



**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 Buansl**,
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

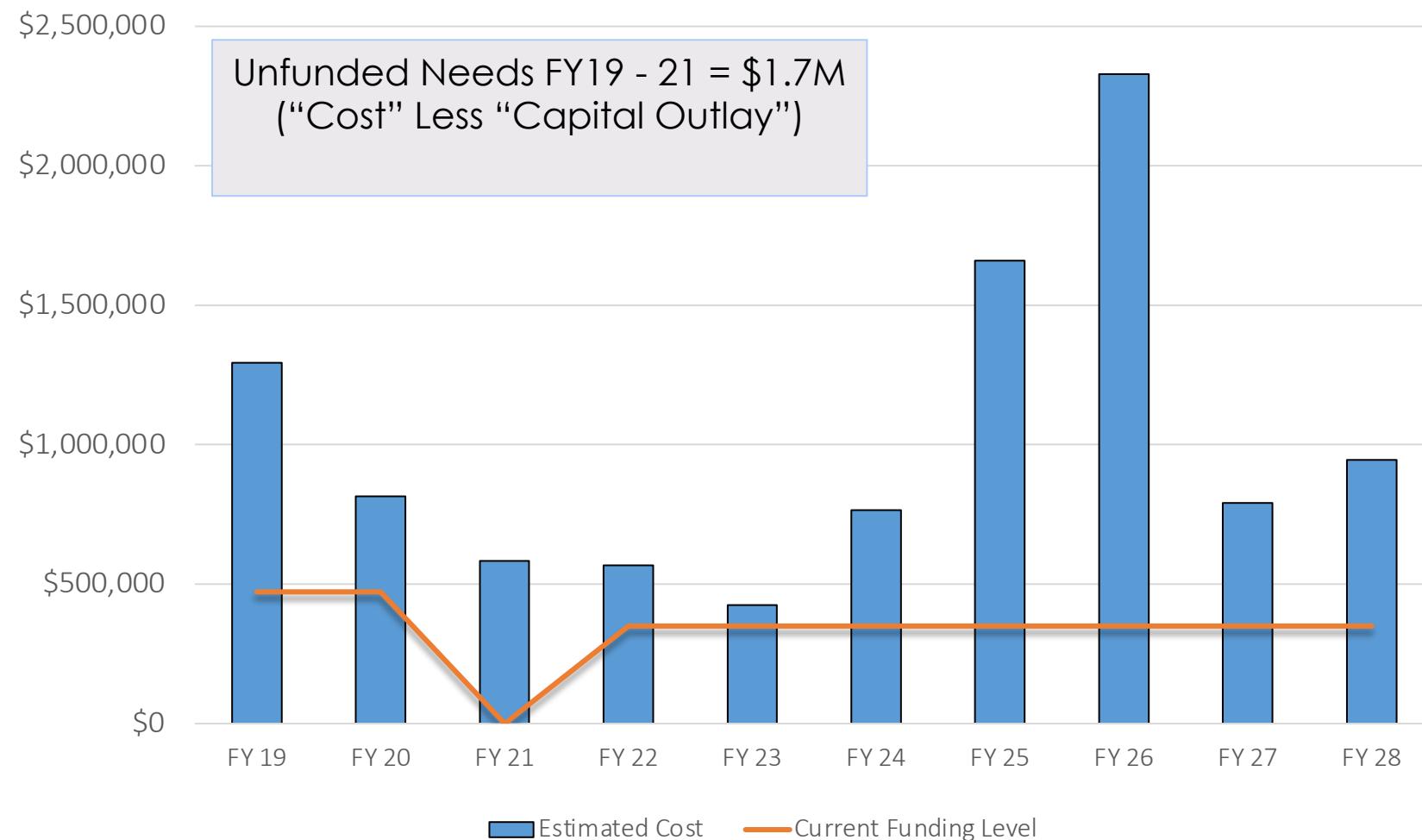
Property tax rate of 52.4 cents

3% of market pay increase

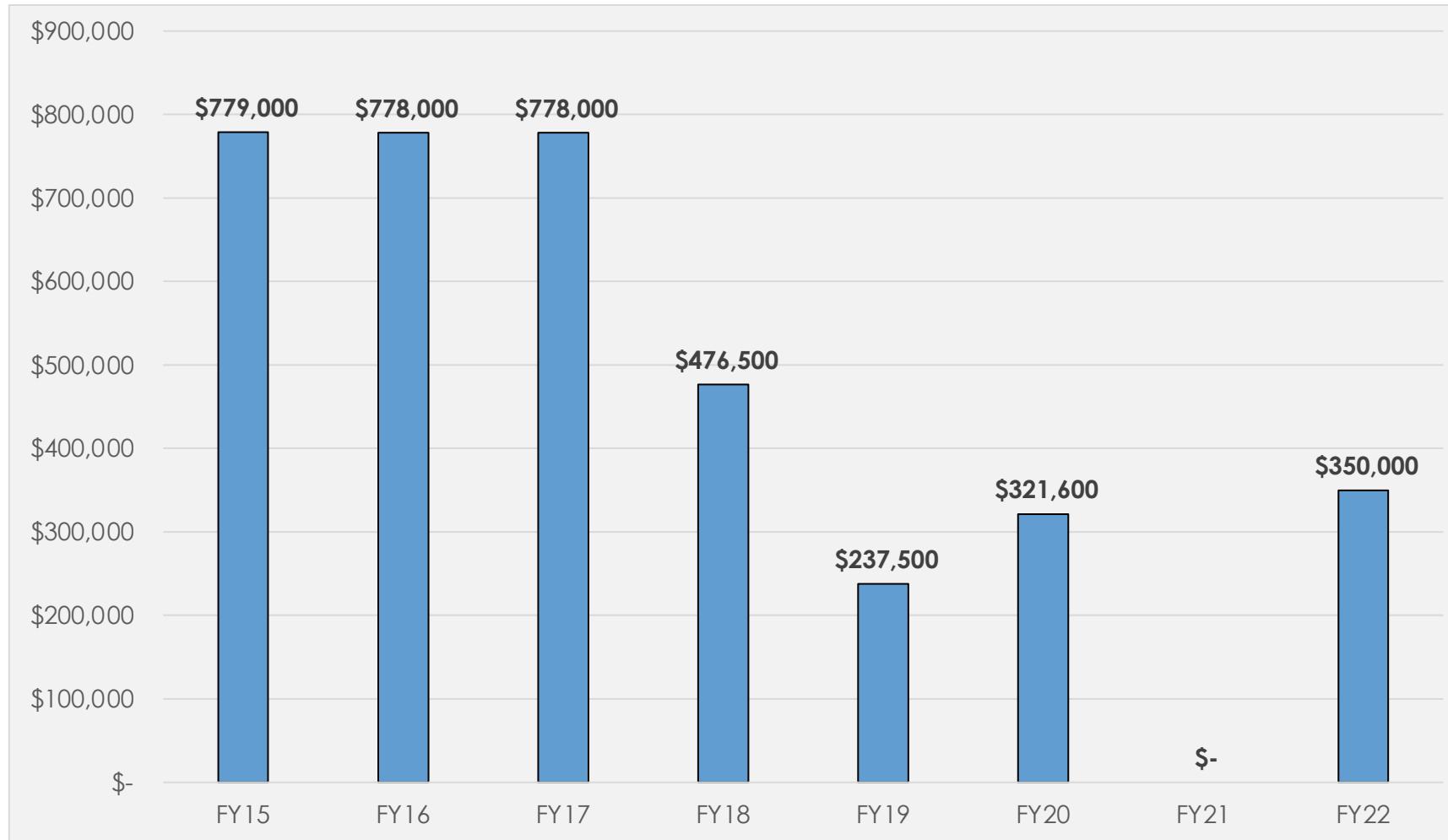
Investment in Council Priorities



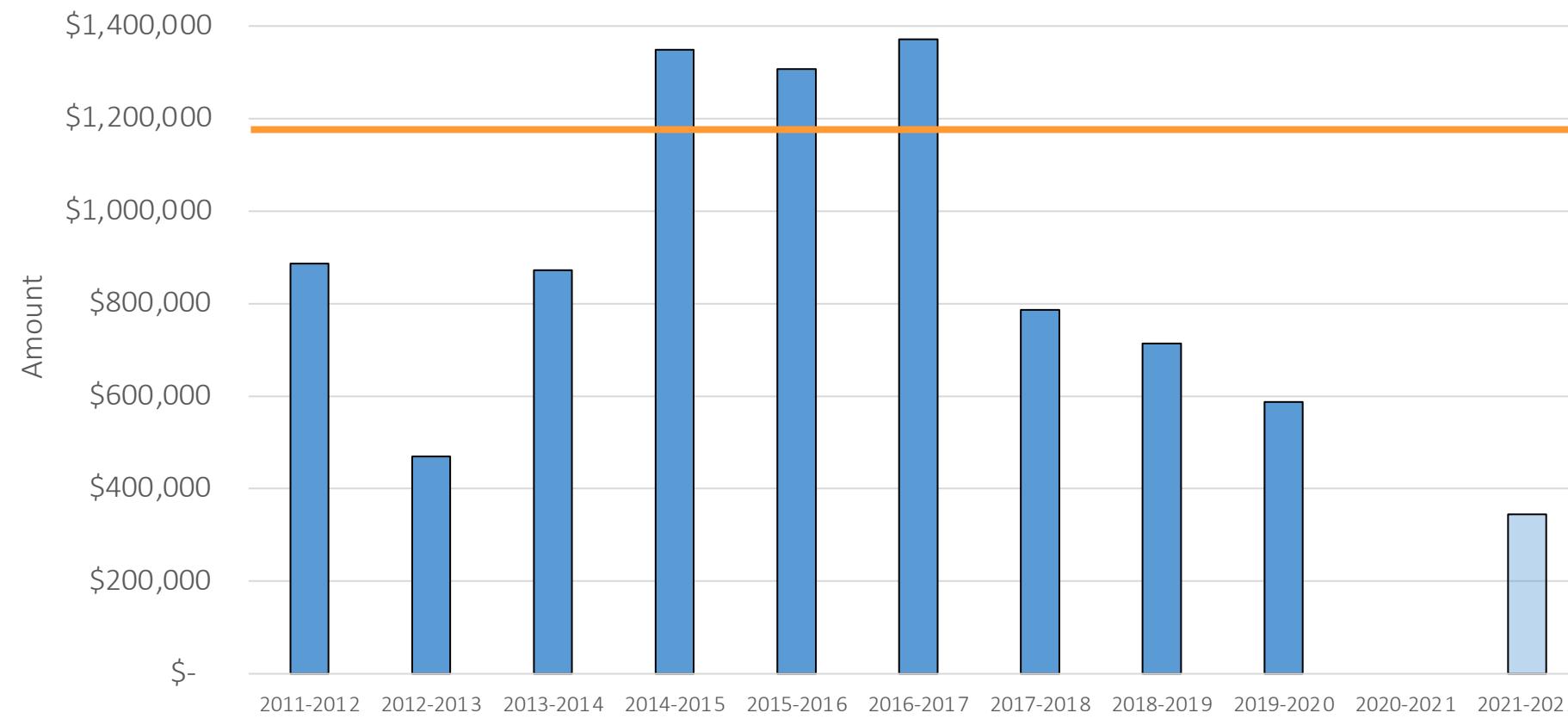
Building Maintenance



Pay Go Capital



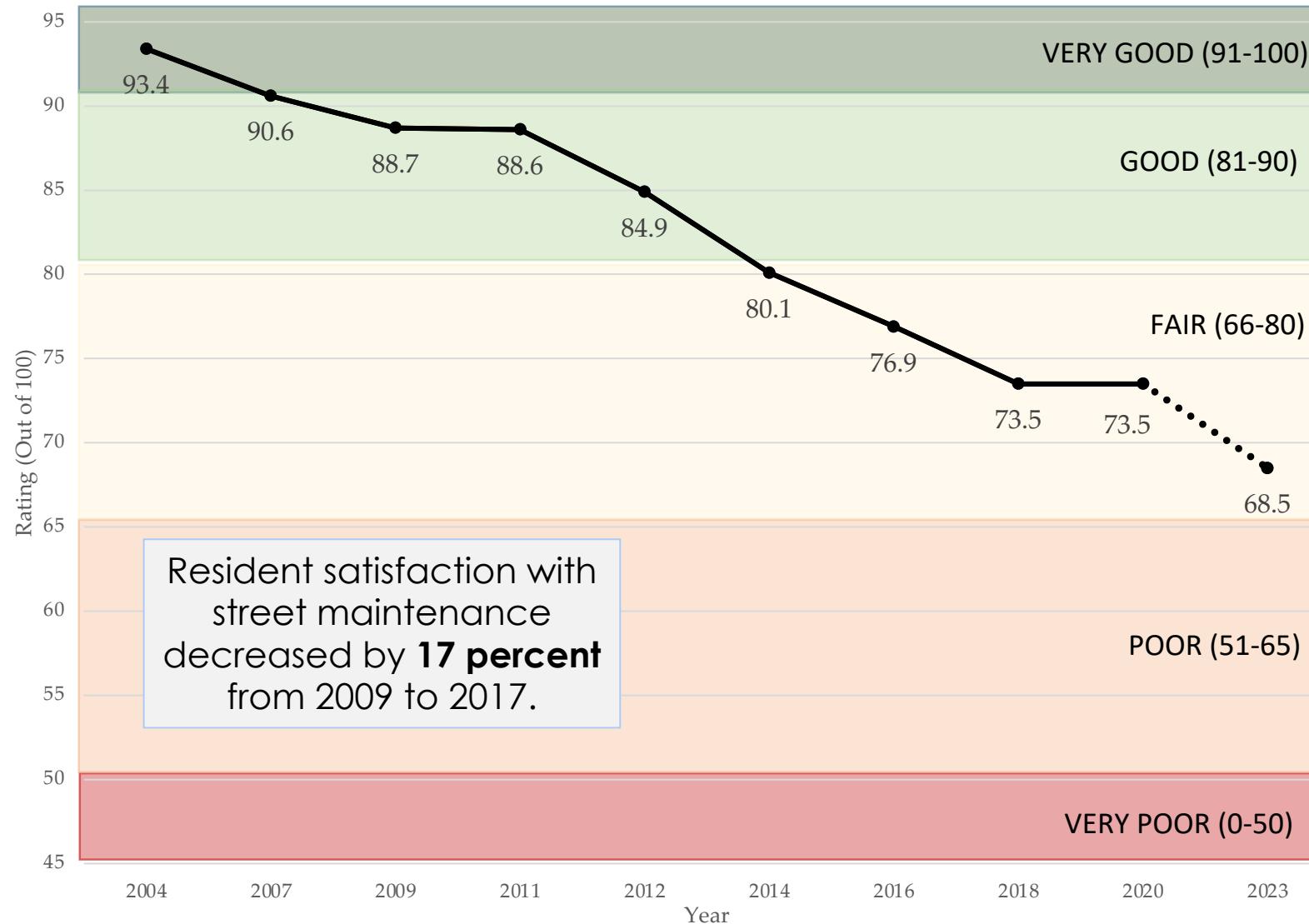
Vehicle Replacement



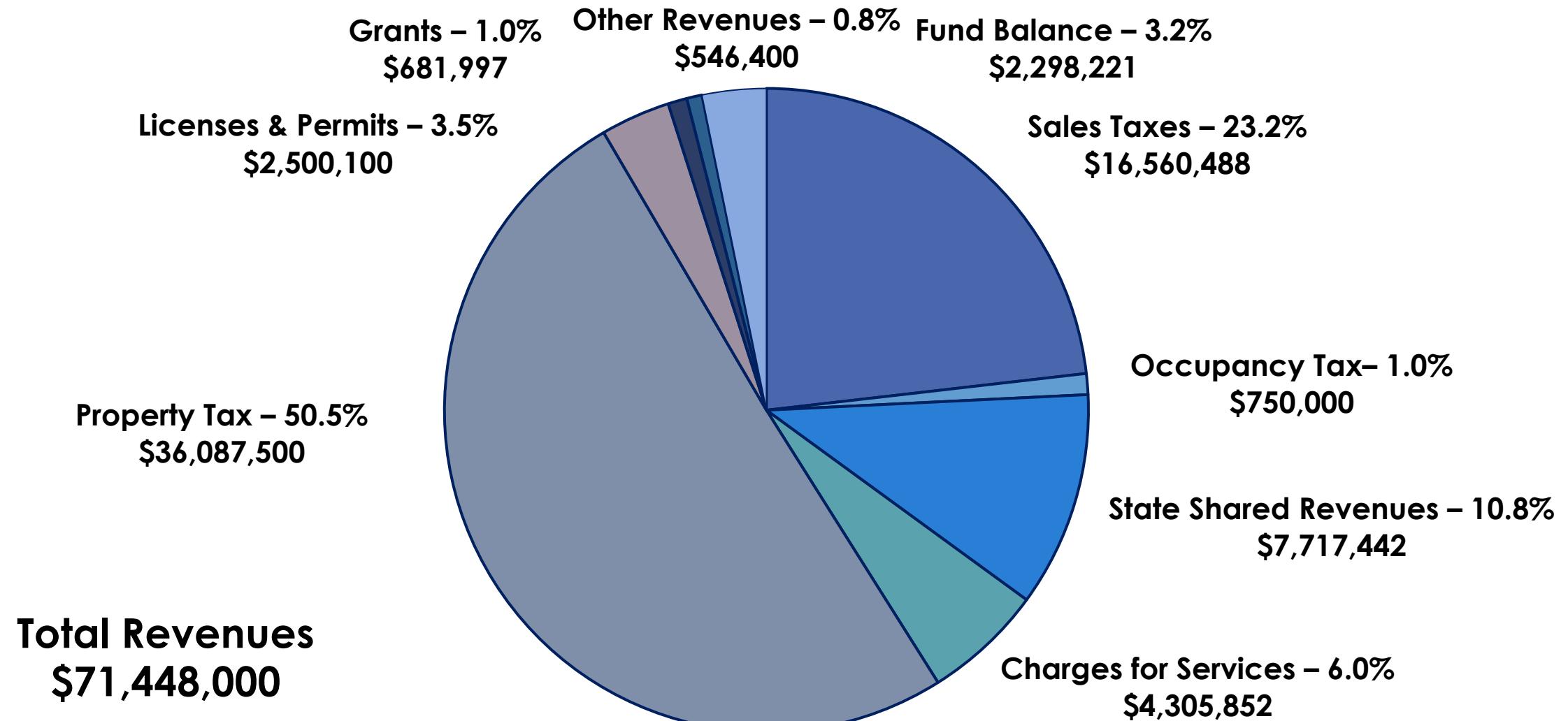
■ Vehicle Replacement Purchases

Recommended Funding Level =
\$1.2 Million

Pavement Condition Evaluation



General Fund Revenues FY 2021-22



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
Proposed Tax Rate	52.4
Revenue Neutral Tax Rate	49.4

Example Residential Tax Bill Impacts

(Town rate only)

Pre-Revaluation	Pre-Tax Bill	Post-Revaluation	Post-Tax Bill	Annual Increase	1 cent difference
\$200,000	\$1,088	\$218,000	\$1,142	\$54	\$22
\$400,000	\$2,176	\$436,000	\$2,285	\$109	\$44
\$600,000	\$3,264	\$654,000	\$3,427	\$163	\$66
\$800,000	\$4,352	\$872,000	\$4,569	\$217	\$88
\$1,000,000	\$5,440	\$1,090,000	\$5,712	\$272	\$110
\$5,000,000	\$27,200	\$5,450,000	\$28,558	\$1,358	\$545

Assumes tax rate of 52.4 cents

Assumes 9% average residential property valuation growth

Average home price in Chapel Hill is \$483,643

Example Commercial Tax Bill Impacts

(Town rate only)

Pre-Revaluation	Pre-Tax Bill	Post-Revaluation	Post-Tax Bill	Annual Increase	1 cent difference
\$1,000,000	\$5,440	\$1,360,000	\$7,126	\$1,686	\$136
\$2,500,000	\$13,600	\$3,400,000	\$17,816	\$4,216	\$340
\$5,000,000	\$27,200	\$6,800,000	\$35,632	\$8,432	\$680
\$7,500,000	\$40,800	\$10,200,000	\$53,448	\$12,648	\$1,020
\$10,000,000	\$54,400	\$13,600,000	\$71,264	\$16,864	\$1,360

Assumes tax rate of 52.4 cents

Assumes 36% average commercial property valuation growth

Actual Commercial Tax Bill Examples (Town Only)

Type of Business	Pre-Reval Valuation	Pre-Reval Tax Bill	Post-Reval Valuation	Post-Reval Tax Bill	Annual Change	% Change
Single Tenant Restaurant – W Downtown	\$292,400	\$1,591	\$341,800	\$1,791	\$200	16.89%
Single Tenant Restaurant – E Downtown	\$1,767,900	\$9,617	\$1,505,100	\$7,887	(\$1,731)	(14.87%)
Single Tenant Retail – E Downtown	\$2,877,000	\$15,651	\$2,715,200	\$14,228	(\$1,423)	(5.62%)
Multiple Tenant Office/Retail - Downtown	\$7,350,000	\$39,984	\$6,193,100	\$32,452	(\$7,532)	(15.74%)
Mixed Retail/Service – near Eastgate	\$2,071,000	\$11,266	\$2,473,900	\$12,963	\$1,697	19.45%
Mixed Retail/Service – N Chapel Hill	\$1,220,400	\$6,639	\$1,587,900	\$8,321	\$1,682	30.11%
Multiple Tenant Office Building	\$30,593,700	\$166,430	\$38,938,900	\$204,040	\$37,610	27.28%
Mixed Use Development	\$52,390,200	\$285,003	\$59,154,000	\$309,967	\$24,964	12.91%
Apartment Building – Blue Hill	\$69,227,900	\$376,600	\$82,602,800	\$432,839	\$56,239	19.32%

American Rescue Plan Funding

Possible Investments

Micro Grant Programs for Small Businesses

Marketing for Small Businesses

Housing Assistance

Assistance to Non-Profits

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)

Human Services Funding History

Fiscal Year	\$ Requested	\$ Funded
FY 2022	\$ 1,186,005	\$ 546,500
FY 2021	\$ 1,026,463	\$ 446,500
FY 2020	\$ 1,320,018	\$ 446,500
FY 2019	\$ 772,944	\$ 419,500
FY 2018	\$ 573,971	\$ 419,500
FY 2017	\$ 510,363	\$ 337,100
FY 2016	\$ 497,993	\$ 337,100
FY 2015	\$ 492,604	\$ 337,100
FY 2014	\$ 343,900	\$ 337,100

Climate Action Spending Plan

- Advancing land use and building energy policy to support net-zero emissions new construction
- Upgrading outdoor lighting to energy efficient LEDs
- Developing wayfinding strategies for the Town's Mobility Plan
- Planning for a Town-wide EV charging station network
- Transitioning fleet to electric vehicles and adding more charging stations
- Starting the process of creating a green infrastructure ordinance
- Creating a more interactive, dynamic web and social media presence for climate action
- Growing the climate action staff team to expand our work and the speed at which we accomplish it

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

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

Dates for Budget Process

May 12 Budget Work Session

May 19 Budget Public Hearing

May 26 & June 2 Budget Discussions (if needed)

June 9 Budget Adoption

2021-22 Budget Development Page

www.townofchapelhill.org/budget