



**Manager's Recommended Budget
FY 2021-22**

2021-22 Recommended Budget



Chapel Hill Town Council, 2021-2022

Your Town Council is **Mayor Pam Hemminger**,
Mayor Pro tem **Michael Parker**, and Council
members **Jessica Anderson**, **Allen Buansi**,
Hongbin Gu, **Tal Huynh**, **Amy Ryan** and **Karen
Stegman**.

Town Manager
Maurice Jones

Finance Officer
Amy Oland

Budget Foundations

Total budget = \$116,746,903

5% increase from prior year

Revaluation

Property tax rate of 52.4 cents

3% of market pay increase

Investment in Council Priorities



General Fund – Revenue Comparison

Revenue Source	Adopted FY2020-21	Estimated FY2020-21	Recommended FY2021-22
Property Taxes	\$ 32,587,500	\$ 32,488,311	\$ 36,087,500
Sales Taxes	13,336,343	16,156,574	16,560,488
Other Taxes	1,292,500	533,500	828,500
State Shared Revenues	7,829,256	7,712,442	7,717,442
Charges for Services	4,899,000	3,096,951	4,305,852
Licenses & Permits	2,731,390	2,644,819	2,500,100
Grants	679,399	950,914	681,997
Other Revenues	544,100	891,035	467,900
Approp. Fund Balance	2,388,512	0	2,298,221
Total	\$ 66,288,000	\$ 64,474,546	\$ 71,448,000

Property Taxes

	2021 Valuation	2020 Valuation	\$ Difference	% Difference
Orange County Real Property*	\$ 8,513,978,013	\$ 7,500,585,640	\$ 1,013,392,373	13.51%
Durham County Real Property	540,018,520	539,506,906	511,614	0.09%
Orange County Motor Vehicles	360,324,200	353,259,020	7,065,180	2.00%
Durham County Motor Vehicles	<u>28,881,262</u>	<u>30,231,704</u>	<u>(1,350,442)</u>	<u>(4.47%)</u>
TOTAL VALUATION	\$ 9,443,201,995	\$ 8,423,583,270	\$ 1,019,618,725	12.10%

* Values Impacted by Revaluation

Property Taxes

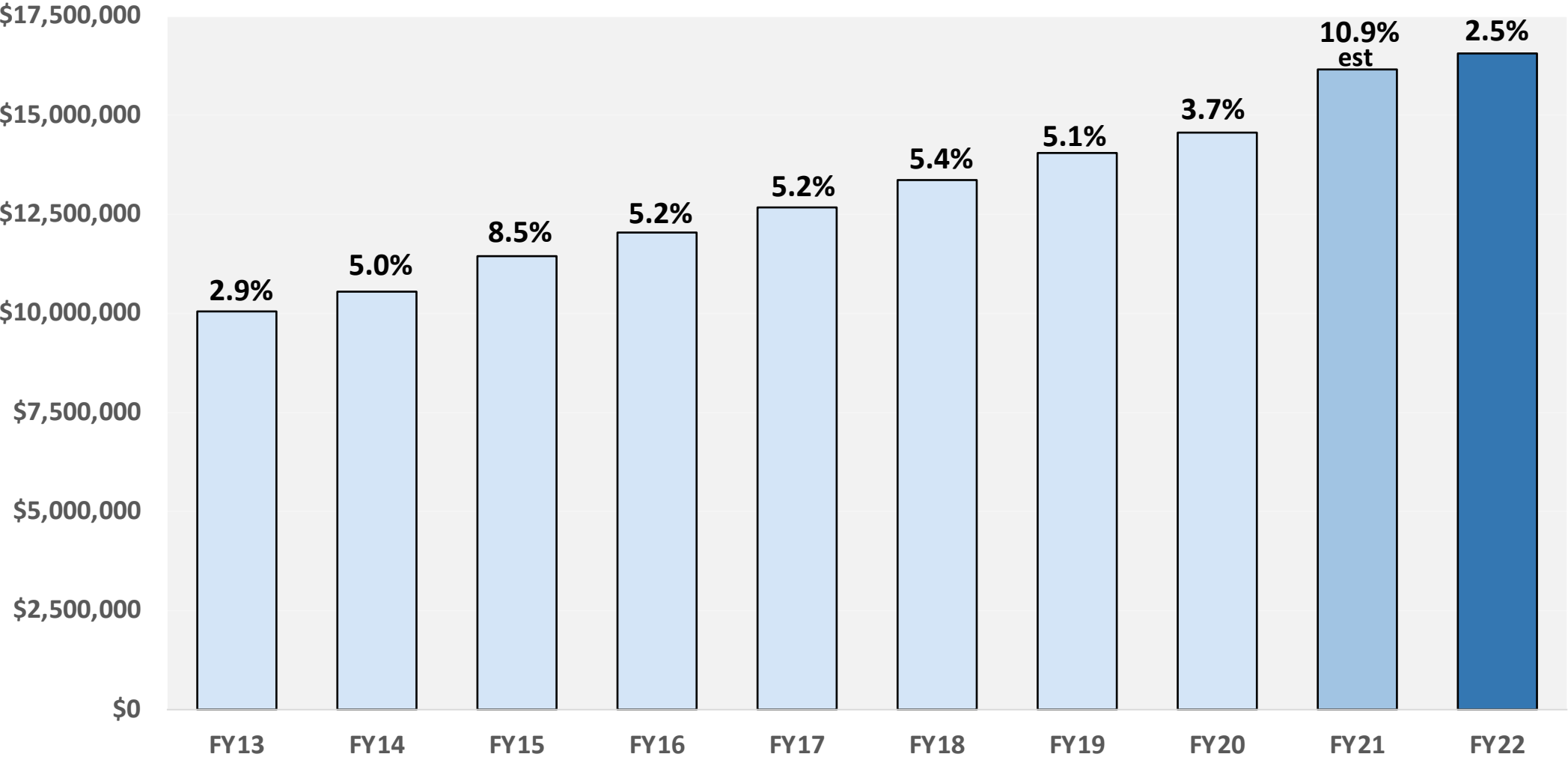


Current Tax Rate	54.4
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Proposed Tax Rate	52.4
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Revenue Neutral Tax Rate	49.4
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Sales Taxes



FY 2022 Priorities

Budget Topic	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2022 Recommended Budget
Pay Adjustment	3%	0%	3%
New Positions	\$ 0	\$ 0	\$444,000
Ephesus Fordham TIF Transfer	\$445,100	\$ 0	\$445,100
Climate Action	\$ 50,000	\$ 0	\$500,000
Human Services	\$446,500	\$446,500	\$556,500
Community Safety Task Force	\$ 0	\$ 0	\$100,000
Pay Study/Implementation	\$100,000	\$ 0	\$400,000

FY 2022 Priorities

Budget Topic	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2022 Recommended Budget
OPEB Prefunding Contribution	\$500,000	\$250,000	\$500,000
Buildings Maintenance	\$472,000	\$ 0	\$350,000
Vehicle Replacements	\$524,000	\$ 0	\$345,000
Street Resurfacing	\$669,000	\$369,000	\$619,000
Pay-Go Capital	\$237,500	\$ 0	\$350,000
Position Savings	\$ 0	\$ 0	(\$1,000,000)

Continuity of Existing Services

**Emergency
Management**

**Affordable
Housing**

**Street
Resurfacing**

Library

**Bond
Issuances**

**Parks &
Recreation**

Public Safety

**Public
Housing**

**Council
Meetings
via Zoom**

**Garbage
Collection**

**Cyber
Security**

**Building &
Development
Services**

Planning

**Downtown
Parking**

Transportation

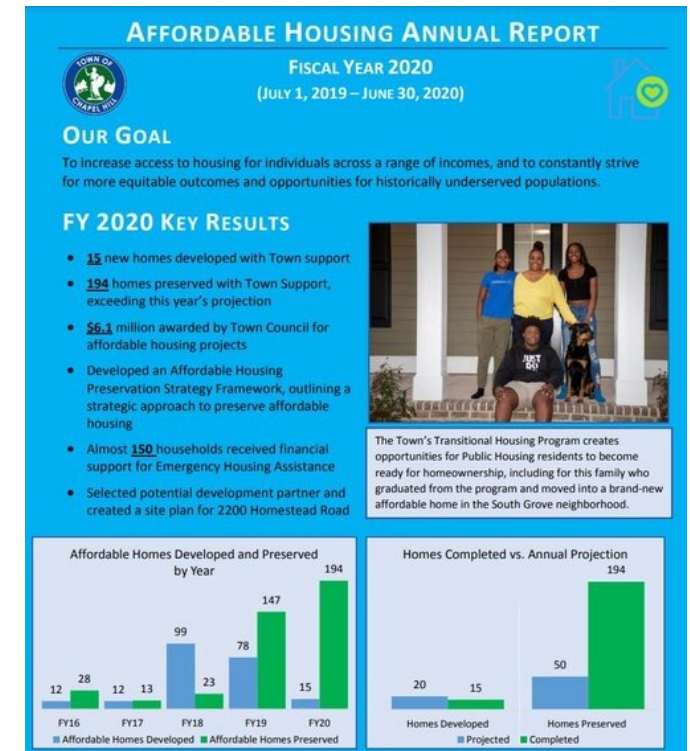
Existing Services

Affordable Housing

Public Housing

Affordable Housing Bond

Total in FY 21-22 = Over \$10 million



Existing Services

Human Services Agency Funding

Existing Funding	\$446,500
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Additional Funding	<u>\$100,000</u>
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Total in FY 21-22	\$546,500
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New Services

Climate Action

- New Positions
- Energy Upgrades for Buildings

Total in FY 21-22 = Over \$500,000

New Services

Diversity, Equity and Inclusion

- New Position
- GARE and Equity Toolkit

Total in FY 21-22 = \$150,000

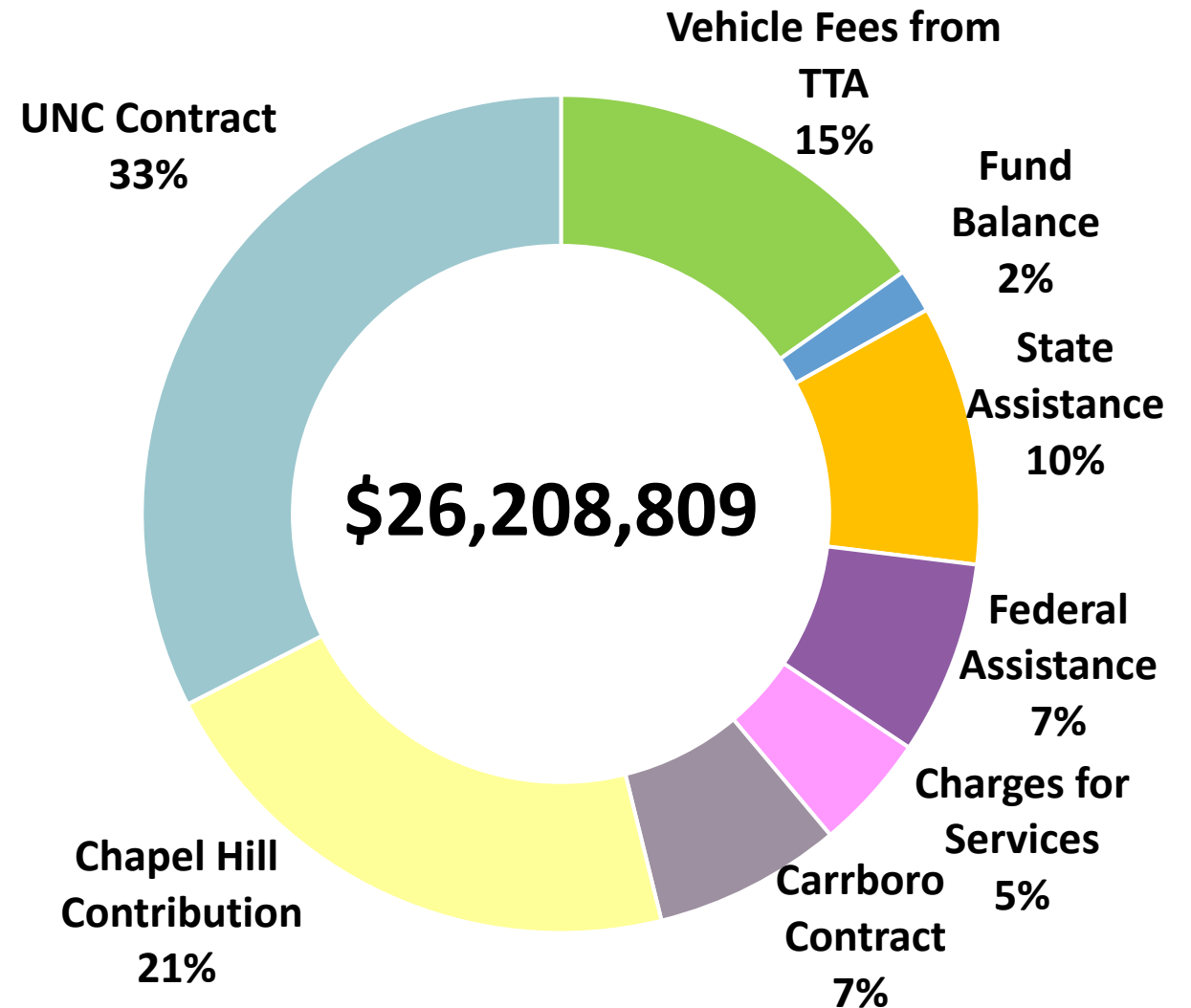
5-Year Budget Strategy

Strategy to ramp up the Town's investments in:

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

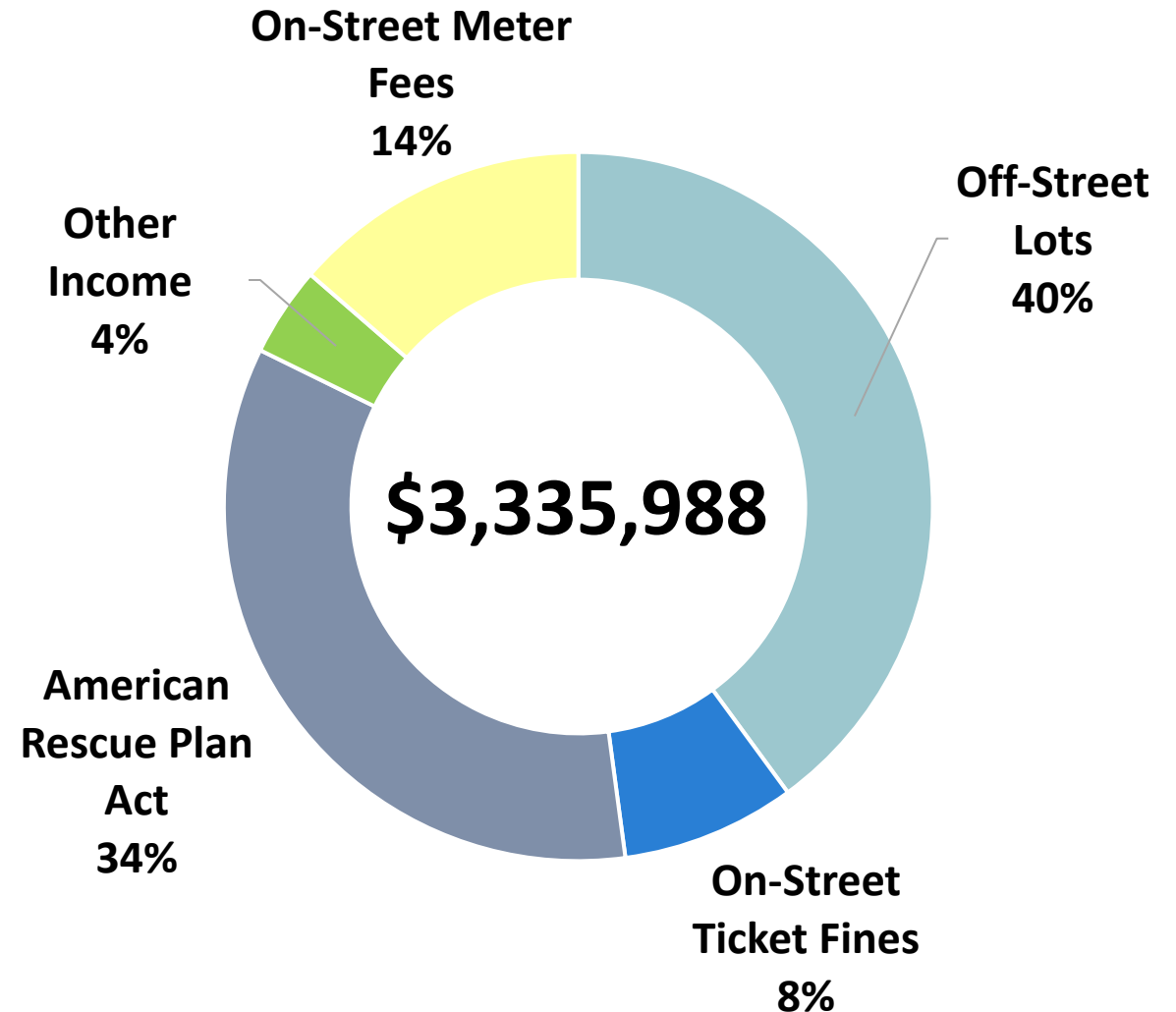
Transit Fund Revenues FY 2021-22

- 4% increase in overall budget
- Small changes to partner contributions (UNC, Carrboro & Town)
- Federal Assistance \$ - unchanged
- State Assistance \$ - return of SMAP
- Appropriation of fund balance – interim measure until receipt of \$5.3 million CARES Act
- Transit Fund in relatively good fiscal condition – dependent on continued federal/state monies & capital needs



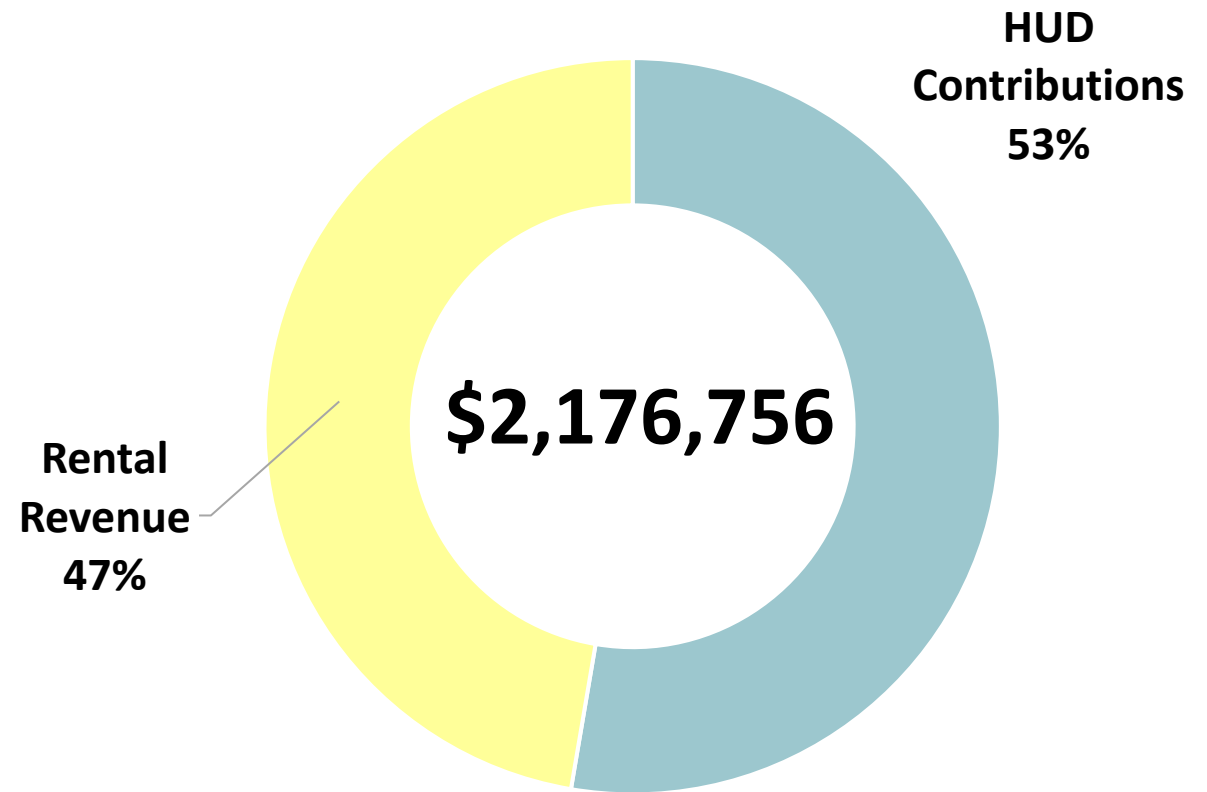
Parking Fund Revenues FY 2021-22

- 4.1% increase in total budget
- Parking Fund revenues still affected by COVID-19 pandemic
- Budget balanced with \$1,147,288 of American Rescue Plan Act funds
- Expenditures include \$916,832 for debt service
- Recovery anticipated with UNC re-opening and Rosemary Street redevelopment



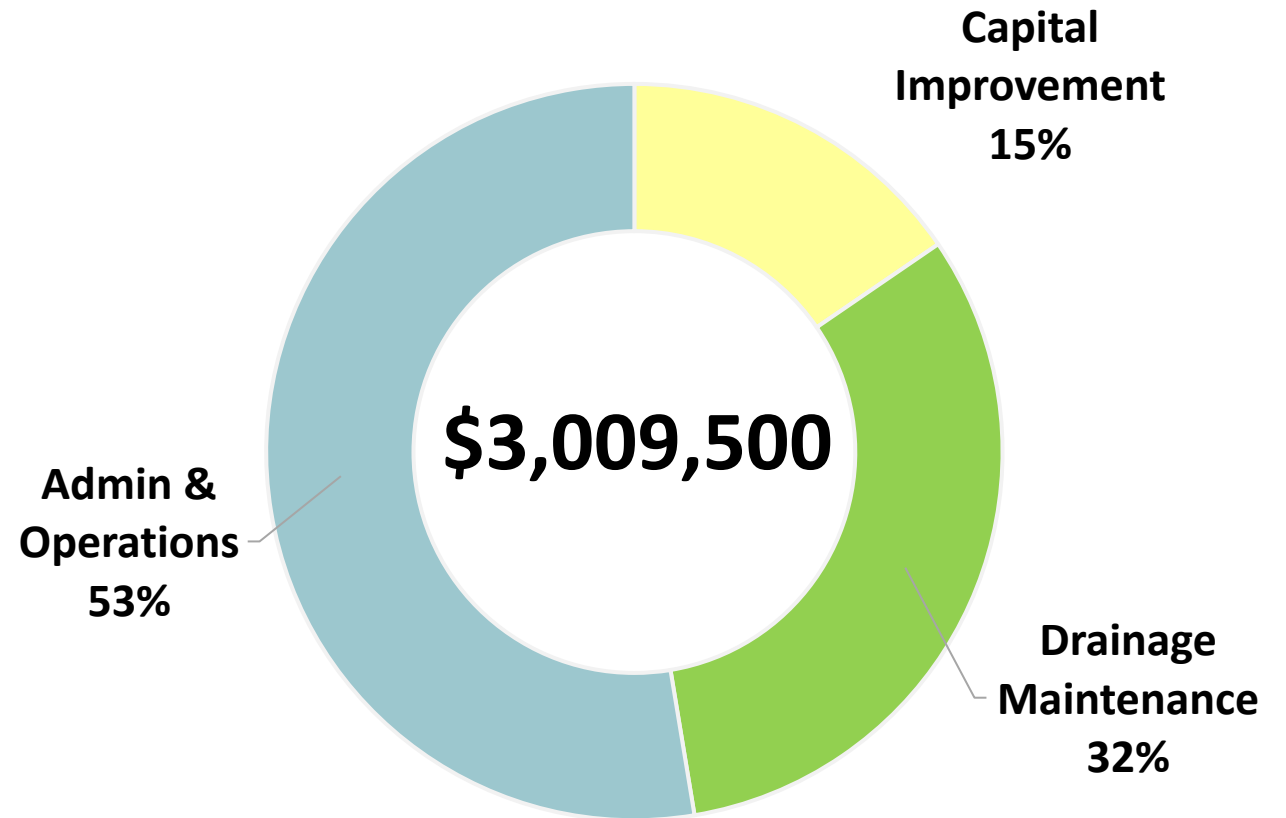
Housing Fund Revenues FY 2021-22

- Flat budget (no change)
- 53% of housing expenses are covered with HUD Operating Subsidy
- 47% of housing expenses are covered with tenant rents
- Housing Fund in good fiscal condition assuming federal monies remain stable



Stormwater Fund Expenses FY 2021-22

- Flat Budget (\$1,000)
- No stormwater fee increase proposed
- Continuation of existing services
- Stormwater Fund in good fiscal condition



Dates for Budget Process

May 5	Presentation of Manager's Recommended Budget
May 12	Budget Work Session
May 19	Budget Public Hearing
May 26	Regular Meeting (budget item to be included if needed)
June 2	Budget Work Session (if needed)
June 9	Budget Adoption

2021-22 Budget Development Page

www.townofchapelhill.org/budget