	2,256,875	2,280,054	1,899,727	2,273,469	0.7%
Capital Outlay	15,695	20,000	20,000	20,000	20,000	0.0%
Total	\$ 3,546,325	\$ 5,110,782	\$ 5,011,461	\$ 4,390,918	\$ 5,342,805	4.5%

TRANSIT - Building Maintenance

BUDGET SUMMARY

The adopted budget for Transit's Building Maintenance division reflects a 2.6% increase overall. The 1.2% decrease in personnel expenditures is related to new retiree medical expenses. The operating expenditures increased by 2.6% largely due to increases in electricity and gas costs.

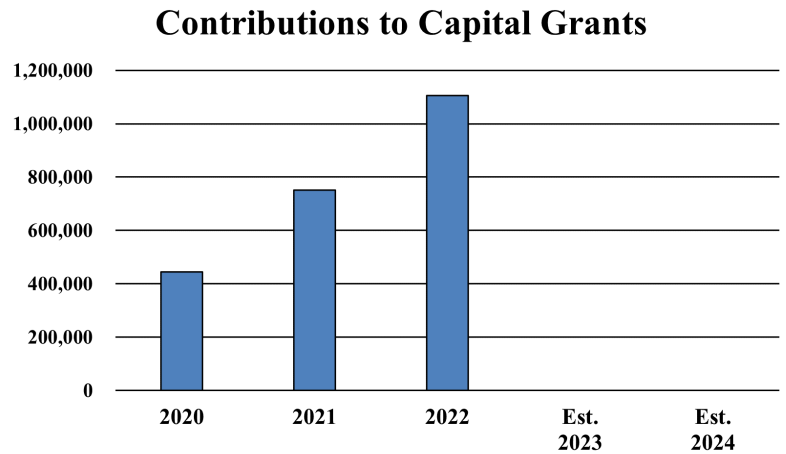
EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 2,406	\$ 2,450	\$ 2,450	\$ 2,411	\$ 2,420	-1.2%
Operating Costs	1,642,989	888,880	2,216,869	1,455,189	912,191	2.6%
Capital Outlay	695,079	-	24,147	23,147	-	N/A
Total	\$ 2,340,474	\$ 891,330	\$ 2,243,466	\$ 1,480,747	\$ 914,611	2.6%

TRANSIT CAPITAL RESERVE FUND

The Transit Capital Reserve Fund is used to account for funds reserved for matching capital funds for buses and facilities related to the Town's transportation system.

Donations vary substantially from year to year, depending on anticipated future needs for reserves.



TRANSIT CAPITAL RESERVE BUDGET SUMMARY

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 2023-24 are estimates for grants historically received each year, but not yet awarded.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Contribution to Capital Grant Reserve	\$ 1,105,244	\$ -	\$ -	\$ -	\$ -	N/A
	-	-	-	-	-	N/A
Total	\$ 1,105,244	\$ -	\$ -	\$ -	\$ -	N/A

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Interest Income	\$ 505	\$ -	\$ -	\$ -	\$ -	N/A
Transfer from Transit Fund	-	-	-	-	-	N/A
Appropriated Fund Balance	1,104,739	-	-	-	-	N/A
Total	\$ 1,105,244	\$ -	\$ -	\$ -	\$ -	N/A

TRANSIT CAPITAL GRANT PROJECT ORDINANCES

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. Three 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, 2024
2015-16 Transit Capital Grant	\$534,124.00	\$193,753.00

5339b Electric Bus Purchase Grant

The project ordinance for the fiscal year 2021 is for the purchase of seven zero-emission buses using competitive funding at both state and federal levels at zero cost to the Town.

	Project Budget	Estimated Expenditures Through June 30, 2024
2021 Transit Capital Grant	\$7,000,000.00	\$7,000,000.00

FY19-FY20 Capital Grant 5339

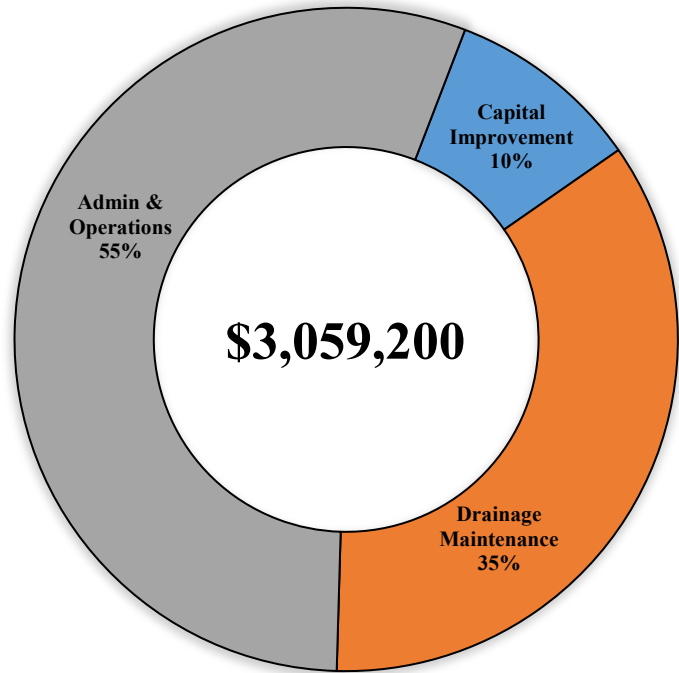
The project ordinance for the fiscal year 2021 Capital Investment plan covering: Automatic Vehicle Locator upgrades, Automatic Passenger Counter upgrades, and Radio System upgrades.

	Project Budget	Estimated Expenditures Through June 30, 2024
2020 Transit Capital Grant	\$657,654.00	\$526,123.00

STORMWATER MANAGEMENT FUND

The Stormwater Management Fund was established in 2004-05 to protect and restore local streams, reduce flood damage through capital improvements, safeguard Jordan Lake water quality, and educate citizens about water quality, flood damage, and stream protection.

STORMWATER EXPENSES



PUBLIC WORKS - STORMWATER MANAGEMENT

MISSION STATEMENT:

The Public Works - Stormwater Management Team strives to provide excellent customer service, emphasizing public safety and environmental stewardship by preserving, maintaining, and enhancing the Town’s infrastructure and natural resources, including the implementation of the Town’s Comprehensive Stormwater Management Program.

The Public Works Department - Stormwater Management Division identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Stormwater Infrastructure	Perform routine maintenance, remedial repairs, and capital improvements to the town-maintained stormwater infrastructure using in-house and contracted resources.
Stormwater Regulatory Compliance	<p>Develop, implement, perform, and administer activities and programs to maintain compliance with Town, State, and Federal regulatory requirements (LUMO, NPDES, MS4, Jordan TMDL, FEMA Floodplain Management).</p> <p>This includes: development reviews and technical assistance involving stormwater management, floodplain management, field classification of streams, mapping and database management, assisting compliance officer with investigation of inquiries/violations, identification of grant opportunities to fund drainage and water quality improvement projects, and development and administration of stormwater-related professional services and construction contracts.</p>
Street Sweeping	<p>Sweep publicly maintained streets within the Town limits using in-house labor and equipment.</p> <p>Inspect and sweep downtown streets twice a week, major roadways once a week, and residential streets about every eight weeks, weather permitting.</p>

STORMWATER MANAGEMENT FUND

Major Revenue Sources – Descriptions and Estimates

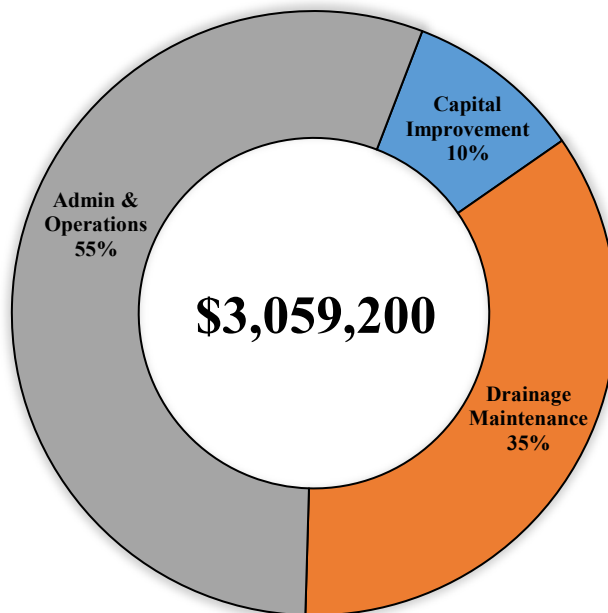
To continue the enhancement of stormwater management services currently provided by the Town, and to implement stormwater management activities necessary to comply with State and federal regulations, the Town established a Stormwater Management Fund in 2004-05. Stormwater management activities are funded by a fee charged to property owners based on the amount of impervious surface area on a property. The budget maintains the fee of \$34.97 for each 1,000 square feet of impervious surface. At this rate, fees are estimated at about \$3 million in 2023-24. In the current year, the budget is expected to be balanced with \$55,664 in fund balance. For 2023-24, the budget is balanced with an appropriation of \$29,200 in fund balance.

Major Expenditures and Estimates

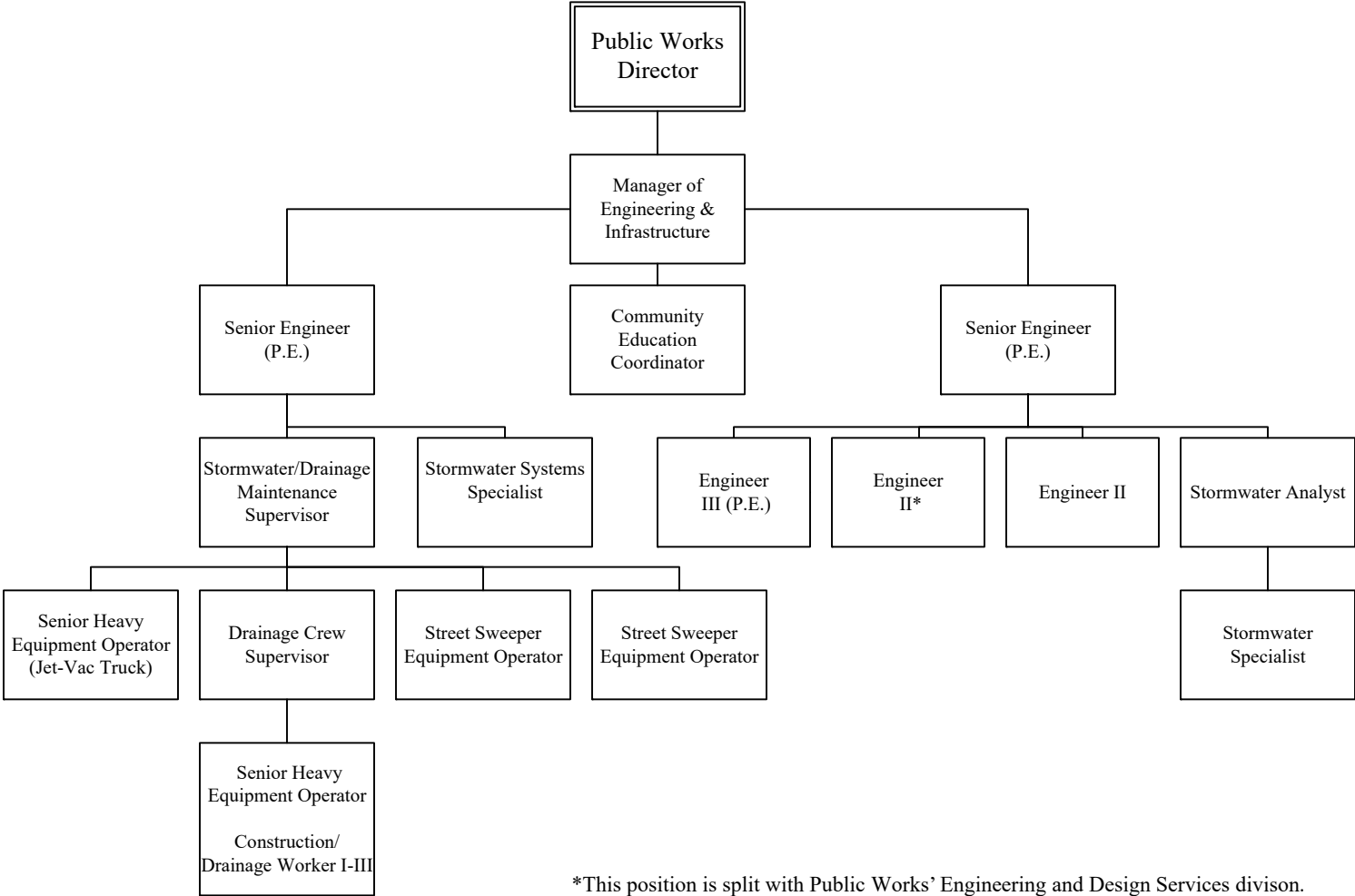
The budget for 2023-24 totals \$3,059,200. This represents a 1.6% increase from the FY23 budget. Changes to the budget include a pay increase and a 0.75% retirement rate increase, offset by a reduction in the use of outside consultants made possible by a new Engineer position. \$210,094 is in the adopted budget for the debt payment related to the G.O. bond issuance.

As indicated in the chart below, 35% of the 2023-24 budget provides for the Drainage division to conduct stormwater-related drainage and maintenance projects.

STORMWATER EXPENSES



STORMWATER MANAGEMENT FUND



*This position is split with Public Works' Engineering and Design Services division.

STORMWATER MANAGEMENT FUND
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
Stormwater			
Senior Engineer	1.50	1.50	1.50
Engineer II	1.00	1.00	1.00
Engineer III	1.00	1.00	1.00
Engineering Inspector - SR	0.30	0.30	0.30
Stormwater Specialist	1.00	1.00	1.00
Stormwater Analyst	1.00	1.00	1.00
Survey/Project Coordinator	0.25	0.25	0.25
Community Education Coordinator	1.00	1.00	1.00
Systems Specialist	1.00	1.00	1.00
Engineer I-III	0.00	0.00	0.50
Unit Totals	<u>8.05</u>	<u>8.05</u>	<u>8.55</u>
Drainage			
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 II	1.00	1.00	1.00
Unit Totals	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>
Stormwater Management Fund Totals	<u>15.05</u>	<u>15.05</u>	<u>15.55</u>

Note: The Stormwater Fund also assumes a portion of salaries of the Senior Engineering Inspector, Surveyor, and Senior Engineer positions.

STORMWATER MANAGEMENT FUND BUDGET SUMMARY

The adopted budget for FY 2023-24 includes the continuation of existing services. The 7.5% increase in personnel expenditures includes a new Engineer position split with Public Works, as well as a 0.75% retirement increase and a salary increase. Operating costs decreased by 1.2% due in large part to a decrease in the use of outside consultants made possible by the hiring of the new position.

The budget is balanced with the appropriation of \$29,200 in fund balance.

EXPENDITURES




	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 1,357,990	\$ 1,559,631	\$ 1,559,631	\$ 1,502,285	\$ 1,677,259	7.5%
Operating Costs	918,372	1,316,868	1,906,680	1,439,700	1,301,541	-1.2%
Capital Outlay	-	80,400	233,955	143,679	80,400	0.0%
Capital Reserve	884,079	53,101	-	-	-	-100.0%
Total	\$ 3,160,441	\$ 3,010,000	\$ 3,700,266	\$ 3,085,664	\$ 3,059,200	1.6%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Stormwater Fees	\$ 3,151,963	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	0.0%
Fee Exemption	(9,229)	(17,000)	(17,000)	(17,000)	(17,000)	N/A
Transfer from General Fund	9,229	17,000	17,000	17,000	17,000	0.0%
Interest Income	953	2,000	2,000	22,000	22,000	1000.0%
Other Income	7,525	8,000	8,000	8,000	8,000	0.0%
Appropriated Fund Balance	-	-	690,266	55,664	29,200	N/A
Total	\$ 3,160,441	\$ 3,010,000	\$ 3,700,266	\$ 3,085,664	\$ 3,059,200	1.6%

STORMWATER

Performance Measures

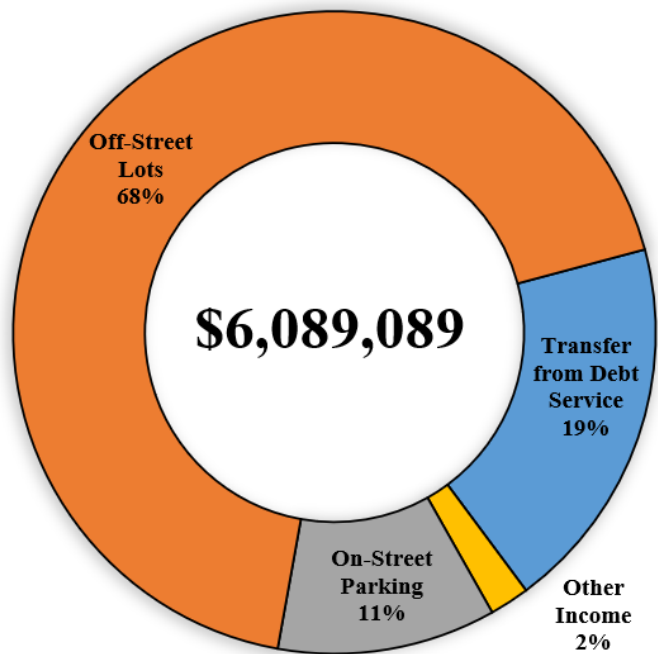
 <p>Environmental Stewardship</p>  <p>Connected Community</p>  <p>Safe Community</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Initiate 100% of investigations of reported pollution (sedimentation, illicit discharge) events within 24 hours of receipt. ➤ Confirm that 20% of project sites subject to the NPDES regulation have had a certified post-construction inspection each year, with the goal of having all sites inspected every five years. ➤ Sweep streets downtown twice weekly (weather permitting), major streets once weekly (weather permitting), and check and clean residential streets as needed once every six to eight weeks (not weather dependent).
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimated	FY24 Target
Stormwater Regulatory Compliance	Percent of investigations of reported pollution initiated within 24 hours of notification	100%	92%	96%	100%
	Percent of sites inspected annually	17%	44%	52%	20%
Stormwater Infrastructure	Percent of development plan reviews completed by assigned deadline (in coordination with Planning)	80%	85%	86%	100%
Street Sweeping	Percent of time downtown streets were swept according to schedule (twice per week)	Est. 95%	Est. 100%	Est. 85%	100%
	Percent of time major streets were swept according to schedule (once per week)	Est. 85%	Est. 100%	Est. 50%	100%
	Percent of time residential streets were swept according to schedule (once every seven weeks)	Est. 70%	Est. 90%	Est. 33%	100%

PARKING SERVICES

Parking Services includes operation of two major Off-Street parking lots, all On-Street metered parking and parking enforcement activities.

TOTAL PARKING REVENUES



PARKING SERVICES

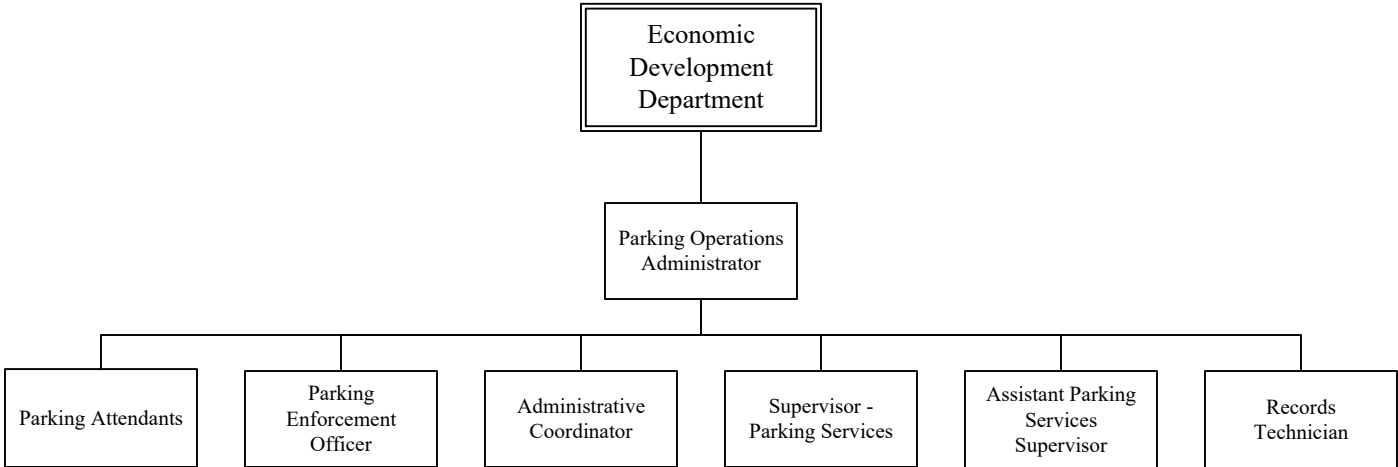
MISSION STATEMENT:

Parking Services' primary mission is to provide safe and efficient on-street and off-street parking to Chapel Hill's citizens and visitors in a courteous manner, offer support and promote economic development, and to operate a parking enforcement system in compliance with the parking regulations adopted by the Town Council.

The Parking Services Department identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
On-Street Parking	Maintain on-street parking inventory, parking meters, and pay-stations. Collect meter revenue and monitor utilization and meter/pay station maintenance.
Off-Street Parking	Maintain off-street parking inventory, including the Wallace Parking Deck. Manage hourly, monthly, and special event parking and revenue control.
Parking Enforcement	Enforce the Town's parking ordinances in the Downtown and permit parking areas. Collect ticket revenue and administer appeal process.
Parking Administration and Parking Permit Programs	Administer the Town's Parking facilities and programs. Issue parking permits, collect miscellaneous revenues, and manage the Town's residential Parking Permit Program and the mixed use permit parking programs.

PARKING SERVICES

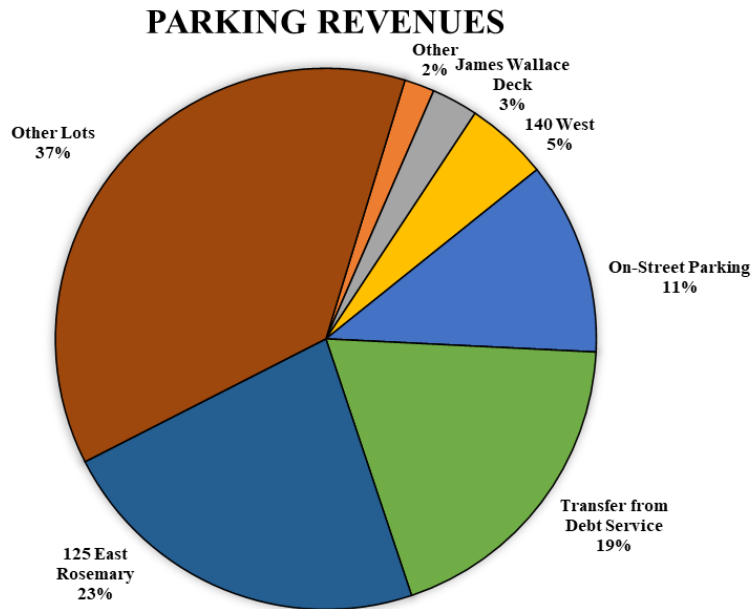


Note: Parking Services is supervised by the Economic Development Director.

PARKING FUNDS

Major Revenue Sources – Descriptions and Estimates

Parking, with a budget of \$6,089,089 for 2023-24, accounts for revenues from the parking lots and spaces in the downtown and permit parking areas in the town. Off-street parking revenues consist almost exclusively of the fees charged for parking in downtown lots. About \$1,378,000, or 23% of total parking revenues, is budgeted from the 125 East Rosemary Deck and \$169,000, or 3%, is budgeted from the James Wallace Deck. The deck at 140 West is budgeted to generate about \$301,000 in 2023-24.



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 \$175,000 in 2023-24.

Major Expenditures and Estimates

The primary expenditure of the Parking Fund is the cost of personnel to manage the lots. The personnel budget of \$1,040,796 includes a 2% health insurance decrease, a pay increase, and a 0.75% increase in retirement.

The other major expenditure in the Parking Fund is an increase in debt payments related to new parking lots. These debt expenditures total nearly \$3.8 million

PARKING SERVICES
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22	2022-23	2023-24
	ADOPTED	ADOPTED	ADOPTED
Parking Operations Administrator	1.00	1.00	1.00
Supervisor - Parking Services	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	0.80	0.80
Parking Attendant	2.00	2.00	2.00
Administrative Coordinator	1.00	1.00	1.00
	<hr/>		
Parking Fund Totals	9.80	9.80	9.80
	<hr/> <hr/>		

PARKING SERVICES BUDGET SUMMARY

Starting in FY23, the Parking Services Fund merged its two divisions into one. All revenues and expenditures for the On-Street Parking fund are now accounted in the Off-Street Parking fund.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
On-Street Parking	\$ 750,647	\$ -	\$ -	\$ -	\$ -	N/A
Off-Street Parking	1,122,886	6,130,626	2,860,469	2,615,787	6,089,089	-0.7%
Total	\$ 1,873,533	\$ 6,130,626	\$ 2,860,469	\$ 2,615,787	\$ 6,089,089	-0.7%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
On-Street Parking	\$ 750,647	\$ -	\$ -	\$ -	\$ -	N/A
Off-Street Parking	1,122,886	6,130,626	2,860,469	2,615,787	6,089,089	-0.7%
Total	\$ 1,873,533	\$ 6,130,626	\$ 2,860,469	\$ 2,615,787	\$ 6,089,089	-0.7%

**ON-STREET PARKING
BUDGET SUMMARY**

Starting in FY23, the Parking Services Fund merged its two divisions into one. All revenues and expenditures are now accounted for in the Off-Street Parking fund.

For this reason, all revenues and expenditures in this fund have been zeroed out for FY24 and are now shown in the Off-Street Parking fund on the following page.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Enforcement:						
Personnel	\$ 328,323	\$ -	\$ -	\$ -	\$ -	N/A
Operations	154,426	-	-	-	-	N/A
Capital	-	-	-	-	-	N/A
Meters:						
Personnel	178,734	-	-	-	-	N/A
Operations	89,164	-	-	-	-	N/A
Transfer to Off-Street	-	-	-	-	-	N/A
Total	\$ 750,647	\$ -	\$ -	\$ -	\$ -	N/A

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Parking Meter Fees	\$ 398,523	\$ -	\$ -	\$ -	\$ -	N/A
Parking Ticket Fines/Fees	213,160	-	-	-	-	N/A
Interest Income	-	-	-	-	-	N/A
Other Income	46,957	-	-	-	-	N/A
American Rescue Plan Act Appropriated Fund Balance	- 92,007	- -	- -	- -	- -	N/A
Total	\$ 750,647	\$ -	\$ -	\$ -	\$ -	N/A

OFF-STREET PARKING BUDGET SUMMARY

Off-Street Parking revenues for the adopted 2023-24 budget remain relatively flat overall with a slight decrease of 0.7% over FY23. This is mainly driven by the anticipated opening of 125 East Rosemary, offset by a reduction in the transfer needed by the Debt Fund.

The overall decrease in expenditures for 2023-24 is due to an increase in personnel related to the 5% of market pay adjustment and 0.75% increase in retirement, which is offset by a reduction needed for the Wallace Deck Lease.

EXPENDITURES


	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
James Wallace Deck	\$ 464,497	\$ 529,478	\$ 645,294	\$ 652,498	\$ 654,208	23.6%
Parking Lots	454,284	1,335,964	1,297,944	1,003,528	1,151,210	-13.8%
140 West Deck	9,698	53,300	53,566	53,036	60,193	12.9%
Administration	121,562	3,942,817	574,082	600,786	3,953,166	0.3%
Wallace Renovation	72,845	19,640	47,827	60,157	19,640	0.0%
On-Street Parking	-	249,427	241,756	245,782	250,672	0.5%
Total	\$ 1,122,886	\$ 6,130,626	\$ 2,860,469	\$ 2,615,787	\$ 6,089,089	-0.7%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
James Wallace Deck	\$ 529,941	\$ 395,000	\$ 702,591	\$ 675,962	\$ 168,991	-57.2%
Rosemary/Columbia Lot	266,338	325,000	325,000	267,000	250,000	-23.1%
415 West Franklin Lot	43,370	51,000	51,000	71,164	72,000	41.2%
West Rosemary Lot	20,906	5,500	5,500	28,734	500	-90.9%
Rosemary/Sunset	51,120	59,500	59,500	58,500	58,500	-1.7%
South Graham Lot	16,314	16,600	16,600	16,347	16,400	-1.2%
West Franklin/Basnight Lot	46,551	119,000	119,000	155,200	155,500	30.7%
427 West Franklin Lot	25,746	41,000	41,000	42,830	41,000	0.0%
Jones Park Lot	13,675	13,500	13,500	13,700	14,000	3.7%
Mallette Lot	71,015	70,500	70,500	115,750	115,000	63.1%
Courtyard Lot	25,923	54,000	54,000	37,000	44,000	-18.5%
140 West Deck	228,465	231,000	296,000	310,000	301,000	30.3%
125 East Rosemary	2,294	250,000	250,000	2,676	1,377,799	451.1%
205 Columbia Street	31,752	-	-	36,924	-	N/A
Interest Income	-	500	500	-	-	-100.0%
Miscellaneous Income	108,543	74,500	74,500	107,000	110,000	47.7%
On-Street Parking	-	714,000	714,000	677,000	702,000	-1.7%
UNC Leases - 125 East Rosemary	-	1,000,000	-	-	1,500,000	50.0%
Transfer from Debt Service Fund	-	2,710,026	-	-	1,162,399	-57.1%
Appropriated Fund						
Balance	(359,067)	-	67,278	-	-	N/A
Total	\$ 1,122,886	\$ 6,130,626	\$ 2,860,469	\$ 2,615,787	\$ 6,089,089	-0.7%

PARKING SERVICES

Performance Measures

 <p>Connected Community</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Increase occupancy performance in each section of the Downtown Parking Operation. The Downtown parking will be broken up into three sections: East Downtown (East of Columbia St.), Central Downtown (Columbia St. to Mallette St.) and West Downtown (Mallette St. to Sunset St.) We will provide the financial performance and target to increase revenue in each section by 10%
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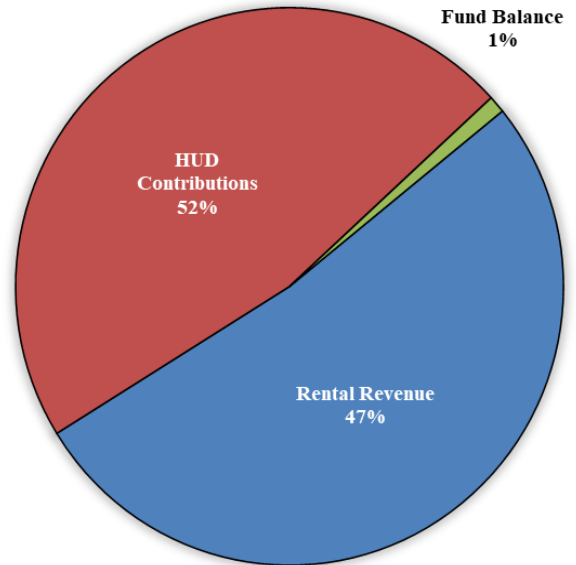
Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
East Downtown	Total section revenue	\$984,883	\$1,097,106	\$1,222,116	\$1,344,328
Central Downtown	Total section revenue	\$271,645	\$310,235	\$354,307	\$389,738
West Downtown	Total section revenue	\$261,053	\$313,228	\$375,830	\$413,414

PUBLIC HOUSING FUND

The Public Housing Fund is used to account for federal grants restricted for the Town's public housing programs.

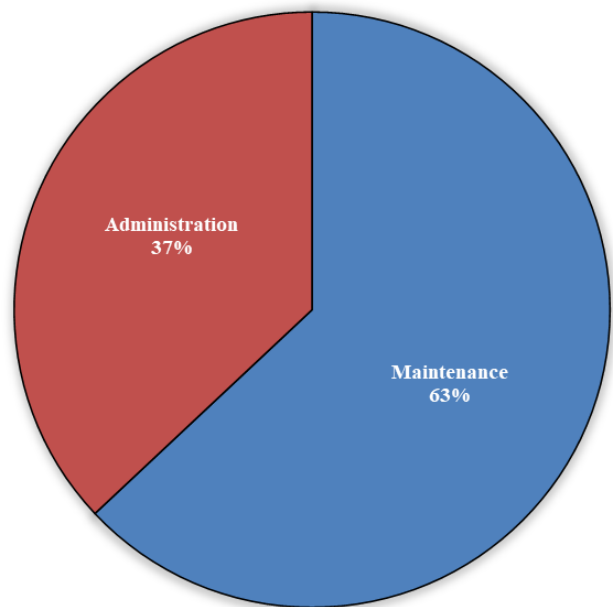
Since those with fewer than 400 units have been exempt each year from HUD's new funding model (AMPs) since 2007-08, we have returned to a simpler budget presentation comprised of Administrative and Maintenance divisions.

PUBLIC HOUSING REVENUES



Total \$2,588,770

PUBLIC HOUSING EXPENSES



PUBLIC HOUSING FUND

MISSION STATEMENT:

The mission of the Department of Public Housing is to create strong, sustainable, inclusive communities and quality affordable homes for all. The department also aims to provide programs and services to help public housing tenants improve basic life skills and achieve economic independence.

The Department of Public Housing identified the following primary programs that are included in the adopted budget for 2023-24.

Program	Description
Rental Housing for Very Low-Income Families (30% AMI)	Manage 296 housing units (12 locations) overseen by the Department of Public Housing. Monitor tenant eligibility and administer rental assistance programs. Calculate and collect rental payments and manage the waiting list of those requesting residency.
Maintenance Services	Respond to requests for repair of rental units, major appliances, and fixtures. Respond to emergency repair requests on a 24-hour/7 days per week basis. Manage a comprehensive modernization program that retrofits units on a rotating basis, including upgrading electrical systems, replacing doors and windows, and upgrading appliances.
Resident Services	Connect residents with outside agencies and community partners to assist them in meeting challenges and improving their quality of life.

PUBLIC HOUSING FUND

Major Revenue Sources - Descriptions and Estimates

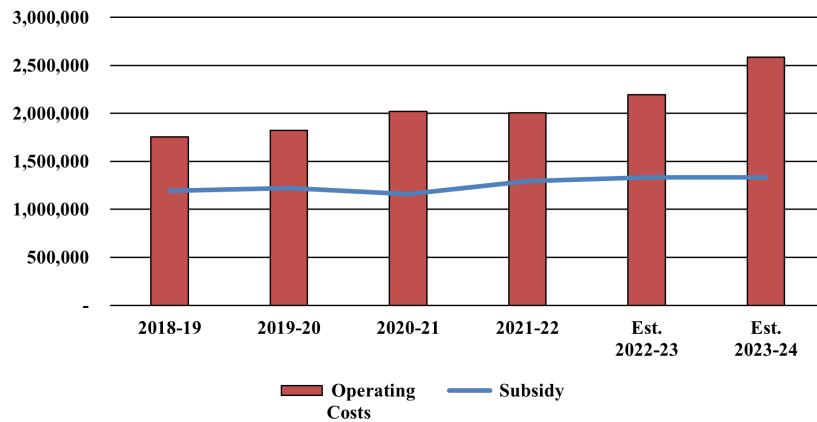
The Town’s Public Housing program provides for the administration and operation of the Town's 296 public housing units and is funded primarily through federal grants and rents paid by residents.

In 1987, the Chapel Hill Public Housing Authority was abolished by the Chapel Hill Town Council. Since then, the Town’s public housing program has been operated as a Town Department administered by Town staff and a Public Housing Director.

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 2023-24 under a simpler budget model

Housing Expenses vs. HUD Operating Subsidy



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 2023 but we have no information about calendar year 2024. Based on interim allocations, our estimate of HUD’s subsidy for 2022-23 is \$1,333,748, about a 3% increase from the 2021-22 subsidy of \$1,292,293.

The Housing Department estimates dwelling rents, the second largest revenue for the Public Housing Fund, at about \$1,213,387, which is in line with current year estimates.

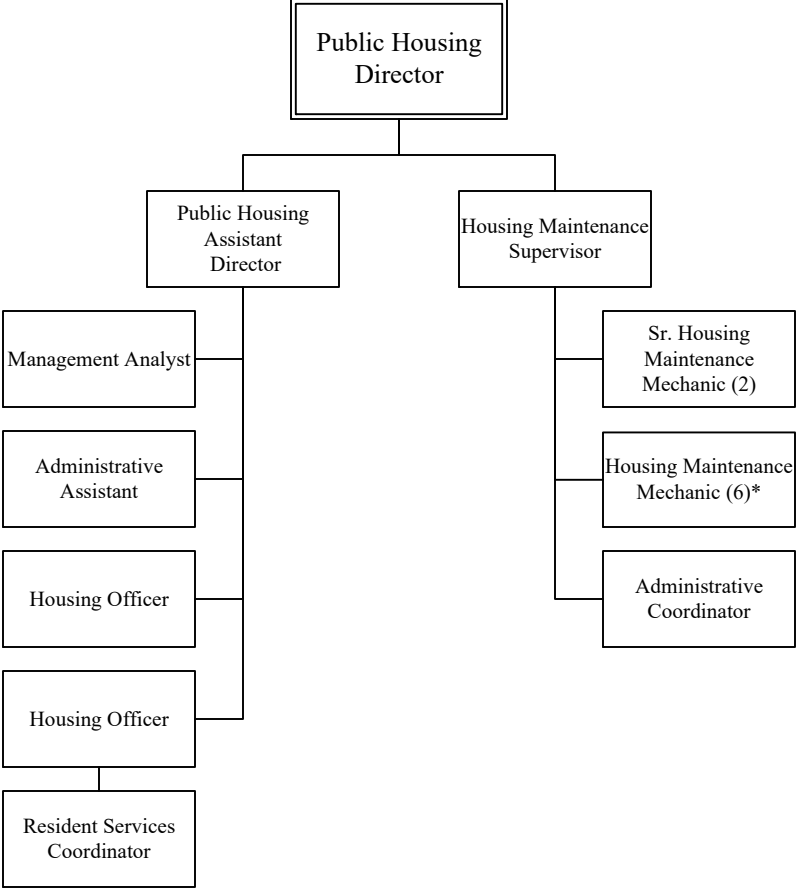
Major Expenditures and Estimates

Major expenditure categories include \$1,601,987 for salaries and benefits, \$213,450 for utilities, \$75,000 for liability and flood insurance, and \$569,056 for maintenance of the units.

The personnel costs include a 5% of market pay increase and a 0.75% retirement contribution increase, as well as a new Maintenance Mechanic position split with Affordable Housing and Community Connections.

	2022-23 Original Budget	2023-24 Adopted Budget	% Change from 2022-23
Salary & Benefits - Administration	\$ 597,993	\$ 740,043	23.8%
Salary & Benefits - Maintenance	847,002	861,944	1.8%
Maintenance Costs	555,994	569,056	2.3%
Utilities	213,400	213,450	0.0%
Liability & Flood Insurance	75,000	75,000	0.0%
Other Expenses	127,535	129,277	1.4%
Total Budget	\$ 2,416,924	\$ 2,588,770	7.1%

PUBLIC HOUSING



*One Maintenance Mechanic position is split with Affordable Housing & Community Connections.

PUBLIC HOUSING
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2021-22	2022-23	2023-24
	ADOPTED	ADOPTED	ADOPTED
Administration			
Director - Housing	1.00	1.00	1.00
Assistant Director - Housing	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Housing Officer	2.00	2.00	2.00
Resident Services Coordinator	0.00	1.00	1.00
Division Totals	6.00	7.00	7.00
Maintenance			
Maintenance Supervisor	1.00	1.00	1.00
Maintenance Mechanic (Repair Worker, I, II, III) ¹	8.00	7.00	7.50
Administrative Coordinator	1.00	1.00	1.00
Division Totals	10.00	9.00	9.50
Housing Department Totals	16.00	16.00	16.50

¹ One Maintenance Mechanic position is split with AH&CC.

PUBLIC HOUSING BUDGET SUMMARY

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 2023-24 retains a simpler model that includes an Administrative Division and a Maintenance Division.

The 10.9% increase in personnel is the result of the addition of a new Maintenance Mechanic position split with Affordable Housing and Community Connections, as well as a 0.75% retirement increase and a salary increase. The operating budget increased 1.5% due to vehicle maintenance and fuel, and contracted services such as plumbing contractors and bulk trash removal. The budget for 2023-24 reflects an estimate of the HUD subsidy anticipated for calendar year 2023. The Town anticipates increases in HUD subsidies and rental revenues. The Town also anticipates it will have a lower fund balance appropriation in 2023-24.

REVENUES


	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Revenue Summary						
HUD Contributions	\$ 1,292,293	\$ 1,274,426	\$ 1,274,426	\$ 1,333,748	\$ 1,333,748	4.7%
Rental Revenue	1,093,568	1,062,060	1,062,060	1,232,278	1,213,387	14.2%
Other Revenues	114,855	400	400	400	400	0.0%
Interest Income	517	1,715	1,715	20,000	20,000	1066.2%
Cares Act	113,922	-	-	-	-	N/A
Appropriated Fund Balance	-	78,323	79,338	-	21,235	-72.9%
Total Revenues	\$ 2,615,155	\$ 2,416,924	\$ 2,417,939	\$ 2,586,426	\$ 2,588,770	7.1%

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 999,540	\$ 1,444,995	\$ 1,444,995	\$ 1,211,201	\$ 1,601,987	10.9%
Operating	1,007,598	971,929	972,944	984,914	986,783	1.5%
Contribution to Reserve	608,017	-	-	390,311	-	N/A
Total	\$ 2,615,155	\$ 2,416,924	\$ 2,417,939	\$ 2,586,426	\$ 2,588,770	7.1%

PUBLIC HOUSING

Performance Measures

 <p>Affordable Housing & Housing Production</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ To provide decent, safe, and well maintained affordable rental housing for low-income residents
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Core Business Program	Updated Performance Measure	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Target
Public Housing	HUD's PHAS rating	58%	58%	58%	75%
	Percentage of elected officials and staff who have completed "Lead the Way" training	New for FY24	New for FY24	100%	100%
	Number of units inspected through Preventative Maintenance Inspections and repairs made	New for FY24	New for FY24	9 units*	257 (10 neighborhoods)
	Average number of work orders opened	New for FY24	New for FY24	590	800**
	Average # of days to complete a routine work order	2.2	1.73	1.5	< 2
	Average Capital Fund Expenditures for HUD Grants 2020 and 2021	New for FY24	New for FY24	2020: 70% expended 2021: 35% expended	2020: 100% expended 2021: 70% expended
	Average Number of Crime Reports (monthly)	New for FY24	New for FY24	5	0
	Average # of days to turnover a vacant unit	New for FY24	New for FY24	94	20
	Average # of persons attending the Food Bank	873	2,061	1,500	3,000
	Average # of calls received via the after-hour line	85	67	54	35
	% of Public Housing residents employed	64%	56%	66%	> 65%
	% of new tenants homeless at time of admission	3%	1%	5%	> 3%

*Began PM inspections at end of FY23, completed one neighborhood (Lindsay Street, which is 9 units). Maintenance's goal is to complete one neighborhood/month, with some of the larger neighborhoods like Craig Gomain and S. Estes taking two months.

**We will have a pest control and safety inspection for every unit every month: 296 units x 2= 592; plus preventative maintenance for every unit in one neighborhood a month (9-44 units depending on neighborhood), plus unit turnaround work orders (estimate 3-5 turns a month), plus appliance replacements each quarter (range from 9-44 a month, depending on one or more neighborhoods), plus call-ins by tenants. Estimate about 800/month.

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

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 2014 project ordinance budgets a \$403,505 grant and \$7,338 program income for public housing improvements, homeownership assistance, code enforcement, after school programs, community and homelessness outreach, and youth skills development programs.

The 2015 project ordinance budgets a \$404,761 grant and \$7,338 program income for public housing improvements, homeownership assistance, code enforcement, after-school programs, summer youth employment programs, and youth skills development programs, community and homelessness outreach, homeowner housing improvements.

The 2016 project ordinance budgets a \$387,702 grant and \$7,338 program income for public housing improvements, homeownership assistance, homeowner housing improvement programs, code enforcement, neighborhood revitalization activities, summer youth employment programs, homelessness outreach and case management, youth skills development and community literacy programs.

The 2017 project ordinance budgets a \$380,825 grant and \$38,046 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 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 1 project ordinance budgeted a grant of \$245,693 for emergency housing assistance and homelessness case management.
- The Coronavirus funding round 3 project ordinance budgeted 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.

CAPITAL PROGRAM

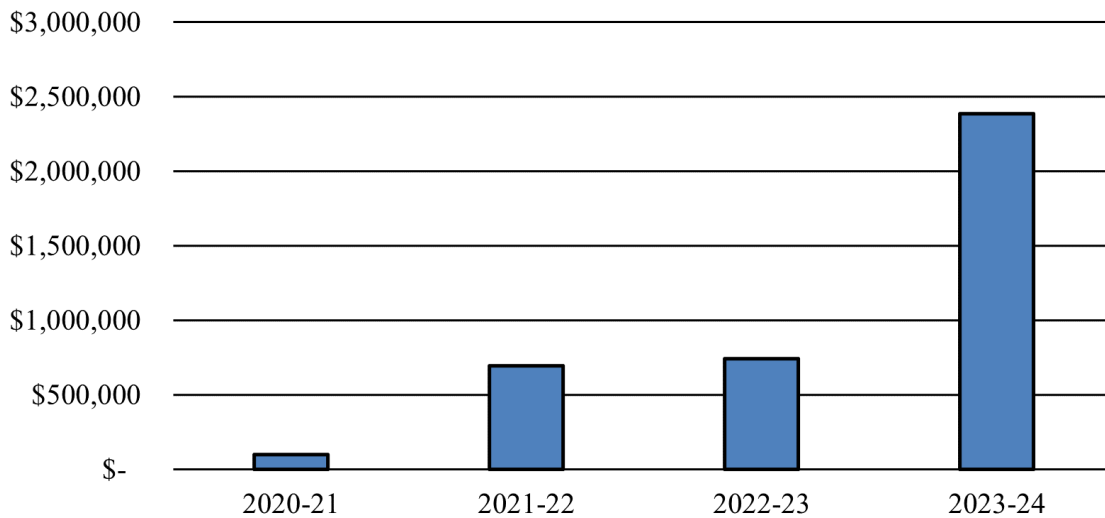
The Capital Program is a 15-year financial plan for the Town’s major capital and infrastructure needs. The program identifies capital needs, establishes priorities, and identifies potential funding sources.

Key sources for development of the Capital Program include the Facility Condition Assessment, special studies, the Comprehensive Plan, and requests from the Council, citizens, and Town staff.

The Capital Program includes projects financed with bond funds, grants, or other sources. The Capital Improvements Fund and Capital Reserve Fund are generally funded by annual transfers from the Town’s General Fund.

Expenditures in the Capital Improvements and Reserve Funds for 2023-24 are part of the 2023-24 annual budget. All other years are projected expenditures. Proposed funding levels will change in future years as capital programs are refined and the official Town budget is adopted for a given fiscal year.

Capital Improvements Fund Budget 2020-21 to 2023-24



CAPITAL PROGRAM – MAJOR REVENUE SOURCES

Capital Improvements Program

The Capital Improvements Program is a 15-year plan to fund capital projects that are selected based on a set of priorities and anticipated availability of funding. The program emphasizes projects at Town facilities, with the goal of addressing capital-related problems as they arise in order to avoid more costly repairs in the future.

2015 Bonds

In November 2015, voters approved \$40.3 million in bonds. The bond projects are assigned to five individual categories as follows:

- Sidewalks and Streets (\$16.2 million): For improvements for bicycle and pedestrian safety, sidewalks, streets and bridges, and Downtown Streetscape.
- Trails and Greenways (\$5 million): For expansion of the town's Greenway System.
- Recreation Facilities (\$8 million): Renovations to parks, Parks & Recreation administrative space, and a community programming space.
- Solid Waste Options (\$5.2 million): Develop options for future solid-waste removal.
- Stormwater Improvements (\$5.9 million): For drainage improvements, flood control, and stream restoration.

The Town has had three issuances under this referendum. The Town issued \$9 million of General Obligation bonds in February 2017, \$12.5 million of General Obligation bonds in March 2018, and \$7.7 million of General Obligation bonds in March 2023.

2018 Bonds

In November 2018, voters approved \$10 million for an Affordable Bond referendum. The Town issued the full amount of the referendum. The Town issued \$4.755 million in General Obligation bonds in May 2021 and \$5.245 million in General Obligation bonds in March 2023.

Two-Thirds Bonds

By NC General Statutes, the Town is able to issue two-thirds bonds without a referendum in an amount equivalent to two-thirds of the principal amount of debt retired in the prior fiscal year. The Town issued \$1.6 million in two-thirds bonds in March 2017, \$3,205,000 in two-thirds bonds in May 2021, and \$1.98 million in two-thirds bonds in March 2023.

CAPITAL PROGRAM – MAJOR REVENUE SOURCES

Stormwater Management Funds

Stormwater Management fees provide funding for the Town’s Stormwater Management Department, including capital projects.

Parking Funds

Fees collected from Town-operated on-street and off-street parking areas provide funding for the Parking Services Department, including capital projects.

Other Sources

- *Community Development Block Grant (CDBG)*: The Town receives annual federal grants from the U. S. Department of Housing and Urban Development (HUD). The Council approves a general 5-year spending plan to benefit lower-income neighborhoods and adopts an annual budget for these funds by a capital projects ordinance.
- *Housing Capital Grant*: In fiscal year 1993-94, the Town began receiving an annual entitlement for public housing renovations from the U. S. Department of Housing and Urban Development (HUD).
- *N.C. Department of Transportation (NCDOT)*: For most public transit projects, the Federal Transit Administration provides 80% funding and the NCDOT provides an additional 10% match. For the State’s thoroughfare, bikeways, and pedestrian programs, the NCDOT funds projects selected from an annual Transportation Improvements Program in which local governments request that the State fund these types of projects in their community. Local requests are considered in a State-wide priority list. Projects are implemented by the NCDOT.
- *Surface Transportation Program (STP)*: The Surface Transportation Program provides flexible funding for projects on Federal-aid highways, including shared use paths and related facilities that may have recreational use, bridge projects on public roads, transit capital projects, and intracity and intercity bus terminals and facilities.
- *Gifts*: Occasionally, citizens of Chapel Hill will provide the Town with contributions to be used toward a project for which the citizen holds a special interest.
- Additional financing options include Certificates of Participation (COPS) and Asset-Backed Installment Debt.

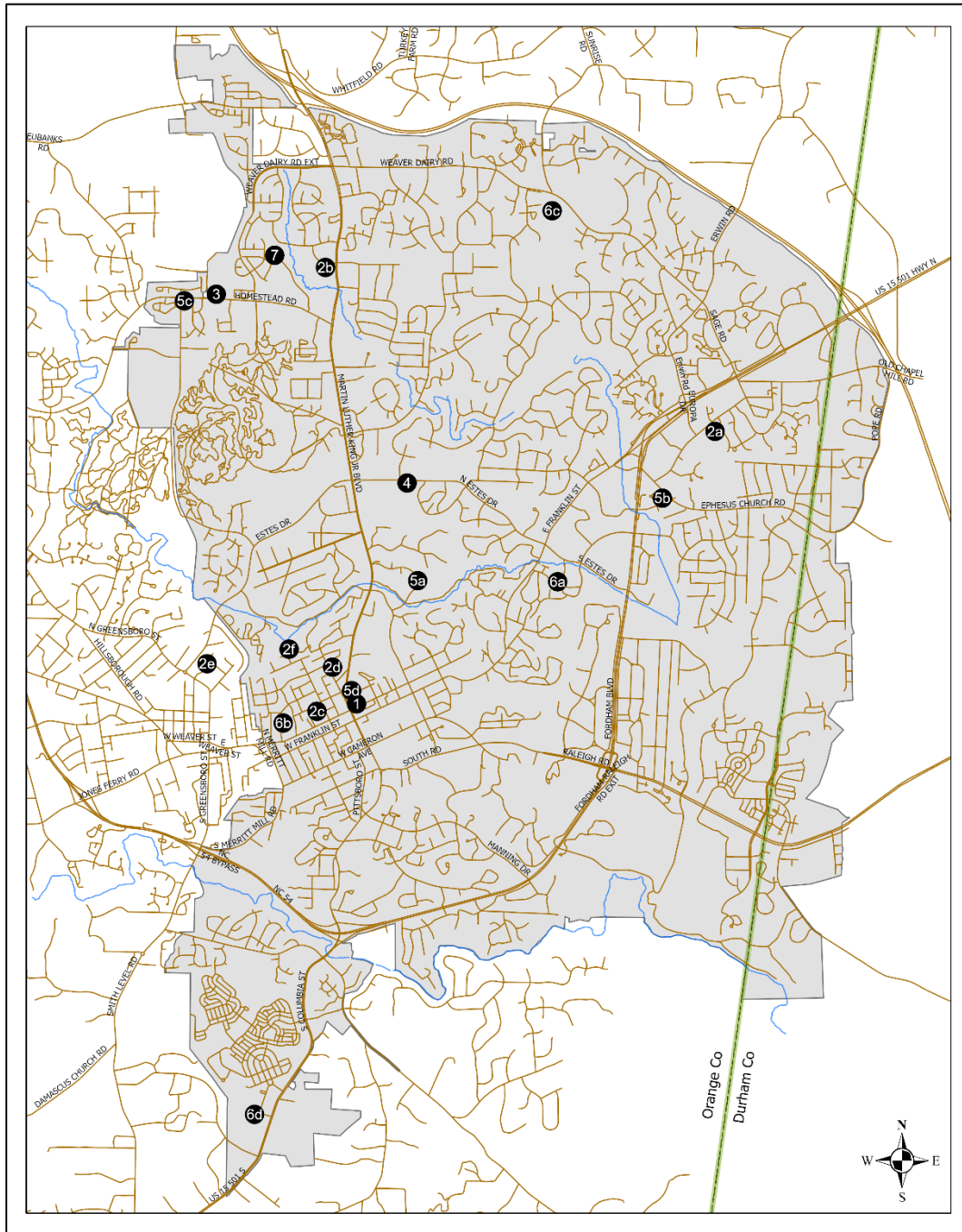
CAPITAL PROGRAM – KEY PROJECTS

This section highlights key projects included in the 2024-38 Capital Program. The map on the following page shows project locations.

Major projects in the program anticipated to take place over the next five years include the East Rosemary Street Redevelopment Project, repairs and renovations to several Public Housing sites, the Homestead Gardens affordable housing project, and expansions/improvements of bike and pedestrian lanes on Estes Drive. Other capital projects include various street and roadway improvements, making Town playgrounds more inclusive, and modernization of the Homestead Skatepark.

The Capital Program also emphasizes maintenance and renovation projects at Town facilities and Town-owned facilities leased by others, with the goal of addressing problems as they arise in order to avoid more costly repairs in the future.

CAPITAL PROGRAM – KEY PROJECTS



Location of Key Capital Projects

KEY

1. East Rosemary Street Redevelopment Project; 2. Public Housing Redevelopment: 2a. Colony Woods West; 2b. Rainbow Heights; 2c. Lindsay Street; 2d. North Columbia; 2e. Oakwood; 2f. Trinity Court; 3. 2200 Homestead Road Affordable Housing; 4. Estes Drive Bike & Ped Improvements (MLK to Caswell); 5. Street Construction/Roadway Improvements: 5a. Bolinwood Bridge Replacement; 5b. Elliott Road Extension; 5c. Homestead/Seawell School Rd Sidewalks; 5d. North Street construction; 6. Inclusive/Playground Improvements: 6a. Community Center; 6b. Hargraves Center; 6c. Cedar Falls Park; 6d. Southern Community Park; 7. Homestead Skatepark

CAPITAL PROGRAM – KEY PROJECTS

1. East Rosemary Street Redevelopment Project/Parking Deck Construction

The Town of Chapel Hill is preparing to carry out the East Rosemary Street Redevelopment Project in conjunction with Grubb Properties, who exchanged the Wallace parking deck/land for 137 (CVS) parking deck and adjacent parcels. The project involves construction of a 1,100-space parking deck and an office building with web lab space, bringing an estimated \$50 million investment and 800 jobs. The project is expected to attract new entrepreneurs and retain local businesses. Additional community benefits include increased centralized parking, new greenspaces, improved bike and pedestrian connections, and downtown jobs to support our restaurant and retail businesses.

2. Public Housing/Trinity Court Redevelopment

The FY24 CIP includes funding for needed repairs and renovations to public housing apartments, facilities, and sites. These improvements to the public housing apartments will allow us to continue our efforts to provide safe and sanitary living conditions to a portion of the lower-income citizens of Chapel Hill. Locations for these planned improvements include our sites at Colony Woods West, Rainbow Heights, Lindsay Street, North Columbia, and Oakwood.

The Trinity Court Redevelopment project includes replacing all units located at the site and maximizing the number of additional units, all while ensuring that the new development is compatible with the surrounding neighborhoods.

3. 2200 Homestead Road Affordable Housing

The Homestead Gardens project at 2200 Homestead Road is one of the Town's first efforts to develop affordable housing on Town land. The project will include about 100 mixed income affordable housing units, including rental apartments and for-sale duplexes and townhomes surrounded by a variety of community amenities, including a multi-use greenway path, walking trails, basketball court, and a community garden.

4. Estes Drive Bike & Ped Improvements (MLK to Caswell)

This project includes constructing raised bike lanes on both sides of Estes Drive, a multiuse path on the north side, and a sidewalk on the south side from Martin Luther King Jr. Blvd. to Caswell Road. Intersection improvements at MLK/Estes are also part of the project. Staff has made progress on ROW and easements, and only one easement is outstanding. Plans are at 100% and are about to be submitted to NCDOT for review.

CAPITAL PROGRAM – KEY PROJECTS

5. Street Construction/Roadway Improvements

Various street projects include the replacement of Bolinwood Bridge, Estes Drive connectivity, Elliot Road extension, Homestead/Seawell School Road sidewalks, North Street construction, and various street resurfacing projects. These projects will address long-term needs, provide alternative modes of transportation, and improve congestion and traffic control.

6. Inclusive/Playground Improvements

This project includes designing and constructing an inclusive playground at the Chapel Hill Community Center Park to replace the current playground. An inclusive playground allows park users of all abilities to access and enjoy the amenities regardless of physical, social, or cognitive needs. Additionally, adaptive play equipment will be added to playgrounds within Parks and Recreation's inventory. Adaptive play equipment installations will occur at playgrounds located at Hargraves Center, as well as Cedar Falls and Southern Community Parks in FY 24 and 25. Staff has initiated this project which will include public engagement, permitting, design, and construction.

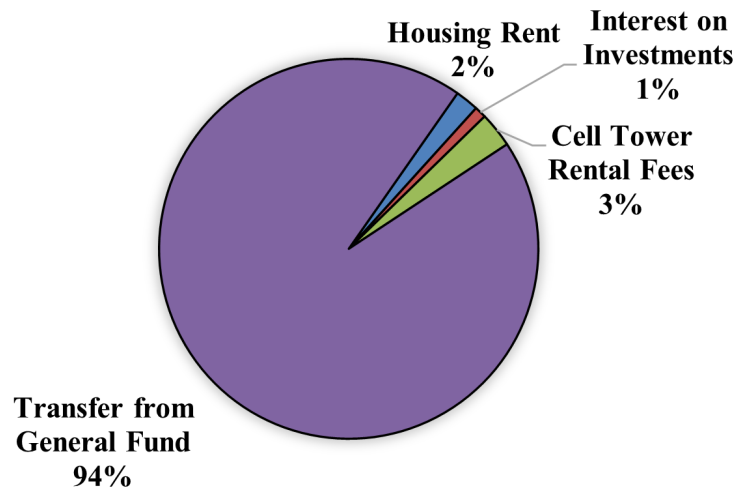
7. Homestead Skatepark

This skatepark improvement project at 100 Aquatic Drive within Homestead Park will modernize the current facility. An investment of \$500,000 will replace the wooden vertical elements at the 10,000 square foot park and construct new features utilizing concrete. Community benefits include access to a low to zero cost recreation amenity for all ages and the ability to facilitate skill development classes. This project provides the Town an opportunity to host local, state, and regional adventure sporting events. Staff has made progress on identifying design vendors. Public engagement, permitting, design, and construction will take place in FY 24 and 25.

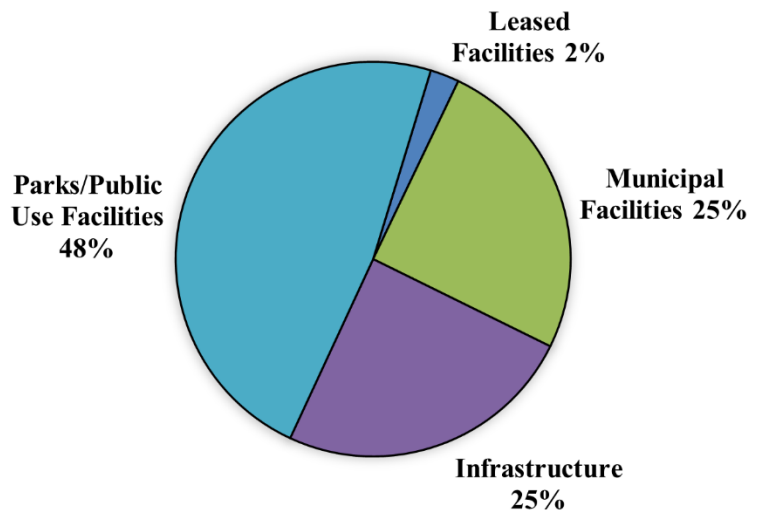
CAPITAL IMPROVEMENTS FUND

The Capital Improvements Fund generally accounts for purchases and construction that can be completed within a single year. Capital Improvements Fund (CIP) projects are prioritized as part of the Town's 15-year capital program.

CAPITAL IMPROVEMENTS FUND REVENUES



CAPITAL IMPROVEMENTS FUND EXPENDITURES



CAPITAL IMPROVEMENTS FUND BUDGET SUMMARY

The budget for the Capital Improvements Program for 2023-24 totals \$2,386,104 and includes projects to be completed in 2023-24. 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.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Municipal Facilities	\$ 558,466	\$ 299,000	\$ 1,729,466	\$ 1,729,466	\$ 601,000	101.0%
Public Safety	-	-	950,000	950,000	-	N/A
Facilities Leased by Others	48,899	36,241	154,917	154,917	56,701	56.5%
Infrastructure	154,500	186,000	342,500	342,500	587,403	215.8%
Communication/Technology	36,399	-	51,615	51,615	-	N/A
Parks/Public Use Facilities	68,027	220,000	323,103	323,103	1,141,000	418.6%
Transfers/Financing Costs	-	-	-	-	-	N/A
Total	\$ 866,291	\$ 741,241	\$ 3,551,601	\$ 3,551,601	\$ 2,386,104	221.9%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Housing Rent Proceeds	\$ 37,984	\$ 36,241	\$ 36,241	\$ 36,241	\$ 56,701	56.5%
Cell Tower Rental Fees	69,979	70,000	70,000	70,000	70,000	0.0%
Interest on Investments	91	500	500	10,000	10,500	2000.0%
Transfer from General Fund	2,423,000	634,500	1,384,500	1,384,500	2,248,903	254.4%
Appropriated Fund Balance	(1,664,763)	-	2,060,360	2,050,860	-	N/A
Total	\$ 866,291	\$ 741,241	\$ 3,551,601	\$ 3,551,601	\$ 2,386,104	221.9%

CAPITAL IMPROVEMENTS FUND
DETAIL EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget
MUNICIPAL OPERATIONS FACILITIES					
Extraordinary Maintenance, Emergency Repairs	\$ 258,333	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Teen Center	-	-	18,700	18,700	-
Police Department HVAC	-	-	30,900	30,900	-
Council Chamber Upgrade	-	-	250,000	250,000	-
Town Hall Parking Deck Repairs	-	-	349,000	349,000	-
Post Office/Courthouse	4,825	-	703,654	703,654	60,000
Town Hall Roof	295,308	-	2,712	2,712	-
Facility Condition Assessment	-	58,000	58,000	58,000	-
Hargraves HVAC	-	54,000	54,000	54,000	-
Community Center Roof	-	52,000	42,400	42,400	441,000
Community Center HVAC	-	35,000	35,000	35,000	-
Town Operations Center	-	-	85,100	85,100	-
Subtotal	\$ 558,466	\$ 299,000	\$ 1,729,466	\$ 1,729,466	\$ 601,000
PUBLIC SAFETY					
Fire Truck	\$ -	\$ -	\$ 750,000	\$ 750,000	\$ -
Fire Station #3 Design	-	-	200,000	200,000	-
Subtotal	\$ -	\$ -	\$ 950,000	\$ 950,000	\$ -

CAPITAL IMPROVEMENTS FUND
DETAIL EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget
TOWN FACILITIES LEASED BY OTHERS					
Housing Maintenance	\$ 48,899	\$ 36,241	\$ 154,917	\$ 154,917	\$ 56,701
Subtotal	\$ 48,899	\$ 36,241	\$ 154,917	\$ 154,917	\$ 56,701
INFRASTRUCTURE					
Everywhere to Everywhere	\$ -	\$ -	\$ -	\$ -	\$ 401,403
Path, Trail and Lot Maintenance	25,000	25,000	25,000	25,000	25,000
Vision Zero	-	50,000	50,000	50,000	50,000
Curbs / ADA	36,000	36,000	36,000	36,000	36,000
Bike/Ped Safety	93,500	75,000	231,500	231,500	75,000
Subtotal	\$ 154,500	\$ 186,000	\$ 342,500	\$ 342,500	\$ 587,403
COMMUNICATIONS AND TECHNOLOGY					
GovTV Equipment	\$ 36,399	\$ -	\$ 9,699	\$ 9,699	\$ -
General Technology	-	-	41,916	41,916	-
Subtotal	\$ 36,399	\$ -	\$ 51,615	\$ 51,615	\$ -
PARKS AND OTHER PUBLIC USE FACILITIES					
Greenways	\$ 388	\$ 50,000	\$ 86,988	\$ 86,988	\$ 50,000
Playground Replacement	26,650	50,000	56,622	56,622	50,000
Cemetery Beautification	8,963	20,000	28,039	28,039	20,000
Parks Maintenance	-	50,000	48,940	48,940	971,000
Small Park Improvements	32,026	50,000	102,514	102,514	50,000
Subtotal	\$ 68,027	\$ 220,000	\$ 323,103	\$ 323,103	\$ 1,141,000
TOTALS	\$ 866,291	\$ 741,241	\$ 3,551,601	\$ 3,551,601	\$ 2,386,104

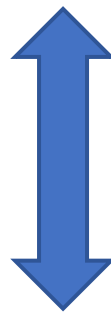
PROJECT DESCRIPTIONS AND COSTS – CURRENTLY FUNDED PROJECTS

This section provides descriptions of various capital projects funded in the 2023-24 budget shown in Table 1. The projects listed are those funded or proposed to receive funding through the Capital Improvements Fund, Stormwater Management Funds, Grant Funds, and/or Special Purpose Funds.

The descriptions include information on the total funding proposed for each project, the funding source, the project location, the estimated impact on the operating budget, and where the project is listed in the 15-Year Project Tables which follow this section.

Explanation: Operating Budget Impact

Each project includes an assessment of the operating budget impact from implementing the project. For example, the development of a new park would increase the maintenance and programming costs for the Parks and Recreation Department. Not all projects would increase the operating budget costs. For example, renovations of a Town facility would have a net positive effect on the operating budget by reducing maintenance funded out of departments' operating budgets. The impact levels are to the right.



High: More than \$25,000 a year
Moderate: \$5,000 to \$25,000 a year
Low: \$1,000 to \$5,000 a year
No impact: No impact on operating budget



Positive: Project will save operating budget funds

PROJECT DESCRIPTIONS AND COSTS – CURRENTLY FUNDED PROJECTS

Illustration: Tips for Reading Project Descriptions

MUNICIPAL OPERATIONS FACILITIES

← **Project Category**

Project Name

Extraordinary Maintenance, Emergency Repairs

From time to time, unanticipated failures occur in building systems that require immediate emergency repairs. Examples of projects include roof repairs, HVAC system repair, asbestos/lead abatements, vandalism remediation, swimming pool mechanical system repairs, and hazardous material spill abatements.

Description

← **Where to find project in Tables 1, 2 or 3, which appear after this section**

Effect on Town's operating budget when project is implemented.

Table and Ref #:

Location:

Operating Budget Impact:

Table 1, Ref #1

Various sites

Positive (Thousands annually): Funding will reduce need to use operating funds for emergency repairs.

Adopted 2023-24 Budget and Projected Expenditures

<i>Fiscal Year</i>					<i>5-Year Total</i>	<i>15-Year Total*</i>	<i>Funding Source</i>
2023-24	2024-25	2025-26	2026-27	2027-28	<i>Through 2027-28</i>	<i>Through 2037-38</i>	
\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000	\$1,500,000	Capital Improvements Fund

← **Summary of 2023-24 budget and projected expenditures for project. See Projects by Funding Source tables (Tables 1 through 3) for projected expenditures for all 15 years.**

PROJECT DESCRIPTIONS AND COSTS – CURRENTLY FUNDED PROJECTS

MUNICIPAL OPERATIONS FACILITIES

Extraordinary Maintenance & Emergency Repairs

From time to time, unanticipated failures occur in building systems that require immediate emergency repairs. Examples of projects include roof repairs, HVAC system repairs, asbestos/lead abatements, vandalism remediation, swimming pool mechanical system repairs, and hazardous material spill abatements.

Table and Ref #: Table 1, Ref #1
Location: Various sites
Operating Budget Impact: Positive (Thousands annually): Funding will reduce need to use operating funds for emergency repairs.

Adopted 2023-24 Budget and Projected Expenditures

<i>Fiscal Year</i>					<i>5-Year Total</i>	<i>15-Year Total*</i>	<i>Funding Source</i>
2023-24	2024-25	2025-26	2026-27	2027-28	<i>Through 2027-28</i>	<i>Through 2037-38</i>	
\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000	\$1,500,000	Capital Improvements Fund

Multi-Agency Complex

Proceeds from the sale of the old Library building at 523 East Franklin Street are going toward the design and other related costs for the planned multi-agency complex. This building will house Town departments.

Table and Ref #: Table 2, Ref #65
Location: Various sites
Operating Budget Impact: No Impact

Adopted 2023-24 Budget and Projected Expenditures

<i>(\$1,692,474) budgeted from sale of property in Fiscal Year 2014-15</i>					<i>5-Year Total</i>	<i>15-Year Total*</i>	<i>Funding Source</i>
<i>Fiscal Year</i>							
2023-24	2024-25	2025-26	2026-27	2027-28	<i>Through 2027-28</i>	<i>Through 2037-38</i>	
-	-	-	-	-	-	-	Multi-Year Capital Project Ordinance

PROJECT DESCRIPTIONS AND COSTS – CURRENTLY FUNDED PROJECTS

INFRASTRUCTURE

Capital Repairs: Bike Paths, Paved Trails and Public Parking Areas

Funds will pay for repair and maintenance of existing paved pedestrian paths, trails, and parking lots. Repair needs have been identified at fire stations, public housing developments, Parks and Recreation facilities, and other locations.

Table and Ref #: Table 1, Ref #26
Location: Various Sites
Operating Budget Impact: Positive (More than \$1,000 annually):
 Repairs will reduce need to use operating budget funds to address needs.

Adopted 2023-24 Budget and Projected Expenditures

<i>Fiscal Year</i>					<i>5-Year Total</i>	<i>15-Year Total</i>	<i>Funding Source</i>
2023-24	2024-25	2025-26	2026-27	2027-28	<i>Through 2027-28</i>	<i>Through 2037-38</i>	
\$25,000	\$50,000	\$50,000	\$50,000	\$50,000	\$225,000	\$725,000	Capital Improvements Fund

Curb Repairs: ADA Compliance

The Town is retrofitting curb ramps by installing truncated domes that alert pedestrians with vision impairments of their approach into a street. The inclusion of funds in the Town’s annual CIP confirms our commitment to meeting ADA requirements as presently interpreted to include truncated domes. We also believe that this plan satisfies legislative intent.

Table and Ref #: Table 1, Ref #34
Location: Various Sites
Operating Budget Impact: No Impact

Adopted 2023-24 Budget and Projected Expenditures

<i>Fiscal Year</i>					<i>5-Year Total</i>	<i>15-Year Total</i>	<i>Funding Source</i>
2023-24	2024-25	2025-26	2026-27	2027-28	<i>Through 2027-28</i>	<i>Through 2037-38</i>	
\$36,000	\$50,000	\$50,000	\$50,000	\$50,000	\$236,000	\$736,000	Capital Improvements Fund

PROJECT DESCRIPTIONS AND COSTS – CURRENTLY FUNDED PROJECTS

Stormwater Project Construction/Design

Funding will provide stream channel and infrastructure improvements, stream restoration, and infrastructure repair/retrofit throughout the Town. This project will mitigate flooding/drainage problems, as well as improve water quality conditions.

Table and Ref #: Table 2, Ref #95
Location: Various Sites
Operating Budget Impact: No Impact

Adopted 2023-24 Budget and Projected Expenditures

<i>Fiscal Year</i>					<i>5-Year Total</i>	<i>15-Year Total</i>	<i>Funding Source</i>
2023-24	2024-25	2025-26	2026-27	2027-28	<i>Through 2027-28</i>	<i>Through 2037-38</i>	
\$80,400	\$80,400	\$80,400	\$80,400	\$80,400	\$402,000	\$1,206,000	Stormwater Management Fund

Rogers Road Design & Engineering

This collaborative project between the Town of Chapel Hill, the Town of Carrboro, and Orange County will provide funding for a new sewer service and to create a master plan for the Rogers Road – Eubanks Road Neighborhood.

Table and Ref #: Table 2, Ref #108
Location: Rogers Road-Eubanks Road Neighborhood
Operating Budget Impact: No Impact

Adopted 2023-24 Budget and Projected Expenditures

<i>(\$216,794) remaining in account to cover payments to Orange County as part of joint effort</i>					<i>5-Year Total</i>	<i>15-Year Total</i>	<i>Funding Source</i>
<i>Fiscal Year</i>					<i>Through 2027-28</i>	<i>Through 2037-38</i>	
2023-24	2024-25	2025-26	2026-27	2027-28	<i>Through 2027-28</i>	<i>Through 2037-38</i>	
-	-	-	-	-	-	-	Multi-Year Capital Project Ordinance

PROJECT DESCRIPTIONS AND COSTS – CURRENTLY FUNDED PROJECTS

Estes Drive Bike and Pedestrian Improvements

Funding will include bike lanes and sidewalks on the north and south sides of Estes Drive and an off-road multi-use trail on the north side. The work supports goals outlined in the Chapel Hill 2020 comprehensive plan and the Chapel Hill Bike Plan.

Table and Ref #: Table 2, Ref #107
Location: Various sites
Operating Budget Impact: No Impact

Adopted 2023-24 Budget and Projected Expenditures

<i>(\$3,686,618) budgeted in CMAQ Grants from Fiscal Years 2017-18, 2018-19, & 2020-21</i>					<i>5-Year Total</i>	<i>15-Year Total</i>	<i>Funding Source</i>
<i>Fiscal Year</i>							
2023-24	2024-25	2025-26	2026-27	2027-28	<i>Through 2027-28</i>	<i>Through 2037-38</i>	
-	-	-	-	-	-	-	CMAQ Grant

Elliott Road Storage Project

This project involves constructing a stormwater control facility along with making park and pedestrian improvements to the area. Public Works staff are working with WK Dickson, a stormwater engineering consultant, to execute construction management services for the Elliott Road Storage Facility.

Table and Ref #: Table 3, Ref #164
Location: Various sites
Operating Budget Impact: No Impact

Adopted 2023-24 Budget and Projected Expenditures

<i>(\$2,829,554) budgeted in 2018 Bond Sale in FY 2018-19</i>					<i>5-Year Total</i>	<i>15-Year Total</i>	<i>Funding Source</i>
<i>Fiscal Year</i>							
2023-24	2024-25	2025-26	2026-27	2027-28	<i>Through 2027-28</i>	<i>Through 2037-38</i>	
-	-	-	-	-	-	-	2018 Bond Sale

PROJECT DESCRIPTIONS AND COSTS – CURRENTLY FUNDED PROJECTS

PUBLIC SAFETY

Public Safety Radios

Funding will replace aging public safety radios.

Table and Ref #: Table 3, Ref #157
Location: Technology Solutions
Operating Budget Impact: No Impact

Adopted 2023-24 Budget and Projected Expenditures

<i>(\$2,497,827) budgeted in Two-Thirds Bonds in FY 2016-17 & 2022-23</i>					<i>5-Year Total</i>	<i>15-Year Total</i>	<i>Funding Source</i>
<i>Fiscal Year</i>							
2023-24	2024-25	2025-26	2026-27	2027-28	<i>Through 2027-28</i>	<i>Through 2037-38</i>	
-	-	-	-	-	-	-	Two-Thirds Bonds

PARKS AND OTHER PUBLIC USE FACILITIES

Playgrounds

Playground equipment in various locations throughout the Town is in need of replacement in order to comply with current safety and ADA guidelines. Playground equipment will be replaced at Homestead Park and Southern Community Park.

Table and Ref #: Table 1, Ref #52
Location: Various locations
Operating Budget Impact: Positive (Hundreds per year): Projects will reduce need to use operating budget for repairs.

Adopted 2023-24 Budget and Projected Expenditures

<i>Fiscal Year</i>					<i>5-Year Total</i>	<i>15-Year Total</i>	<i>Funding Source</i>
2023-24	2024-25	2025-26	2026-27	2027-28	<i>Through 2027-28</i>	<i>Through 2037-38</i>	
\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$450,000	\$1,450,000	Capital Improvements Fund

PROJECT DESCRIPTIONS AND COSTS – CURRENTLY FUNDED PROJECTS

Morgan Creek Trail

The next phases of the Morgan Creek Trail are currently in the design phase. There are four separate sub-projects for design purposes. For construction, these might be bid separately or bundled together. One project will extend the trail east from Merritt’s Pasture, along Fordham Boulevard to Morgan Creek Road. Another project will extend the trail from the existing parking lot westward to Smith Level Road. We are also designing an expansion of the existing parking lot and a separate pedestrian bridge at Ashe Place.

<i>Table and Ref #:</i>	Table 3, Ref #167
<i>Location:</i>	Morgan Creek
<i>Operating Budget Impact:</i>	No Impact

Adopted 2023-24 Budget and Projected Expenditures

<i>(\$2,446,694) budgeted in multi-year fund in FY 2016-17</i>					<i>5-Year Total</i>	<i>15-Year Total</i>	<i>Funding Source</i>
<i>Fiscal Year</i>					<i>Through 2027-28</i>	<i>Through 2037-38</i>	
2023-24	2024-25	2025-26	2026-27	2027-28	-	-	2015 Bond Issue
-	-	-	-	-	-	-	

CAPITAL PROGRAM TABLES – INTRODUCTION

The Capital Improvements Program contains tables that outline the adopted budget for CIP projects in fiscal year 2023-24 and projected expenditures in future fiscal years for all funds, from 2023-24 through 2037-38. These tables are as follows:

- **Table 1. Capital Improvements.** Table 1 lists projects identified for Capital Improvements. Projects listed include adopted projects for 2023-24 and other identified capital improvement needs for future years.
- **Table 2. Other Sources.** Table 2 lists capital projects funded by grants or other available or anticipated funding sources other than the Capital Improvements Fund. These project budgets would be established by separate project ordinances.
- **Table 3. Approved Bond Schedule.** Table 3 lists projects to be funded using voter - approved bonds and shows the bond-sale schedule approved by the Council.

TABLE 1: Capital Improvements

Reference #	Project	2022-23 Budget Revised	2023-24 Adopted Budget	2024-25
Municipal Operations Facilities				
1	Extraordinary Maintenance	\$ 100,000	\$ 100,000	\$ 100,000
2	Teen Center	18,700	-	-
3	Facility Condition Assessment	58,000	-	-
4	Town Hall - Safety & Security Improvements	-	-	171,720
5	Town Hall Parking Deck Maintenance	349,000	-	-
6	Town Hall Elevators	-	-	-
7	Town Hall Roof	2,712	-	-
8	Fire Station #3 Roof	-	-	80,000
9	Fire Station #3 Generator	-	-	-
10	Station 1 Bay Door Replacement	-	-	-
11	Fire Station #1 Generator	-	-	-
12	Fire Station #4 Generator	-	-	98,000
13	Fire Station #4 Roof	-	-	100,000
14	Post Office Roof Replacement	703,654	60,000	-
15	Council Chambers Upgrade	250,000	-	150,200
16	Small Capital Improvements	-	-	100,000
17	Hargraves HVAC	54,000	-	-
18	Community Center Roof	42,400	441,000	-
19	Community Center HVAC	35,000	-	-
20	Police Department HVAC	30,900	-	-
21	Town Operations Center	85,100	-	-
Public Safety				
22	Fire Radios	-	-	250,000
23	Fire Truck	750,000	-	-
24	Fire Station #3 Design	200,000	-	-
Town Facilities Leased by Others				
25	Housing Maintenance	154,917	56,701	36,241
Infrastructure				
26	Parking Lots/Paths/Trails	25,000	25,000	50,000
27	Wood Cir/Velma Rd Closed System Improvements	-	-	-
28	Booker Creek Rd/Lakeshore Ln Closed System Improvements	-	-	-
29	Chelsey Ln Closed System Improvements	-	-	-
30	Old Oxford Rd. Cosed System Improvements	-	-	-
31	Downtown Lighting LED Upgrade	-	-	150,000
32	Barclay Rd Crossing	-	-	-
33	Bennett Rd Sidewalk	-	-	205,000
34	Curb Cut Improvements (ADA)	36,000	36,000	50,000
35	Bike/Ped Safety	231,500	75,000	-
36	Vision Zero	50,000	50,000	-
37	Everywhere to Everywhere	-	401,403	-
Communications				
38	GovTV Equipment	9,699	-	-
39	General Technology	41,916	-	-
Parks and Other Public Use Facilities				
40	Parks Needs Assessment	-	-	-
41	Small Parks Improvements	102,514	50,000	150,000
42	Old Chapel Hill Cemetery Paths Renovation	-	-	-
43	Umstead Park Renovations	-	-	-
44	Greenways	86,988	50,000	75,000
45	Cemetery Beautification	28,039	20,000	20,000
46	Community Center Pool Shell Re-Plastering	-	-	-
47	Homestead Aquatics Center Pool Shell Re-Plastering	-	-	-
48	Homestead Park Dog Park Renovations	-	-	75,000
49	Replacement of HVAC Equipment at Public Works	-	-	-
50	Replacement of HVAC Equipment at Transit	-	-	-
51	Cedar Falls Picnic Shelter	-	-	-
52	Inclusive Playground	-	-	-
53	North Forest Hills Park Renovations	-	-	-
54	Property Line Marking	-	-	75,000
55	Homestead Park Path Renovation	-	-	-
56	Playgrounds	56,622	50,000	100,000
57	Parks Maintenance	48,940	971,000	-
	Total	\$ 3,551,601	\$ 2,386,104	\$ 2,036,161

*Future years after FY2023-24 are for planning purposes only.

2025-26	2026-27	2027-28	2028-38	Reference #
\$ 100,000	\$ 100,000	\$ 100,000	\$ 1,000,000	1
-	-	-	-	2
-	60,000	-	-	3
-	-	-	-	4
-	-	-	-	5
-	-	-	300,000	6
-	-	-	-	7
-	-	-	-	8
-	-	-	180,115	9
114,000	-	-	-	10
161,000	-	-	-	11
-	-	-	-	12
-	-	-	-	13
-	-	-	-	14
-	-	-	-	15
100,000	100,000	100,000	1,000,000	16
-	-	-	-	17
-	-	-	-	18
-	-	-	-	19
-	-	-	-	20
-	-	-	-	21
-	-	-	-	22
-	-	-	-	23
-	-	-	-	24
36,241	36,241	36,241	36,241	25
50,000	50,000	50,000	500,000	26
-	-	-	165,500	27
-	-	-	262,600	28
-	-	-	146,400	29
64,000	232,000	-	-	30
-	-	-	-	31
-	100,000	-	-	32
-	-	-	-	33
50,000	50,000	50,000	500,000	34
-	-	-	-	35
-	-	-	-	36
-	-	-	-	37
-	-	-	-	38
-	-	-	-	39
-	80,000	-	-	40
150,000	150,000	150,000	1,500,000	41
-	35,000	-	-	42
135,000	-	-	-	43
75,000	75,000	75,000	750,000	44
20,000	20,000	20,000	200,000	45
-	-	-	84,000	46
-	-	-	165,000	47
-	60,000	-	-	48
32,500	390,000	-	-	49
21,500	215,000	-	180,000	50
-	210,000	-	-	51
-	-	-	211,000	52
-	205,000	-	-	53
75,000	75,000	75,000	450,000	54
-	200,000	-	-	55
100,000	100,000	100,000	1,000,000	56
-	-	-	-	57
\$ 1,284,241	\$ 2,543,241	\$ 756,241	\$ 8,630,856	

TABLE 2: Other Sources - Current Year Budget and Future Budget Requests

Reference #	Project	Revised Budget 2022-23	Adopted 2023-24	2024-25
	Municipal Operations Facilities			
58	Comprehensive Public Housing Renovations	\$ -	\$1,168,203	\$1,168,203
59	Comprehensive Public Housing Renovations	935,260	-	-
60	Comprehensive Public Housing Renovations	901,510	-	-
61	Comprehensive Public Housing Renovations	818,462	-	-
62	Comprehensive Public Housing Renovations	684,700	-	-
63	Comprehensive Public Housing Renovations	200,461	-	-
64	Wallace Parking Facility	552,657	-	-
65	Multi-Agency Complex Project	259,203	-	-
66	Police Station Environmental Remediation	-	-	-
67	Fire Station 1 Replacement	-	-	-
68	Fire Station 3 Replacement	-	-	-
69	Fire Station 4 Replacement	-	-	-
70	Fire Station 6	-	-	-
71	Live Fire Training Building Replacement	-	-	1,000,000
72	Building Addition to Public Works	-	-	-
73	Library Roof Replacement	-	-	-
74	Transit HVAC Replacement	-	-	-
75	Transit Building Facilities Maintenance	-	-	-
76	Transit Park and Ride Facilities Maintenance	-	-	-
77	Public Works Roof Replacement	-	-	-
78	Historic Town Hall Renovation	-	-	-
79	Public Safety Headquarters (MSC)	-	-	-
80	Parks & Recreation Facility	-	-	-
81	Solid Waste Transfer Station	-	-	-
82	Library HVAC Replacement	-	-	-
83	Town Facilities - Security & Safety Upgrades	-	-	-
84	Town Hall 2nd Floor Renovation	-	-	-
85	Public Works HVAC Replacement	-	-	-
86	Town Hall Roof Replacement	-	-	-
	Public Safety			
87	Engine 35	-	-	-
88	Engine 34	-	-	-
89	Engine 32	-	-	-
90	Engine 31	-	-	-
91	Squad 61	-	-	-
92	Ladder 72	-	-	-
93	Ladder 74	-	-	-
94	Police Radios	-	-	1,536,585
	Infrastructure			
95	Stormwater Projects	170,676	80,400	80,400
96	Small/Medium Drainage Maintenance and Improvements	-	-	-
97	Teen Center/Archives Renovation	-	-	-
98	Infrastructure Capital Improvement Program	-	-	-
99	Water Quality Capital Improvement Program	-	-	-
100	Lake Ellen Flood Storage Project	-	-	-
101	Dobbins Culvert Improvements	-	-	-
102	Subwatershed Modeling	741,369	338,560	-
103	Library Parking Lot Expansion	-	-	-
104	Cedar Falls Parking Lot Renovation	-	-	-

2025-26	2026-27	2027-28	2028-38	Fund Source	Reference #
\$1,168,203	\$1,168,203	\$1,168,203	\$1,168,203		58
-	-	-	-	HUD Grant	59
-	-	-	-		60
-	-	-	-	HUD Grant	61
-	-	-	-	HUD Grant	62
-	-	-	-	HUD Grant	63
-	-	-	-	Limited Obligation Bonds	64
-	-	-	-	Multi-year Capital Project Ord.	65
-	-	-	10,000,000	Future Financing	66
-	3,376,527	-	-	Future Financing	67
600,000	1,029,000	1,971,000	-	Future Financing	68
-	550,000	926,000	1,324,000	Future Financing	69
-	-	-	2,050,000	Future Financing	70
-	-	-	-	Future Financing	71
-	-	-	2,253,000	Future Financing	72
-	-	-	725,000	Future Financing	73
418,000	-	-	-	Transit Funds	74
300,000	-	-	290,800	Transit Funds	75
-	300,000	-	-	Transit Funds	76
-	-	-	1,005,500	Future Financing	77
-	328,000	262,000	3,950,000	Future Financing	78
1,020,876	1,722,377	21,651,971	191,375	Future Financing	79
142,982	257,368	3,235,350	28,596	Future Financing	80
-	75,000	425,000	4,700,000	Future Financing	81
-	-	-	1,017,000	Future Financing	82
-	-	518,663	-	Future Financing	83
420,000	-	-	-	Future Financing	84
-	-	-	445,318	Future Financing	85
-	-	-	263,452	Future Financing	86
-	-	-	577,500	Future Financing	87
566,500	-	-	-	Future Financing	88
-	-	640,000	-	Future Financing	89
-	-	-	605,000	Future Financing	90
-	-	825,000	-	Future Financing	91
-	-	1,700,000	-	Future Financing	92
-	900,000	-	-	Future Financing	93
-	-	-	-	Future Financing	94
80,400	80,400	80,400	804,000	Stormwater Management Funds	95
-	-	-	1,000,000	Stormwater Management Funds	96
-	-	175,000	1,850,000	Future Financing	97
-	-	-	5,500,000	Stormwater Management Funds	98
-	-	-	5,500,000	Stormwater Management Funds	99
-	-	165,000	-	Stormwater Management Funds	100
-	-	199,800	-	Stormwater Management Funds	101
-	-	-	-	Stormwater Management Funds	102
-	-	191,100	-	Future Financing	103
-	750,000	-	-	Future Financing	104

TABLE 2 (cont'd): Other Sources - Current Year Budget and Future Budget Requests

Reference #	Project	Revised Budget 2022-23	Adopted 2023-24	2024-25
105	Road Diet Traffic Studies	-	-	-
106	Fordham Sidepath*	1,096,596	-	-
107	Estes Drive Bike & Ped Improvements*	4,370,635	-	-
108	Rogers Road Design and Engineering	421,742	-	-
109	Traffic Signal Improvement	226,069	-	-
110	Streetscape Improvements	-	-	-
111	Bolinwood Drive Bridge Replacement	-	-	-
112	Downtown Streetscape Improvements	-	-	-
113	Street Resurfacing	-	-	-
114	Fordham Blvd Multiuse Paths	-	-	-
115	Martin Luther King Jr Blvd Flood Storage	-	-	-
116	Honeysuckle Rd	-	-	-
117	Piney Mountain Rd Flood Storage	-	-	-
118	New Parkside Flood Storage	-	-	-
119	Willow Dr Flood Storage	-	-	-
120	Ephesus Church Rd Closed System Improvements	-	-	-
121	Markham Dr/Old Oxford Rd Closed System Improvements	-	-	-
122	Booker Creek Rd Subwatershed Study	-	-	-
123	Red Bud Flood Storage	-	-	-
124	Foxcroft Dr Culvert Improvement	-	-	-
125	Daley Rd Flood Storage	-	-	-
126	Raleigh Rd Improvements	-	-	-
127	Meadowmont Dam Replacement	-	-	-
128	Franklin St Underpass	-	-	-
129	Mid-Block Pedestrian Signal Heads	-	-	-
130	N. Elliott Rd Complete Street	-	-	-
131	Cameron Ave Buffered Bike Lanes	-	-	-
	Parks and Other Public Use Facilities			
132	Meadowmont Bridge	-	-	-
133	Burlington Park Renovations	-	-	-
134	Homestead Park Skate Park Ramp Replacement	-	-	-
135	Homestead Park Trail Extension	-	-	-
136	Millhouse Rd. Park	-	-	-
137	Athletic Fields Conversion to LED lights	-	-	-
138	Boundary Marking	-	-	-
139	Cedar Falls Ballfields Renovations	-	-	-
140	Ephesus Park Toilet Building	-	-	-
141	Oakwood Park Toilet Building	-	-	-
142	Meadowmont Park Toilet Building	-	-	-
143	Cedar Falls Park Tennis Court Replacement	-	-	268,000
144	Morgan Creek Trail, Phase 3	-	-	-
145	Homestead Park Synthetic Turf Replacement	-	-	-
146	Barclay Trail	-	-	-
147	P&R Community Center - Roof Replacement	-	-	-
148	Cedar Falls Synthetic Turf Replacement	-	-	-
149	Battle Park Trail Upgrade	-	-	-
150	Hargraves - HVAC Equipment Replacement	-	-	-
151	P&R Community Center - HVAC Replacement	-	-	-
152	P&R Homestead Aquatic Center - HVAC Replacement	-	-	-
153	Bolin Creek Trail, Phase 4	-	-	-
154	Timberlyne Trail	-	-	-
	TOTAL	\$ 9,553,671	\$ 418,960	\$ 2,884,985

Note: Future years after FY2023-24 are for planning purposes only.

*In addition to the funding shown on this table, these projects are also funded by Streets & Sidewalks Bonds.

2025-26	2026-27	2027-28	2028-38	Fund Source	Reference #
470,000	-	-	-	Future Financing	105
-	-	-	-	NCDOT Direct Allocation Grant	106
-	-	-	-	Multiple Sources	107
-	-	-	-	Multi-year Capital Project Ord.	108
-	-	-	-	NCDOT Direct Allocation Grant	109
825,000	-	-	-	Future Financing	110
1,115,000	-	-	-	Future Financing	111
-	400,000	-	-	Future Financing	112
-	800,000	-	-	Future Financing	113
-	300,000	-	1,948,000	Future Financing	114
-	-	-	3,788,651	Stormwater Funds	115
-	335,900	-	-	Future Financing	116
-	-	622,900	1,283,000	Stormwater Funds	117
-	-	437,525	2,248,275	Stormwater Funds	118
45,000	378,000	398,000	3,190,000	Stormwater Funds	119
-	-	151,000	895,000	Future Financing	120
-	-	96,000	355,000	Future Financing	121
-	-	-	1,285,100	Stormwater Funds	122
-	-	-	914,200	Stormwater Funds	123
-	-	112,000	552,000	Stormwater Funds	124
-	-	434,000	2,709,000	Stormwater Funds	125
-	-	-	900,000	Future Financing	126
705,000	-	-	-	Future Financing	127
-	-	-	1,000,000	Future Financing	128
-	-	-	420,000	Future Financing	129
-	-	-	375,000	Future Financing	130
-	-	-	600,000	Future Financing	131
-	-	620,000	-	Future Financing	132
-	-	260,000	-	Future Financing	133
-	-	3,000,000	-	Future Financing	134
-	330,000	-	-	Future Financing	135
-	-	-	3,400,000	Future Financing	136
-	1,400,000	-	-	Future Financing	137
750,000	-	-	-	Future Financing	138
-	450,000	-	-	Future Financing	139
428,000	-	-	-	Future Financing	140
-	-	387,000	-	Future Financing	141
-	-	387,000	-	Future Financing	142
-	-	-	-	Future Financing	143
-	-	609,000	2,962,000	Future Financing	144
-	-	-	940,000	Future Financing	145
-	-	20,000	430,000	Future Financing	146
-	-	-	536,205	Future Financing	147
-	-	-	895,000	Future Financing	148
-	-	-	3,000,000	Future Financing	149
414,000	-	-	-	Future Financing	150
271,000	-	-	-	Future Financing	151
-	-	1,186,704	-	Future Financing	152
-	-	-	3,120,000	Future Financing	153
-	-	-	3,100,000	Future Financing	154
\$ 8,571,758	\$ 13,762,572	\$ 41,687,413	\$ 84,926,972		

TABLE 3: Issued Bond Projects

				2017 Bond Sale (\$9,615,091)	2017 Two- Thirds Bonds (1,614,703)
Reference #	Council Priority	Project Name	Category	2016-17	
Public Safety					
155	5	100 Foot Fire Ladder Truck	Public Safety	\$ -	\$ 1,348,000
156	5	Fire Engine	Public Safety	-	-
157	5	Public Safety Radios/Body Cameras	Public Safety	-	241,322
Infrastructure					
158	2	Downtown Improvements - Streetscape	Sidewalks & Streets	414,266	-
159	7	Capital Project Management, Bond Issuance Costs	Sidewalks & Streets	425,091	25,381
160	2	Neighborhood Traffic Calming, Pedestrian, and Bicycle Improvements	Sidewalks & Streets	670,134	-
161	7	Public Art	Sidewalks & Streets	30,000	-
162	2	Streets and Bridges	Sidewalks & Streets	1,000,000	-
163	2	Sidewalks and Bicycle Facilities	Sidewalks & Streets	1,075,600	-
164	6	Elliott Road Storage Project	Stormwater	-	-
Parks and Other Public Use Facilities					
165	2	Bolin Creek Trail	Parks/Recreational Facilities	1,163,306	-
166	2	Tanyard Branch Trail	Parks/Recreational Facilities	1,390,000	-
167	2	Morgan Creek Trail	Parks/Recreational Facilities	2,446,694	-
168	2	Playground Improvements	Parks/Recreational	1,000,000	-

COLUMN DESCRIPTION KEY

Council Priority

- 1 - Council Authorized Contracts
- 2 - Projects that have a Council mandate
- 3 - Projects that we have a legal requirement to perform or complete
- 4 - Projects that would repair or maintain existing Town facilities/infrastructure above and beyond
- 5 - Projects involving public safety
- 6 - Projects which are part of an adopted master plan
- 7 - Other projects

2018 Bond Sale (\$13,099,788)	2021 Two-Thirds Bonds (3,511,731)	2021 Bond Sale (\$5,213,966)	2023 Two- Thirds Bonds (\$2,256,505)	2023 Bond Sale (\$14,384,697)		
2017-18	2020-21		2022-23		TOTAL	Reference #
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,348,000	155
-	654,500	-	-	-	654,500	156
-	-	-	2,256,505	-	2,497,827	157
800,000	-	-	-	-	1,214,266	158
263,907	69,759	-	-	-	784,138	159
-	-	-	-	-	670,134	160
55,000	-	-	-	-	85,000	161
775,000	1,323,581	-	-	9,057,087	12,155,668	162
3,870,000	223,581	-	-	-	5,169,181	163
2,829,554	-	-	-	-	2,829,554	164
-	-	-	-	-	1,163,306	165
-	-	-	-	-	1,390,000	166
-	-	-	-	-	2,446,694	167
-	-	-	-	-	1,000,000	168

TABLE 3 (cont'd): Issued Bond Projects

				2015 Bond Sale (\$9,615,091)	Two-Thirds Bonds (1,614,703)
Reference #	Council Priority	Project Name	Category	2016-17	
169	2	Cedar Falls Park Tennis Complex	Parks/Recreational Facilities	-	-
170	2	Hargraves Parks Tennis Courts	Parks/Recreational Facilities	-	-
171	2	Ephesus Parks Tennis & Pickleball Courts	Parks/Recreational Facilities	-	-
172	2	Hargraves Park Playground	Parks/Recreational Facilities	-	-
173	2	AD Clark Pool	Parks/Recreational Facilities	-	-
174	2	Hargraves Center Ballfield	Parks/Recreational Facilities	-	-
175	2	Umstead Park Basketball Court	Parks/Recreational Facilities	-	-
176	2	Homestead Aquatic Center Pool	Parks/Recreational Facilities	-	-
177	2	American Legion Property	Open Space and Areas	-	-
		Affordable Housing			
178	2	Weavers Grove Development	Affordable Housing	-	-
179	2	Johnson Street Apartments	Affordable Housing	-	-
180	2	2200 Homestead Road	Affordable Housing	-	-
181	2	Perry Place	Affordable Housing	-	-
182	2	Trinity Court	Affordable Housing	-	-
183	2	Capital Project Management, Bond Issuance Costs	Affordable Housing	-	-
184	2	Affordable Housing Project Reserve	Affordable Housing	-	-
		TOTAL		\$ 9,615,091	\$ 1,614,703

COLUMN DESCRIPTION KEY

Council Priority

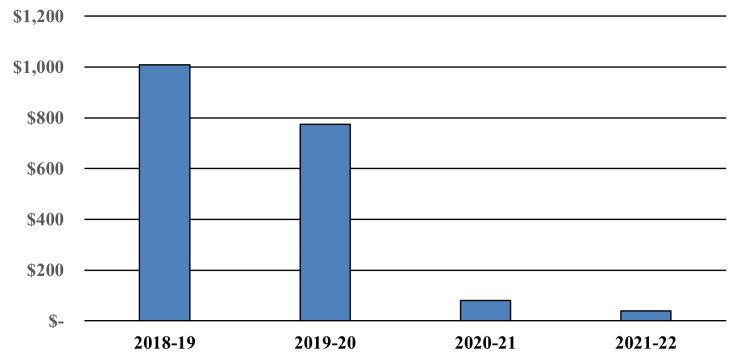
- 1 - Council Authorized Contracts
- 2 - Projects that have a Council mandate
- 3 - Projects that we have a legal requirement to perform or complete
- 4 - Projects that would repair or maintain existing Town facilities/infrastructure above and beyond
- 5 - Projects involving public safety
- 6 - Projects which are part of an adopted master plan
- 7 - Other projects

2018 Bond Sale (\$13,099,788)	2021 Two-Thirds Bonds (3,511,731)	2021 Bond Sale (\$5,213,966)	2023 Two- Thirds Bonds (\$2,256,505)	2023 Bond Sale (\$14,384,697)		
2017-18	2020-21		2022-23		TOTAL	Reference #
-	371,310	-	-	-	371,310	169
-	215,000	-	-	-	215,000	170
-	109,000	-	-	-	109,000	171
-	32,000	-	-	-	32,000	172
-	58,000	-	-	-	58,000	173
-	225,000	-	-	-	225,000	174
-	30,000	-	-	-	30,000	175
-	200,000	-	-	-	200,000	176
4,506,327	-	-	-	-	4,506,327	177
-	-	1,255,692	-	1,850,000	3,105,692	178
-	-	200,000	-	-	200,000	179
-	-	3,300,000	-	2,920,204	6,220,204	180
-	-	246,913	-	-	246,913	181
-	-	-	-	474,796	474,796	182
-	-	103,417	-	82,610	186,027	183
-	-	107,944	-	-	107,944	184
\$ 13,099,788	\$ 3,511,731	\$ 5,213,966	\$ 2,256,505	\$ 14,384,697	\$ 35,130,279	

CAPITAL RESERVE FUND

The Capital Reserve Fund accounts for funds reserved for specific capital improvement projects including water and sewer improvements.

Capital Reserve Interest Income



***CAPITAL RESERVE FUND
BUDGET SUMMARY***

No appropriations are planned for the Capital Reserve Fund for 2023-24, which had a fund balance of \$218,089 at June 30, 2022.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Reserved for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Transfer to Capital Improvements Fund	-	-	-	-	-	N/A
Transfer to General Fund	-	-	-	-	-	N/A
Total	\$ -	\$ -	\$ -	\$ -	\$ -	N/A

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Interest on Investments Appropriated	\$ 40	\$ -	\$ -	\$ -	\$ -	N/A
Fund Balance	(40)	-	-	-	-	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 and 2021.

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 June 30, 2023 are shown in the table at the right.

Major Capital Bond Projects	Budget	Expenditures as of June 30, 2023
2003 Bond Projects		
Streets and Sidewalks	\$ 5,600,000	\$ 5,564,000
Parks and Recreation	5,000,000	4,882,000
Subtotal	<u>\$ 10,600,000</u>	<u>\$ 10,446,000</u>
2012 LOBS Projects		
Lot 5 Project	\$ 5,770,000	\$ 5,770,000
Parking Projects	836,000	836,000
TOC Projects	202,000	202,000
Subtotal	<u>\$ 6,808,000</u>	<u>\$ 6,808,000</u>
2015 Bond Projects		
Streets and Sidewalks	\$ 16,200,000	\$ 7,303,000
Parks Trails	5,000,000	3,510,000
Parks Facilities	5,300,000	4,733,000
Subtotal	<u>\$ 26,500,000</u>	<u>\$ 15,546,000</u>
2018 Bond Projects		
Affordable Housing Projects	\$ 10,000,000	\$ 1,728,000
2021 LOBS Projects		
East Rosemary Deck	\$ 39,370,000	\$ 23,590,000
Elliott Road Reconstruction	6,480,000	6,244,000
Subtotal	<u>\$ 45,850,000</u>	<u>\$ 29,834,000</u>
2023 Two-Third Bond Projects	\$ 1,980,000	\$ 1,913,000
TOTAL	<u>\$ 101,738,000</u>	<u>\$ 66,275,000</u>

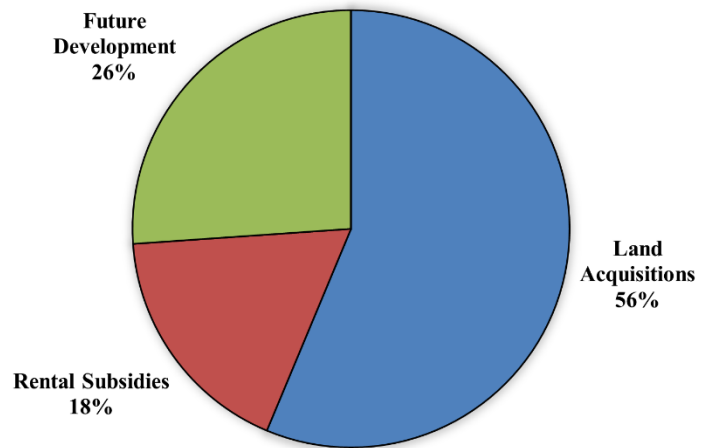
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AFFORDABLE HOUSING DEVELOPMENT RESERVE FUND

The Affordable Housing Development Reserve Fund was established in FY18 to dedicate funding for the development and preservation of affordable housing.

**FY22 AFFORDABLE HOUSING
EXPENDITURES**



AFFORDABLE HOUSING DEVELOPMENT RESERVE FUND

BUDGET SUMMARY

The Affordable Housing Development Reserve Fund is dedicated exclusively for 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 FY24, the funding level increases to \$826,850. This increase of \$138,455, along with the addition of the Affordable Housing Manager in the General Fund, brings the overall commitment to \$971,000, which is the equivalent of a penny on the tax rate.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Land Acquisitions	\$ 500,918	\$ -	\$ 235,541	\$ 235,541	\$ -	N/A
Rental Subsidies	156,665	-	252,890	252,890	-	N/A
Homeownership Assist.	-	-	67,000	67,000	-	N/A
Future Development	232,223	-	46,133	46,133	-	N/A
Reserve	-	688,395	1,118,517	86,831	826,850	20.1%
Total	\$ 889,806	\$ 688,395	\$ 1,720,081	\$ 688,395	\$ 826,850	20.1%

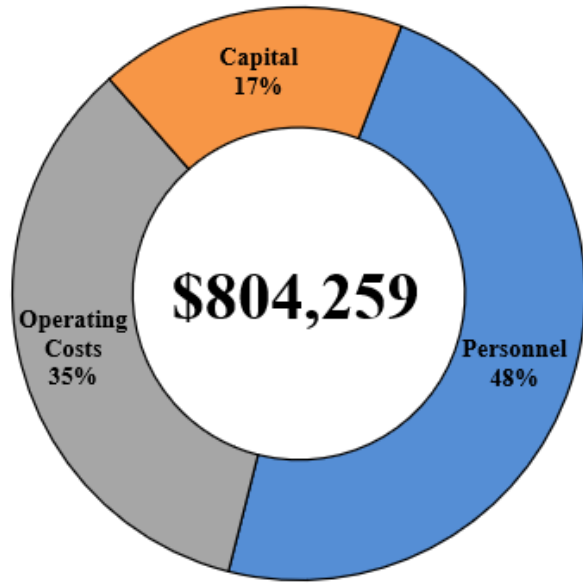
REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Transfer from General Fund	\$ 688,395	\$ 688,395	\$ 688,395	\$ 688,395	\$ 826,850	20.1%
Appropriated Fund Balance	201,411	-	1,031,686	-	-	N/A
Total	\$ 889,806	\$ 688,395	\$ 1,720,081	\$ 688,395	\$ 826,850	20.1%

CLIMATE ACTION FUND

The Climate Action Fund was established in FY22 to dedicate funding to address climate change.

CLIMATE ACTION FUND



CLIMATE ACTION FUND

BUDGET SUMMARY

The Climate Action Fund was established in FY22 to dedicate funding to address climate change. The adopted budget increased 46.2% from the 2022-23 budget. The 98.6% increase in personnel costs reflects the Community Sustainability Manager's salary moving to the Climate Action Fund from the Planning Department, a 0.75% retirement increase, and a salary increase. Operating costs increased by 20.8% due to consulting services costs that were transferred from the Planning Department budget to the Climate Action Fund. Capital costs increased due to the project to add solar panels to Hargraves Community Center.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 78,160	\$ 194,897	\$ 225,614	\$ 191,781	\$ 387,001	98.6%
Operating Costs	83,912	229,925	446,421	190,087	277,737	20.8%
Capital	27,407	125,178	388,043	308,164	139,521	11.5%
Contribution to Reserve	422,433	-	-	-	-	N/A
Total	\$ 611,912	\$ 550,000	\$ 1,060,078	\$ 690,032	\$ 804,259	46.2%

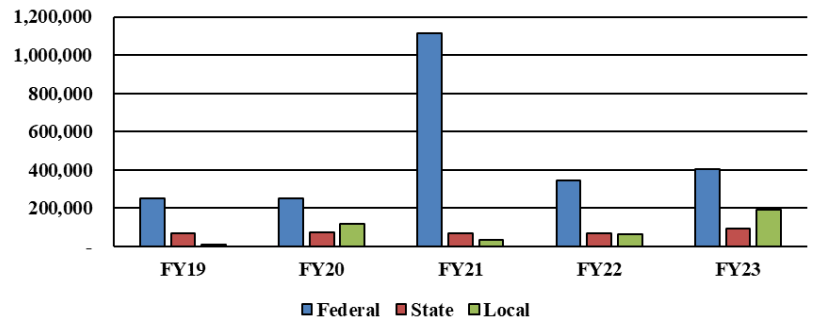
REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Transfer from						
General Fund	\$ 470,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 804,259	46.2%
Grants	141,912	-	87,645	-	-	0.0%
Appropriated Fund Balance	-	-	422,433	140,032	-	0.0%
Total	\$ 611,912	\$ 550,000	\$ 1,060,078	\$ 690,032	\$ 804,259	46.2%

GRANTS FUND

The Grants Fund was established to account for miscellaneous small grants that would otherwise be accounted for in the General Fund.

Grant Revenue Sources FY19-FY23



GRANTS FUND

BUDGET SUMMARY

The Grants Fund was established in 2004-05 to account for grants previously included in the General Fund. Grants for 2023-24 consist of three Planning grants that provide personnel and operating funding for transportation planning and year 2 of the Blue Cross Blue Shield Building Integrated Communities (BIC) Grant.

EXPENDITURES

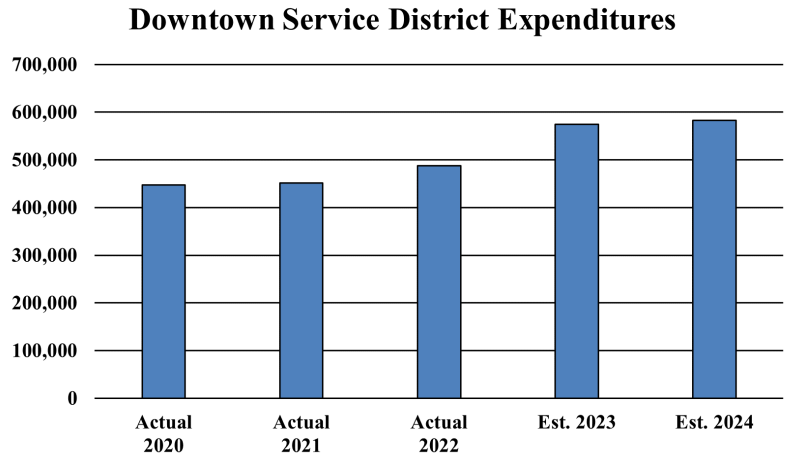
	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Police Grants	\$ 105,835	\$ -	\$ 197,471	\$ 197,471	\$ -	N/A
Planning Grants	390,173	493,903	493,903	493,903	436,354	-11.7%
AHCC Grants	-	-	125,000	125,000	125,000	N/A
Total	\$ 496,008	\$ 493,903	\$ 816,374	\$ 816,374	\$ 561,354	13.7%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Grants	\$ 369,829	\$ 386,276	\$ 668,392	\$ 691,597	\$ 465,377	20.5%
Transfer from General Fund	126,089	107,627	107,627	107,627	95,977	-10.8%
Appropriated Fund Balance	90	-	40,355	17,150	-	N/A
Total	\$ 496,008	\$ 493,903	\$ 816,374	\$ 816,374	\$ 561,354	13.7%

DOWNTOWN SERVICE DISTRICT FUND

The Downtown Service District Fund accounts for the programs and capital improvements for the downtown service district established by the Town Council.



DOWNTOWN SERVICE DISTRICT FUND

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 \$638,000,000. The tax rate of 6.4 cents is unchanged from FY 2022-23 and is expected to yield a total of about \$408,000 in FY 2023-24. This represents an increase of \$11,000 from the current year estimates, due to the increase in value from new development in the downtown area.

FY24 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 2023-24 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 take into account 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 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. An additional \$100,000 in funding is provided to the Chapel Hill Downtown Partnership for programming and marketing efforts.

Additionally, there are expenses related to the “Launch” initiative (\$147,000) along with 140 West expenses (\$110,000). The FY24 budget continues funding for a groundskeeper (\$70,817) dedicated to the downtown area.

DOWNTOWN SERVICE DISTRICT FUND

BUDGET SUMMARY

The adopted Downtown Service District Fund tax rate of 6.4 cents for 2023-24 provides for continued funding of the groundskeeper position dedicated to the downtown area. The adopted budget includes an allocation of about \$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).

EXPENDITURES

	2021-22	2022-23	2022-23	2022-23	2023-24	% Change
	Actual	Original	Revised	Estimated	Adopted	from
		Budget	Budget		Budget	2022-23
Personnel	\$ 64,486	\$ 67,897	\$ 67,897	\$ 67,661	\$ 70,817	4.3%
Other Expenses	16,991	-	-	-	-	N/A
CH DWTN Partnership	150,000	250,000	250,000	250,000	250,000	0.0%
140 West Expenses	108,957	110,000	110,000	110,000	110,000	0.0%
Launch	147,000	147,000	147,000	147,000	147,000	0.0%
Reserve	-	-	-	-	4,683	N/A
Total	\$ 487,434	\$ 574,897	\$ 574,897	\$ 574,661	\$ 582,500	1.3%

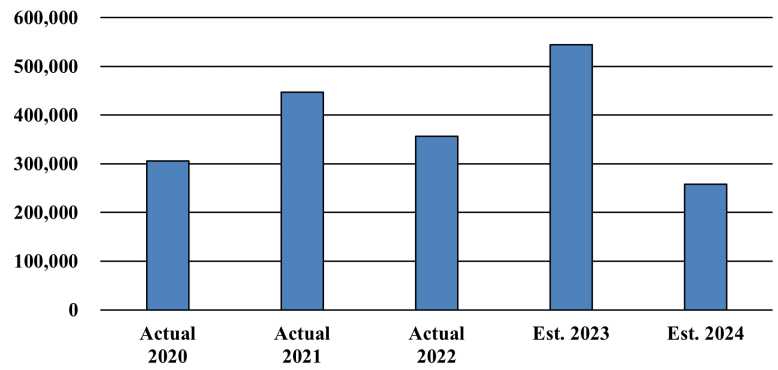
REVENUES

	2021-22	2022-23	2022-23	2022-23	2023-24	% Change
	Actual	Original	Revised	Estimated	Adopted	from
		Budget	Budget		Budget	2022-23
Property Taxes	\$ 390,940	\$ 397,000	\$ 397,000	\$ 397,000	\$ 408,000	2.8%
Interest Income	708	1,000	1,000	1,000	1,000	0.0%
Orange County Launch Contribution	73,500	73,500	73,500	73,500	73,500	0.0%
Interest on Receivable	19	-	-	-	-	N/A
Transfer from General Fund	-	100,000	100,000	100,000	100,000	0.0%
Appropriated Fund Balance	22,267	3,397	3,397	3,161	-	-100.0%
Total	\$ 487,434	\$ 574,897	\$ 574,897	\$ 574,661	\$ 582,500	1.3%

LIBRARY GIFT FUND

The Library Gift Fund accounts for private contributions to the Town's library.

Library Gift Fund Donations and Interest Earnings



LIBRARY GIFT FUND

BUDGET SUMMARY

The adopted budget for the Library Gift Fund for 2023-24 reflects an increase from the previous year due to an increase in Grants. 2023-24 expenses include additions to the collection, furniture, staff support, 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 2023-24.

EXPENDITURES

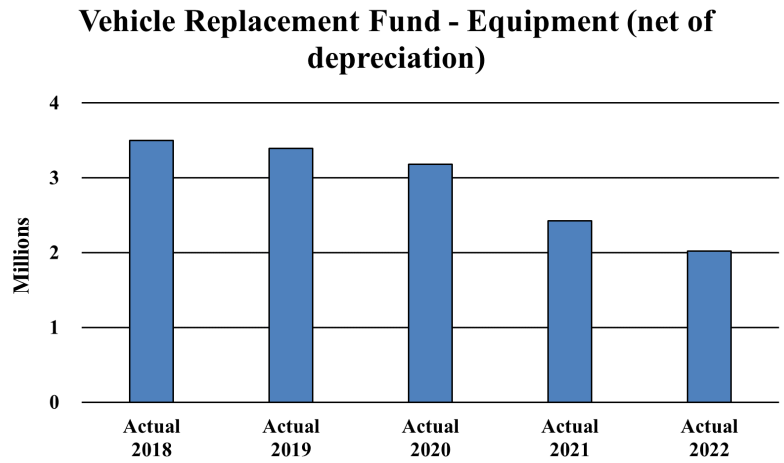
	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Computers/Database	\$ 26,333	\$ 9,550	\$ 36,576	\$ 29,950	\$ 9,500	-0.5%
Furniture	-	-	114,066	92,308	23,308	N/A
Collection Purchases	43,299	36,000	48,201	51,096	39,000	8.3%
Other	133,022	63,268	396,501	325,755	125,252	98.0%
Transfer to General Fund	45,000	45,000	45,000	45,000	45,000	0.0%
Contribution to Reserve	109,235	27,941	2,941	-	16,406	-41.3%
Total	\$ 356,889	\$ 181,759	\$ 643,285	\$ 544,109	\$ 258,466	42.2%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Interest Income	\$ 62	\$ 341	\$ 341	\$ 1,406	\$ 1,406	312.3%
Friends' Donations	116,000	125,000	125,000	125,000	125,000	0.0%
Grants	46,691	-	203,420	149,730	38,054	N/A
Misc Donations	194,136	52,500	85,000	84,000	57,500	9.5%
Appropriated Fund Balance	-	3,918	229,524	183,973	36,506	831.8%
Total	\$ 356,889	\$ 181,759	\$ 643,285	\$ 544,109	\$ 258,466	42.2%

VEHICLE REPLACEMENT FUND

The Vehicle Replacement Fund accounts for the purchase and financing of motor vehicles and related costs to other Town departments.



VEHICLE REPLACEMENT FUND

BUDGET SUMMARY

The adopted budget 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 2023-24 adopted budget is the replacement of a solid waste front loader, four Police vehicles, two Parks Maintenance vehicles, four mowers, three vehicles in the Streets/Construction Divisions, and a new vehicle for Cultural Arts. 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.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Other Expense	\$ 1,893	\$ -	\$ 3,500	\$ 10,404	\$ -	N/A
Capital Equipment	387,481	355,000	1,206,764	1,199,860	1,105,000	211.3%
Contribution to Reserve	903,625	-	-	-	-	N/A
Total	\$ 1,292,999	\$ 355,000	\$ 1,210,264	\$ 1,210,264	\$ 1,105,000	211.3%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Vehicle Use Fees	\$ 344,660	\$ 355,000	\$ 355,000	\$ 355,000	\$ 1,105,000	211.3%
Interest Income	32	-	-	2,008	-	N/A
Sale of Fixed Assets	48,307	-	-	20,090	-	N/A
Transfer from General Fund	900,000	-	-	-	-	N/A
Appropriated Fund Balance	-	-	855,264	833,166	-	N/A
Total	\$ 1,292,999	\$ 355,000	\$ 1,210,264	\$ 1,210,264	\$ 1,105,000	211.3%

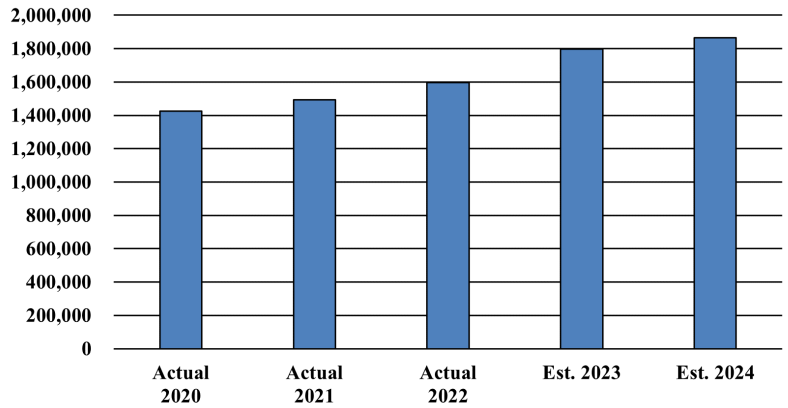
FLEET MANAGEMENT FUND

The Fleet Management Fund, formerly known as the Vehicle Maintenance Fund, accounts for the repair and maintenance of all the Town's cars, trucks, and heavy equipment, excluding those used in public transit operations.

Fleet management is an internal service fund; its cost is charged out to other Town departments based on actual repairs.

The division is supervised by Public Works.

Fleet Management Fund Expenditures



FLEET MANAGEMENT

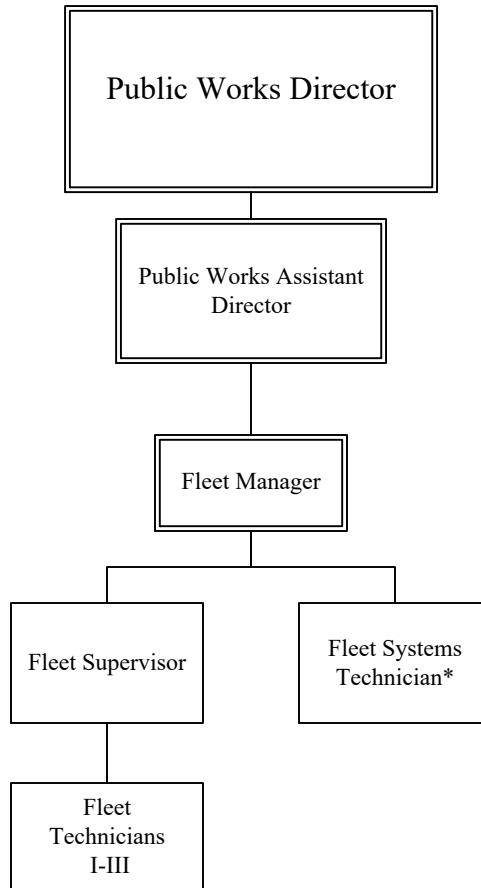
MISSION STATEMENT:

The overall mission of the Fleet Management Fund is to ensure safe, reliable fleet and equipment essential for provision of public services, with an emphasis on greening our fleet and equipment, sustainability, efficiency, and effectiveness.

Summary of services provided in support of department's mission:

- Strategic planning, maintenance and management of the Town's Fleet Program and Vehicle Replacement Program that supports the Climate Action Plan.
- Manage fueling facilities and provide electrical charging stations and other greener fuels.
- Provide for major vehicle and equipment maintenance and repairs using in-house and outside resources.
- Provide on-call emergency vehicle and equipment services.

FLEET MANAGEMENT



*Position is split with Facilities Management.

FLEET MANAGEMENT FUND
STAFFING COMPARISONS - IN FULL-TIME

	2021-22 ADOPTED	2022-23 ADOPTED	2023-24 ADOPTED
Manager - Fleet	1.00	1.00	1.00
Supervisor - Fleet	1.00	1.00	1.00
Fleet Technician (I-III)	5.00	5.00	5.00
Fleet Systems Technician ¹	0.75	0.75	0.75
Unit Totals	<u>7.75</u>	<u>7.75</u>	<u>7.75</u>

¹ Position is split between Facilities Management and the Fleet Management Fund.

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

FLEET MANAGEMENT FUND

BUDGET SUMMARY

The 2023-24 adopted budget for the Fleet Management Fund, formerly the Vehicle Maintenance Fund, reflects an overall increase in expenditures of 13.3% from last year's budget. The 6.9% increase in personnel is the result of a 0.75% increase in retirement costs and a pay increase. The operating budget increased 18.6% largely due to an increase in vehicle maintenance and repair costs.

EXPENDITURES




	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Personnel	\$ 675,065	\$ 743,255	\$ 743,255	\$ 747,448	\$ 794,613	6.9%
Operating Costs	898,401	903,385	1,063,594	1,049,135	1,070,963	18.6%
Capital Outlay	23,057	-	-	-	-	N/A
Total	\$ 1,596,523	\$ 1,646,640	\$ 1,806,849	\$ 1,796,583	\$ 1,865,576	13.3%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Vehicle Maintenance Fees	\$ 1,521,025	\$ 1,609,100	\$ 1,609,100	\$ 1,609,100	\$ 1,830,846	13.8%
Interest Income	75	-	-	1,135	-	N/A
Sale of Equipment	-	-	-	-	-	N/A
Insurance Claims	25,096	18,000	18,000	4,351	-	-100.0%
Appropriated Fund Balance	50,327	19,540	179,749	181,997	34,730	77.7%
Total	\$ 1,596,523	\$ 1,646,640	\$ 1,806,849	\$ 1,796,583	\$ 1,865,576	13.3%

FLEET MANAGEMENT

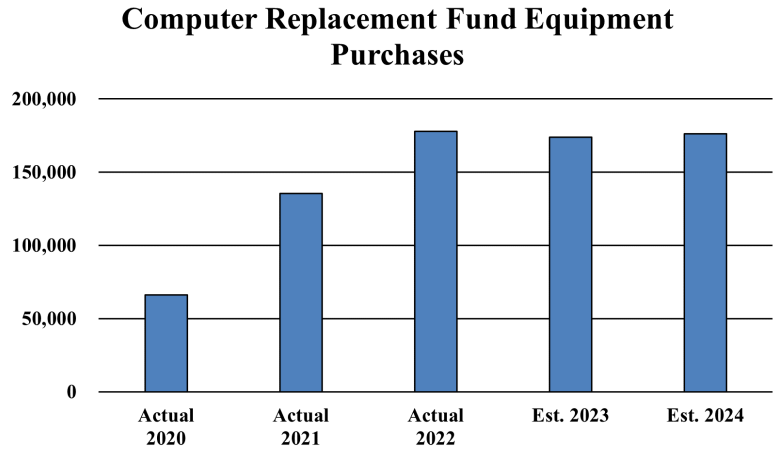
Performance Measures

 <p>Environmental Stewardship</p>  <p>Connected Community</p>  <p>Safe Community</p>	<p>Strategic Objectives</p> <ul style="list-style-type: none"> ➤ Ensure that at least 50% of all work orders are preventive maintenance work ➤ Limit repeat repairs to 2% or less ➤ Complete at least 95% of preventive maintenances as scheduled in order to reduce out-of-service time ➤ Ensure that 90% of rolling stock is available per day ➤ Complete 85% of repair orders within 1 work day, with no more than 10% taking longer than 2 work days
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Core Business Program	Performance Measure	FY21 Actual	FY22 Actual	FY23 Estimate	FY24 Target
Fleet Services	Percent of work orders that are preventive maintenance	39%	35%	34%	50%
	Percent of work orders that are repeat repairs	Est. <2%	<1%	<2%	<2%
	Percent of preventive maintenances completed as scheduled	61%	77%	64%	95%
	Percent of rolling stock available per day	95%	93%	91%	90%
	Percent of work orders completed in less than 1 work day	60%	62%	58%	85%
	Percent of work orders completed in excess of 2 work days	29%	26%	32%	<10%

COMPUTER REPLACEMENT FUND

The Computer Replacement Fund accounts for the purchase and financing of computer equipment and software to the Town departments.



**COMPUTER REPLACEMENT FUND
BUDGET SUMMARY**

The adopted budget for 2023-24 provides for replacement of computer equipment on a pay-as-you-go basis.

EXPENDITURES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Small Equipment Reserve	\$ 170,868 6,902	\$ 173,975 -	\$ 173,975 -	\$ 173,975 -	\$ 176,100 -	1.2% N/A
Total	\$ 177,770	\$ 173,975	\$ 173,975	\$ 173,975	\$ 176,100	1.2%

REVENUES

	2021-22 Actual	2022-23 Original Budget	2022-23 Revised Budget	2022-23 Estimated	2023-24 Adopted Budget	% Change from 2022-23
Computer Use Fees	\$ 177,750	\$ 173,975	\$ 173,975	\$ 173,975	\$ 176,100	1.2%
Interest Income	20	-	-	-	-	N/A
Appropriated Fund Balance	-	-	-	-	-	N/A
Total	\$ 177,770	\$ 173,975	\$ 173,975	\$ 173,975	\$ 176,100	1.2%

AN ORDINANCE CONCERNING THE ESTABLISHMENT OF THE TOWN BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2023 (2023-06-07/O-1)

BE IT ORDAINED by the Council of the Town of Chapel Hill:

Section 1. APPROPRIATIONS

That the following appropriations are hereby made:

<u>GENERAL FUND</u>	<u>Function Total</u>
General Government	\$ 23,613,279
Environment & Development	20,387,054
Public Safety	27,766,413
Leisure	13,112,254
GENERAL FUND TOTAL	\$ 84,879,000
 <u>OTHER FUNDS</u>	
Transit Fund	\$ 32,149,890
Transit Capital Reserve Fund	0
Debt Service Fund	12,752,312
Vehicle Replacement Fund	1,105,000
Vehicle Maintenance Fund	1,865,576
Computer Replacement Fund	176,100
Public Housing Fund	2,588,770
Affordable Housing Reserve Fund	826,850
On-Street Parking Fund	0
Off-Street Parking Facilities Fund	6,089,089
Library Gift Fund	258,466
Capital Improvements Fund	2,386,104
Downtown Service District Fund	582,500
Climate Action Fund	804,259
Stormwater Management Fund	3,059,200
Grants Fund	561,354
TOTAL ALL FUNDS	\$ 150,084,470

Section 2. REVENUES

It is estimated that the following revenues will be available during the fiscal year beginning July 1, 2023 and ending June 30, 2024 to meet the foregoing appropriations. It is determined that where estimated revenues are higher than the previous year, the increases were warranted.

GENERAL FUND

Property Taxes	\$ 41,128,500
Sales Taxes	21,993,943
Occupancy Tax	1,500,000
Other Taxes & Licenses	110,000
State-Shared Revenues	7,817,600
Grants	775,748
Charges for Services	5,413,705
Licenses/Permits/Fines	3,112,660
Interest on Investments	100,000
Other Revenues	412,485
Transfers/Other Sources	45,000
Fund Balance Appropriated	2,469,359
General Fund Total	\$ 84,879,000

OTHER FUNDS

Transit Fund	\$ 32,149,890
Transit Capital Reserve Fund	0
Debt Service Fund	12,752,312
Vehicle Replacement Fund	1,105,000
Fleet Management Fund	1,865,576
Computer Replacement Fund	176,100
Public Housing Fund	2,588,770
Affordable Housing Reserve Fund	826,850
On-Street Parking Fund	0
Off-Street Parking Facilities Fund	6,089,089
Library Gift Fund	258,466
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Downtown Service District Fund	582,500
Climate Action Fund	804,259
Stormwater Management Fund	3,059,200
Grants Fund	561,354
TOTAL ALL FUNDS	\$ 150,084,470

Section 3. LEVY OF TAXES

There is hereby levied the following tax on each one hundred dollars (\$100) valuation of taxable property, located within the Town of Chapel Hill, as listed for taxes as of January 1, 2023 for the purpose of raising revenue from property tax as set forth in the foregoing estimates of revenues, and in order to finance the foregoing appropriations.

General Fund (for the payment of expenses of the Town of Chapel Hill)	\$0.422/\$100
Debt Service Fund (for the payment of expenses of the Town of Chapel Hill)	\$0.088/\$100
Transit Fund (for the payment of expenses related to transportation approved by referendum)	\$0.062/\$100
TOTAL	\$0.572/\$100

Section 4. SPECIAL DISTRICT TAX LEVY

There is hereby levied the following tax on each one hundred dollars (\$100) valuation of taxable property located in the Downtown Revitalization Municipal Service District established by the Town Council's resolution of June 12, 1989:

Downtown Service District Fund	\$0.064/\$100
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This the 7th day of June, 2023.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Chapel Hill
North Carolina**

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morill

Executive Director

Performance Agreements with Other Agencies

	2022-23 Adopted Budget	2023-24 Adopted Budget
Performance Agreements with Other Agencies		
Human Services		
Human Services Advisory Board Recommendations	\$ 573,825	\$ 602,516
Total Human Services	573,825	602,516
Arts		
Cultural Arts	43,500	43,500
Total Arts	43,500	43,500
Public Health		
Orange County Food Council	29,110	-
Total Public Health	29,110	-
Affordable Housing		
Community Home Trust	367,173	402,503
Interfaith Council (IFC)	203,000	265,792
Orange County Partnership to End Homelessness	225,585	193,172
Total Affordable Housing	795,758	861,467
Economic Development		
Chapel Hill/Orange County Visitors Bureau	200,000	200,000
Chapel Hill Downtown Partnership	70,000	70,000
Total Economic Development	270,000	270,000
Total Contributions to Agencies	\$ 1,712,193	\$ 1,777,483

GLOSSARY

Accrual - Revenues are recorded when earned, and expenses are recorded as soon as they result in liabilities for benefits received.

Ad Valorem tax - A tax levied in proportion to the value of a property.

ADA - American Disabilities Act

Allocate - To set apart portions of budgeted expenditures which are specifically designated to organizations for special activities and purposes.

Annual Budget - A budget covering a single fiscal year.

Appropriation - The amount budgeted on a yearly basis to cover projected expenditures which the Town Council legally authorizes through the Budget Ordinance.

Approved Budget - The budget as formally adopted by the Town Council for the upcoming fiscal year.

ARRA - American Recovery and Reinvestment Act.

Assessed Valuation - The estimated dollar value placed upon real and personal property by the County Assessor as the basis for levying property taxes. The General Assembly exempted household personal property from taxation effective July 1, 1987.

Asset Management Project (AMP) - A division of the Town's public housing communities.

Authorized Bonds - Bonds which have been legally authorized but may or may not have been sold.

Balanced Budget - Occurs when planned expenditures equal anticipated revenues. In North Carolina, it is required that the budget submitted to the Town Council be balanced.

Bond - A written promise to pay a specific amount of money with interest within a specific time period, usually long-term.

Bond Rating - A grade indicating a governmental unit's investment qualities. Generally speaking, the higher the bond rating, the more favorable the interest rate and the lower the cost of financing capital projects funded by bonds. A high rating is indicative of the government's strong financial position. Ratings range from AAA (highest) to D (lowest).

Bonds Issued - Bonds that are sold.

Budget - A financial plan for a specified period of time that matches planned revenues and expenditures with various Town services.

GLOSSARY

- Budget Message** - A written overview of the proposed budget from the Town Manager to the Town Council. This overview discusses the major budget items of the Manager's recommended budget.
- Capital Improvements Plan** - A long term plan of proposed capital improvements projects, which includes estimated project cost and funding sources, that the Town expects to undertake within a five year period. The plan is updated annually to reassess capital needs.
- Capital Outlay** - An expenditure which results in the acquisition of or addition to a fixed asset.
- Capital Project** - A project expected to have a useful life greater than 10 years and an estimated cost of \$10,000 or more. Capital projects include the construction, purchase, or major renovation of buildings, utility systems, parks, or other physical structures or property; purchase of land; and purchase of large equipment.
- Capital Project Fund** - A fund used to account for the acquisition or construction of major capital facilities and equipment.
- Category** - Expenditure budgets are presented in one of three categories: Personnel Services, Operations, and Capital Outlay.
- CDBG** - Community Development Block Grant
- Community Development Fund** - A fund used to account for block grant monies received from the federal government under Title I of the Housing and Community Development Act.
- Compensated Absences** - Paid time off made available to employees in connection with vacation leave, sick leave, and similar benefits.
- Contingency** - Appropriation intended for unanticipated expenditures. Transfer of these funds into an expendable account is controlled by the Town Council.
- Debt Service** - Principal, interest, and administrative costs associated with the repayment of long-term debt.
- Delinquent Taxes** - Taxes that remain unpaid after the due date on which a penalty for nonpayment is incurred.
- Department** - A major administrative division of the Town that has overall management responsibility for an operation within a functional area.
- Depreciation** - An allowance made for the loss in the value of property over time.
- District Tax** - Taxes paid by those owning property in a special district of the Town.
- Employee Benefits** - For budgeting purposes, employee benefits include employer payments for social

GLOSSARY

security, retirement, group health and life insurance, and workers' compensation and any similar form of employee compensation.

Encumbrances - A financial commitment for services, contracts, or goods which have not been delivered or performed.

Enterprise Fund - A grouping of activities whose expenditures are wholly or partially offset by revenues collected from consumers in the form of fees and charges.

Equivalent Rate Unit (ERU) - A unit of area of impervious surface.

Expenditures - The total cost of a program or capital project.

EZ Rider - A special service which uses lift equipped vehicles to transport individuals with mobility limitations that prevent them from using Chapel Hill Transit's regular bus service.

Fiscal Year - A 12 month period (July 1 through June 30) in which the annual operating budget applies and at the end of which an assessment is made of the Town's financial condition and performance of operations.

Fixed Asset - An asset of long-term character. For budgetary purposes, a fixed asset is defined as an item costing \$5,000 or more with an expected life of more than one year.

FTA - Federal Transit Administration

Full-time Equivalent - One F.T.E. refers to the equivalent of one permanent position.

Function - A broad grouping of activities and departments whose objectives and expenditures are inter-related. Examples of functions within the Town include General Government, Public Safety, Leisure, etc.

Fund - An accounting entity created to record the financial activity for a selected financial group.

Fund Balance - Funds accumulated through the under-expenditure of appropriations and/or receiving revenues greater than anticipated and included in the budget.

General Fund - A fund which provides for the accounting for most of the basic government services, such as police, fire, sanitation, inspections, recreation, and other general services.

General Obligation Bonds - Bonds issued by a government which are backed by the full faith and credit of its taxing authority.

Goal - A broad statement of desired conditions to be maintained or achieved through the efforts of an organization.

GLOSSARY

Governmental Funds - Funds generally used to account for tax-supported activities.

Impervious Surface - Hard surfaces such as concrete, compressed gravel, asphalt, and rooftops. These surfaces increase the amount of stormwater runoff.

Indirect Cost - The component of the total cost for a service which is provided by one department but budgeted within another department or division. Indirect costs are budgeted to more accurately reflect the true total cost for such services.

Interest and Penalties Receivable on Taxes - Uncollected interest and penalties on property taxes.

Intergovernmental Revenues - Revenues from other governments (State, federal, and local) which can be in the form of grants, shared revenue, or entitlement.

Land Use Management Ordinance (LUMO) - The Chapel Hill Land Use Management Ordinance establishes standards and procedures for new development or redevelopment in the Town. The major purpose of the LUMO is to implement the Town's adopted *Comprehensive Plan*. It is designed to provide clear rules about what is expected of applicants in order to gain approval to develop land in the Town.

Lease Purchase - A method of purchasing equipment in which payments are spread over a period of time.

Levy - The amount of tax, service charge, and assessments imposed by the government.

Line Item - A budgetary account representing a specific object of expenditure.

Modified Accrual - The basis of accounting for the Town. Under this system, expenditures are recognized when encumbered.

MPO/DA - Metropolitan Planning Organization/Direct Allocation

NCDOT - North Carolina Department of Transportation

Non-operating Expenses - Expenses which are not directly related to the provision of services, such as debt service.

Non-operating Revenues - Revenues which are generated from other sources and are not directly related to service activities.

Objective - A specific statement that is to be accomplished or achieved for a particular program during the fiscal year.

Operating Budget - The Town's financial plan which outlines proposed expenditures for the upcoming fiscal year and estimates revenues which will be used to finance them.

GLOSSARY

Operating Expenses - Those expenditures of a recurring nature, covering services and supplies necessary to operate individual departmental activities.

Ordinance - A formal legislative enactment by the Town Council which has the full force and effect of law within the boundaries of the Town.

Performance Agreement - A contract with an external agency to provide funding for specific functions with specific performance targets. These are designed to provide accountability from external agencies to align with the Town's strategic goals.

Personal Property - Movable property classified within two categories: tangible and intangible. "Tangible," or touchable, property includes items of visible and movable property not permanently affixed to real property. "Intangible," or non-touchable, property includes stocks, bonds, notes, cash, bank deposits, accounts receivable, patents, trademarks, copyrights, and similar assets.

Personnel Services - Salaries and wages paid to employees for full-time, part-time, and temporary work, including overtime and similar compensation. Also included in this account group are employee benefits paid for employees.

Program - A well-defined portion of the operating plan for which a distinct set of goals and objective may be developed.

Property Tax - Tax paid by those owning property in the Town.

Property Tax Rate - The rate at which real property in the Town is taxed in order to produce revenues sufficient to conduct necessary governmental activities.

Proprietary Fund - A fund used to account for the operations similar to those in the private sector. This includes enterprise funds. The focus is on determination of net income, financial position, and changes in financial position.

Public Safety - A group of expenditures related to the provision and enforcement of law enforcement and fire and disaster protection.

Real Property - Land, buildings, and items permanently affixed to land or buildings.

Real Property Value - The value of land and buildings which are taxable.

Reappraisal - The process of revaluing a jurisdiction's real property in order to adjust the tax value to the market value; by North Carolina law, a revaluation must be conducted at a minimum of every eight years. Property was most recently revalued as of January 1, 2021.

Reclassification - A change in the classification and corresponding job title of an existing position which results from a major change in assigned responsibilities.

GLOSSARY

Reserve - An account designated for a portion of the fund balance which is to be used for a specific purpose.

Revenue - All funds that the Town government receives as income, including items such as tax payments, fees for specific services, receipts from other governments, fines, forfeitures, shared revenues, and interest income.

Revenue Neutral Tax Rate - G.S. §159-11(e) states that “the revenue-neutral tax rate is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred.”

Rolling Stock - Vehicles and other similar equipment which use wheels to move about.

Rural Buffer - Established by the 1987 Joint Planning Agreement between Carrboro, Chapel Hill, and Orange County, the Rural Buffer is defined as a belt of land surrounding the Towns of Chapel Hill and Carrboro, that will remain rural in character, contain low-density residential uses (1 dwelling unit per two acres of land), and not require urban services (public water and sewer).

Sales Tax - Tax paid by retail consumers.

Service Level - The amount of service provided during the fiscal year as indicated by one or more performance indicators.

Shared Ride - An extension of transit service to designated areas of town which do not receive regular bus service.

Special Assessment - A levy on certain properties to defray part or all of the cost associated with improvements or services which will benefit those properties. For instance, a special assessment would be levied against property owners who have petitioned for paving a street.

Special Districts - A tax district approved by the voters to provide specified services. A special district in the Town is the Downtown Service District which provides improvements in the Town center.

Special Revenue Fund - A fund used to account for the revenues from specific sources which are to be used for legally specified expenditures.

Tax Levy - Revenue produced by applying a given tax rate to a property's assessed, or tax value.

Town Council - Nine-member Council elected at large by the voters of the Town for four year terms.

Town Operations Center (TOC) - Town property on Eubanks Road, site of Public Works and Transit Operations.

GLOSSARY

Triangle - Chapel Hill is located in central North Carolina, in the area commonly referred to as the Triangle, including Orange, Durham, and Wake Counties.

Two-Thirds Bonds - General obligation bonds that can be issued by a local government without voter authorization under a formula set by the State of two-thirds of the previous year's net debt reduction.

Urban Services Area - Defined as the area within which public utilities and services are currently available or will be provided in the future. The Urban Services Area includes not only the urban area of Chapel Hill, but also of Carrboro and several "transition areas," which are in the process of changing from rural to urban character.