



Minutes

Board of Commissioners Budget Workshop and Public Hearing

7 p.m. May 19, 2025

Board Meeting Room, Town Hall Annex, 105 E. Corbin St.

Present: Mayor Mark Bell and commissioners Meaghun Darab, Robb English, Kathleen Ferguson, Matt Hughes, and Evelyn Lloyd

Staff: Budget Director Emily Bradford, Planning and Economic Development Manager Shannan Campbell, Administrative Services Director Jen Della Valle, Assistant Town Manager and Community Services Director Matt Efird, Budget and Management Analyst Josh Fernandez, Environmental Engineering Manager Bryant Green, Stormwater and Environmental Services Manager Terry Hackett, Town Clerk and Human Resources Technician Sarah Kimrey, Communications Specialist JC Leser-McMinn, Finance Director Dave McCole, Town Manager Eric Peterson, Public Space and Sustainability Manager Stephanie Trueblood and Interim Police Chief Jason Winn

1. Opening of the work session

Mayor Mark Bell called the meeting to order at 7 p.m.

2. Agenda changes and approval

Motion: Commissioner Kathleen Ferguson moved to approve the agenda as presented. Commissioner Meaghun Darab seconded.

Vote: 5-0.

3. Public hearing

A. Fiscal Year 2026 budget public hearing

Motion: Ferguson moved to open the public hearing. Commissioner Evelyn Lloyd seconded.

Vote: 5-0.

The board received comments from two Hillsborough residents from the Forest Ridge neighborhood who voiced concerns over the proposed property tax increases. One resident expressed desire for the town to focus on certain projects to reduce tax increases and to keep Hillsborough affordable for current residents.

Daniel Bullock and Kristina Smith with the Orange County Home Preservation Coalition spoke in support of proposed pilot programs for home repair and emergency housing assistance and stressed the importance of funding affordable housing and housing services.

Kevin Giff and Carol Morton with Fairview Community Watch expressed appreciation for the town's support in Fiscal Year 2025, which enabled the launch of several programs. They voiced support for continued funding in Fiscal Year 2026 to allow programs to grow.

Heather Tatreau and Julia Workman from the Hillsborough Arts Council thanked the board for its support, noting the nonprofit's focus on bringing the community together through free public events. They emphasized how their organization contributes to the local economy and has helped make Hillsborough a more vibrant community.

Dr. Timothy Miles, executive director of the Orange County Disability Awareness Council, requested funding support for programs serving individuals with disabilities. He noted the group's work on accessibility, employment assistance, affordable housing and technology training.

Motion: Ferguson moved to close the public hearing. Darab seconded.
Vote: 5-0.

4. In-depth discussion and topics

A. Fiscal Year 2026 Budget Workshop

Budget Director Emily Bradford conducted a detailed review with the board of the proposed Fiscal Year 2026 budget.

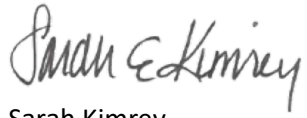
- Community Reinvestment Program — The board debated funding allocations for several community organizations that submitted requests. There was consensus to fully fund the Fairview Community Watch, Hillsborough Arts Council and Orange Congregations in Mission at their requested levels. Board members did not reach a consensus on how to use the remaining funds. Bradford was asked to return with options for allocating the remaining funds.
- Affordable housing — The board deliberated over \$250,000 in proposed funding for affordable housing initiatives in Fiscal Year 2026. They debated whether to continue the planned increases in affordable housing funding or maintain the current level. Consideration was given to requests for two pilot programs — home repair assistance and emergency housing assistance — as well as a funding request from Habitat for Humanity of Orange County for its Auman Village project. No final decisions were reached, and the board requested additional options and information from town staff.
- Tax rate — The board examined the proposed 5.7-cent increase above the revenue-neutral rate. While members voiced concerns about the impact on residents, there was a consensus that the increase was necessary due to budget constraints and rising costs.
- Fee schedule — The board considered proposed changes to various town fees. Ferguson suggested that planning and zoning fees should be further increased to better cover staff time and to discourage after-the-fact requests.
- Enterprise funds — The board reviewed proposed budgets and fee increases for the town's stormwater fund and rate increases for the water and sewer fund. When asked about the potential for significant unexpected repairs in the town's water and sewer system, Engineering Services Manager Bryant Green explained that the town has mitigated the risk in the current plan by prioritizing aging infrastructure that has experienced the most decay, as confirmed by inspections.

The board agreed to hold an additional budget workshop on May 27 to further deliberate on affordable housing funding and community reinvestment program allocations. The final budget hearing and adoption is scheduled for June 9.

5. Adjournment

The mayor adjourned the meeting at 10:49 p.m.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Sarah Kimrey". The signature is written in a cursive, flowing style.

Sarah Kimrey

Town Clerk

Staff support to the Board of Commissioners