



# Agenda

## Board of Commissioners Budget Workshop & Public Hearing

7:00 PM May 18, 2026

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

1. **Opening of the work session**
2. **Agenda changes and approval**
3. **Public hearing**
  - A. Fiscal Year 2027 Budget Public Hearing
4. **In-depth discussion and topics**
  - A. Fiscal Year 2027 Budget Workshop
5. **Adjournment**

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## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date: May 18, 2026  
Department: Administration  
Agenda Section: Regular  
Public hearing: Yes  
Date of public hearing: May 18, 2026

#### PRESENTER/INFORMATION CONTACT

Budget Director Emily Bradford

#### ITEM TO BE CONSIDERED

**Subject:** Fiscal Year 2027 Budget Public Hearing

**Attachments:**

None

**Summary:**

The FY27 budget was presented at the May 11, 2026 board meeting.

**Financial impacts:**

The FY27 budget includes the projected revenues and expenditures, funded and unfunded requests, and any changes to rates for each of the three major funds: General, Stormwater and Water & Sewer.

**Staff recommendation and comments:**

The manager's Budget Message provides an overview of budget highlights.

**Action requested:**

Receive public comment on the FY27 budget.



## Agenda Abstract

### BOARD OF COMMISSIONERS

|                         |                |
|-------------------------|----------------|
| Meeting Date:           | May 18, 2026   |
| Department:             | Administration |
| Agenda Section:         | Regular        |
| Public hearing:         | Yes            |
| Date of public hearing: | May 18, 2026   |

#### PRESENTER/INFORMATION CONTACT

Budget Director Emily Bradford

#### ITEM TO BE CONSIDERED

**Subject:** Fiscal Year 2027 Budget Workshop

**Attachments:**

FY27 Budget and Financial Forecast Workbook

**Summary:**

Discuss the recommended FY27 Budget and Financial Plan. This is an opportunity to ask staff any questions you may have about items that are or are not in the proposed budget, or proposed rate changes. It's also an opportunity to make any desired changes to the budget.

The Decision Points summary in the FY27 Budget & Financial Plan will serve as the blueprint for discussing each fund (pg. 221).

For each fund, the following will be discussed:

- Operating Requests (personnel, operating and capital)
- Capital Improvement Plan Requests
- Other
  - Fire Station Options
  - Nonprofit Partnership Program
  - Water and Sewer Rate Structure Analysis
- Proposed Rates

Budget Timeline

May 18 – Public Hearing and Budget Workshop

May 27 – 2<sup>nd</sup> Budget Workshop (if needed)

June 8 – Consider Budget Adoption

**Financial impacts:**

The FY27 budget includes the projected revenues and expenditures, funded and unfunded requests, and any changes to rates for each of the three major funds: General, Stormwater and Water and Sewer.

**Staff recommendation and comments:**

Ask staff budget related questions.

**Action requested:**

Ask staff budget-related questions and provide direction on any desired changes.



# Town of Hillsborough

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North Carolina

## FY27 Budget & Financial Forecast Workbook

919-732-1270

[www.hillsboroughnc.gov](http://www.hillsboroughnc.gov)

101 E. Orange St.



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# Board of Commissioners

FY2027 Operating & Capital Budget

Mayor Mark Bell



Current Term: 2025 – 2027

Commissioner/Mayor Pro Tem Meaghun Darab



Current Term: 2023 – 2027

Commissioner Robb English



Current Term: 2025 – 2029

Commissioner Kathleen Ferguson



Current Term: 2025 – 2029

Commissioner Matt Hughes



Current Term: 2023 – 2027

Commissioner Evelyn P. Lloyd



Current Term: 2023 – 2027

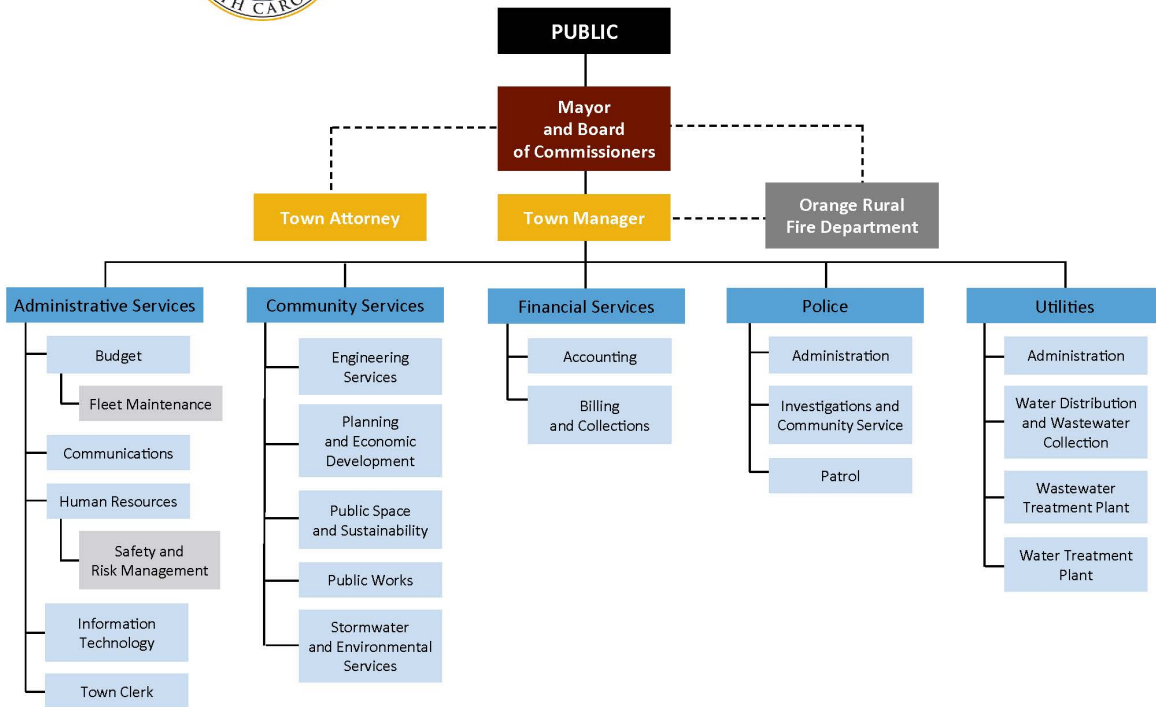


# Organization Chart

FY2027 Operating & Capital Budget



## ORGANIZATIONAL CHART



# Budget Message



# Budget Message

## FY2027 Operating & Capital Budget

May 11, 2026 (Recommended Budget)

Honorable Mayor Bell and Board of Commissioners:

Submitted is Hillsborough's Fiscal Years 2027-29 annual budget workbook. The budget is prepared in accordance with the Local Government Budget and Fiscal Control Act. As this proposed document is transmitted from the town manager, it becomes the governing body's budget to review, debate, adapt and ultimately adopt. It is expected that changes will be made to the proposed budget as information becomes available and alternatives are considered. The mayor, town board and community are encouraged to share their views on what should be funded or modified, starting with the public hearing and first budget workshop on May 18.

### Multi-year Forecasting

The multi-year forecasting component of this document, used since 1998, makes it easier to look forward and identify and mitigate potential problems while they are still manageable. The financial plan acts as a fiscal radar, giving Hillsborough more time and flexibility to plan responses to problems and needs. Hillsborough is one of the only local governments in North Carolina using a multi-year budget format. While only the first year of the budget is legally binding, years 2 and 3 of the financial plan include critical information that provides a more accurate picture of potential fiscal and operational challenges.

### "Taking Care of What We Have"

The town's mission, vision and strategic priorities can't be achieved if the basic tools of service implementation are not in working order: the town's infrastructure, equipment, buildings, employee and systems. The longer a municipality waits to repair or replace these assets (tangible and intangible), the more expensive it becomes in the long term. Governments are notorious for not adequately maintaining assets as is evidenced in the American Society of Civil Engineers' infrastructure report cards. The report cards are an excellent reminder to avoid the errors others routinely make in budget prioritization and to ensure we are properly maintaining Hillsborough's assets. This is especially relevant in the FY27-29 budget and the FY27-33 Capital Improvement Plan (CIP), which include millions of dollars to replace large portions of the water and sewer system that are roughly 50-100 years old.

### Fiscal Year 2027 Budget Highlights

|   |
|---|
| <b>Expenditures</b>                       |
| \$19,476,631 - General Fund               |
| \$15,750,844 - Water & Sewer Fund         |
| <u>\$ 1,193,064</u> - Stormwater Fund     |
| \$36,420,539 - Total Budget               |
| <b>Fees and Rates</b>                     |
| Property Tax                              |
| No Change; 51.3 cents per \$100 valuation |
| Water Rate                                |
| 7.5% increase over FY26 rate              |
| Sewer Rate                                |
| 7.5% increase over FY26 rate              |
| Stormwater Fee                            |
| \$15 per ERU* increase over FY26 fee      |
| *Equivalent Residential Unit              |

### General Fund Highlights

#### Financial Overview

The FY27-29 budget and financial plan is largely a continuation of previously approved projects, priorities and strategic plan initiatives. Most new requests are relatively small dollar amounts or fall into the "taking care of what we have" category related to maintenance, equipment, vehicle replacements and daily operational needs.

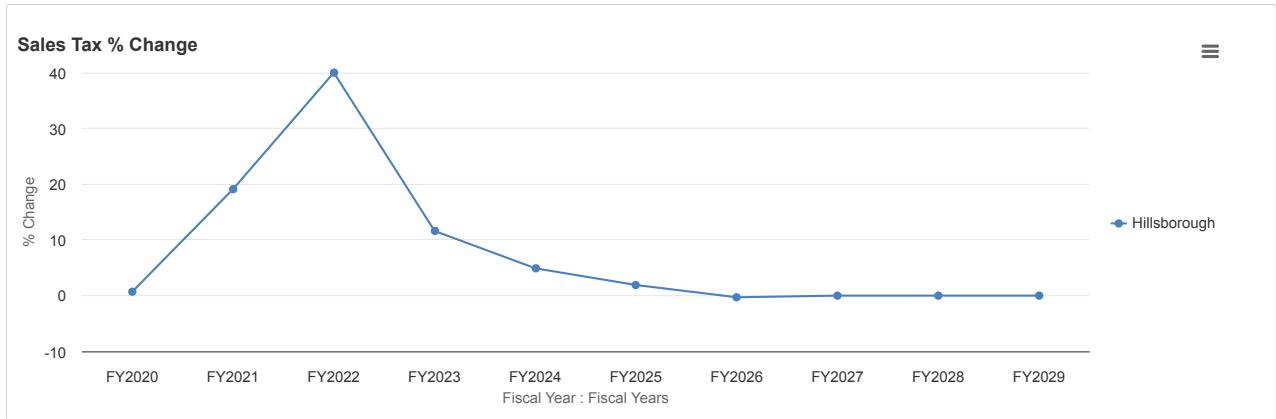
Despite limited expansion items, significant deficits are anticipated for FY28 and FY29. These deficits are driven by various factors, such as increased expenses due to inflation, staying competitive with the market on employee compensation, and maintaining our existing infrastructure and services as well as a slowdown in revenue growth.

The current war with Iran and other issues, such as escalating petroleum prices and inflation have created uncertainty related to the world economy. In addition, potential legislative changes threaten to restrict the ability of North Carolina municipalities and counties to generate property tax revenue, further complicating the business of providing and delivering services to our community.

While no property tax increase is proposed in FY27 as this year's deficit is relatively small and savings levels are strong. A significant trend is the deficit increasing in FY28 and becoming sizable in FY29 at over \$2.5 million. The projected FY29 deficit would require a tax rate increase of over 10 cents to balance the budget. This would equate to about a \$440 annual increase on a \$400,000 home. As referenced in last year's budget message, future tax rate increases of approximately 4.2 cents will be needed to pay for the fire station, Ridgewalk Greenway and train station projects, but that will not generate enough revenue to come close to balancing the budget in FY29. If the high cost of inflation and the labor market continue outpacing growth in revenues, then tax rate increases and cuts in future capital, operations and personnel expenses are also likely. Next year will be spent closely monitoring the overall financial situation and preparing for potentially more aggressive cost containment efforts.

#### Sales Tax Slowdown

Sales tax growth has slowed significantly over the last several years, and the town has adjusted projections to reflect this trend. While the town experienced year-over-year growth between July 2025 and February 2026, that amount was diminished by sales tax refunds. Overall, the recommended budget assumes a zero percent increase for FY27-FY29. The chart below illustrates the flatlining of sales tax revenues that began in FY25 after experiencing significant growth in the early 2020s. In the past, growth in sales tax and interest earned were strong enough to absorb inflationary expenses, such as increases associated with salaries and benefits. This trend of sales taxes flatlining means action must be taken to reduce the projected deficits in the General Fund.



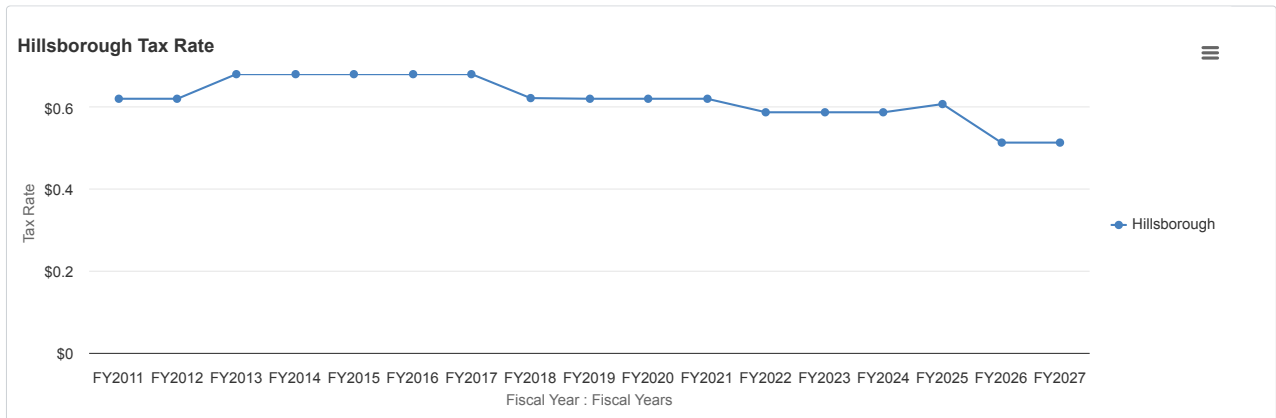
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### Property Tax

Staff is not ready to set a recommended tax rate increase for FY28 and FY29 in the financial plan, but the town faces significant financial deficits on the three-year horizon that will require tough decisions during next year's budget process. Property tax rate increases in FY28 and/or FY29 will likely be needed to reduce the deficit and meet the town's service needs. Each cent of the tax rate generates \$240,000. Staff will reassess next year given the financial climate we are in at that point.

| General Fund                     | Projected Surplus/(Deficit) |              |                 |                 |
|----------------------------------|-----------------------------|--------------|-----------------|-----------------|
|                                  | FY26 Estimate               | FY27 Budget  | FY28 Projection | FY29 Projection |
| Surplus/(Deficit) - \$ amount    | (\$748,667)                 | (\$466,231)  | (\$886,340)     | (\$2,534,674)   |
| Surplus/(Deficit) - percent      | (3.5%)                      | (2.4%)       | (4.4%)          | (11.6%)         |
| Fund Balance - available cash    | \$15,733,111                | \$15,266,880 | \$14,380,540    | \$11,845,866    |
| Fund Balance - % of expenditures | 73%                         | 78%          | 72%             | 54%             |



Data Updated: Apr 30, 2026, 1:59 PM

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### Fund Balance

The severe damage inflicted by Hurricane Helene in Western North Carolina and Tropical Storm Chantal in Hillsborough is a reminder of how critical it is for local governments to maintain strong savings in their fund balances. Many western North Carolina local governments obtained emergency loans just to keep operations running when their communities needed assistance the most. Spending down Hillsborough's savings and running deficits is financially risky and would impair the town's emergency response capabilities when the community's needs are the greatest. In addition, fund balance generates revenue through interest income. Our aim is to maintain fund balance levels no lower than 50% but ideally higher. The projected drop in fund balance levels by 24 percentage points, from 78% in FY27 to 54% in FY29, is concerning. More aggressive steps will be needed to eliminate the projected deficits and balance future budgets with little to no use of savings.

### Cost Containment Strategies

The list below covers some of the actions and approaches used to reduce the deficit, protect fund balance, maintain the current tax rate, and more manageably fund those major upcoming project costs.

- Limiting new full-time employees (FTEs). This constraint started in FY25 for the General Fund and continues in the FY27-29 plan. The transportation project coordinator is the only new position in the three-year financial plan, which is partially funded with savings from reorganizing the Community Services Department. That position may be delayed, depending on how the financial situation evolves over the first part of FY27.
  - Along with new capital projects, personnel costs are the biggest driver of budget increases due to keeping pace with the labor market in this region and annual increases to the retirement system contribution percentages. It will cost roughly \$630,000 to fund increases to salary and benefits in FY27, which is equivalent to approximately 2.6 cents on the tax rate. Situations may arise that warrant adding positions, but the goal is to limit permanent positions until the financial picture improves. If additional personnel or support is needed to address gaps or unexpected

issues, short-term flexible resources - such as contractors, consultants, temporary or part-time positions, and interns - are preferred as more cost-effective options when practical.

- Reducing cost of living adjustment from \$1,500 to \$1,000. This is a reduction from the FY26 allocation and what was hoped for in FY27. The reduced amount - in combination with the merit system - still keeps the town competitive in the labor market, based on preliminary reports of what other local governments in the region are doing. Social security, retirement and 401(K) contributions add over 28% to every dollar of raise provided. The increases build over time, so finding a balance between staying competitive with salaries and managing impact on deficits by FY29 was factored.
- Limiting new capital or CIP projects that represented an expansion in FY27-29. Items already in the financial plan or those required for maintaining operations are funded.
- Considering alternatives and delays. Changing the approach to connecting all town facilities with fiber is an example of seeking less expensive but effective options. The change provided savings and helped with deficit management by eliminating the multi-million dollar capital project, re-directing the annual contribution for the project to pay for existing commercial fiber service, and using the funds saved to pay for other technology and security priorities. Continuing to look for projects that can be delayed or reimagined aligns with the “bridges and band-aids” approach the town has successfully used in other instances to save money.
- Limiting future expenses and capital projects. This is critical until the financial picture stabilizes. Future growth will bring additional revenue, but growth only covers a portion of anticipated deficits. Many approved residential units still have not started construction. High interest rates for mortgages and the slowdown in new home construction make it hard to predict when units will come online. Additionally, new units do not immediately start paying property taxes once occupied. We are still several years from getting another influx of revenue to help with pressure on the budget. It requires nearly \$129 million in property value increase to generate revenue necessary to cover the approximately \$630,000 mentioned earlier related to annual employee salary and benefit increases. That equates to about 750 apartment units or 245 single-family homes per year. This cannot be sustained. The pressures from inflation and growth emphasize the challenges and limitations of what the town can afford now and going into the future.

#### Noteworthy Expenses

- Ridgewalk Greenway North Segment. Annual contributions (\$333,000) to the project's fund will help the town make future annual debt service payments for this project. Each year's saved funds also lower the amount that must be borrowed. Construction is projected for late FY29, and another \$6.2 million is needed for this project. Applying the annual \$333,000 contribution toward the \$670,000 debt payments that start in FY30 leaves a funding gap of \$337,000, or a property tax increase of 1.40 cents if no other funding source is located.
- Passenger Rail/Multi-Modal Station. Approximately \$8.2 million of this \$11.9 million project comes from the State Transportation Improvement Program (TIP), NCDOT Rail TIP, and Transit Tax. The town will be responsible for any costs over that amount and for the cost of town offices within the station. The town's portion of this project has continued to grow. Initially very little match was required. It's now estimated that the town will be required to fund almost \$3.5 million due to inflation and other additions. This equates to \$326,000 in annual debt service payments, with payments starting in FY29. The earliest construction start is spring 2028.
  - Not included in the estimate are costs for solar panels, the green roof, and building to net zero energy standards to allow for future upgrades and the facility to be carbon neutral. These expenses could add \$1,000,000 to the overall construction.
  - Given the significant projected deficits leading up to FY29 and the continued cost escalation of this project, an option is to redirect the \$320,000 annual commitment of funding for sustainability projects to help pay for the train station and desired carbon reduction upgrades. By this time next year, approximately \$1.8 million in sustainability funds will be accrued. Once the station project and debt are paid for, the annual funding could be directed toward another sustainability need or priority.
- Downtown fire station. The new downtown station is estimated to cost \$10 million. A more refined cost will be available once the feasibility study is completed over the next year. Construction is projected for late FY28, with the first debt payments occurring in FY29. The budget continues to set aside \$300,000 annually for the project. Anticipated debt service for the new fire station is projected at approximately \$670,000 per year. A \$370,000 gap exists with the current reserved amount. The funds are being placed in a capital project fund to help pay for design costs first, decrease the loan amount, and provide a funding source for the annual debt.
  - An option raised recently is to consider exploring a renovation of the existing downtown station. This could be an opportunity to reduce annual deficits if a renovation can provide improved living and operating conditions for firefighters, while offering savings. The town board and Orange Rural Fire Board would need to direct a feasibility study to be conducted if there is interest in this option. Funding for a study is available in the current year budget. If the study and cost estimate can be completed by early 2027, funding requests could be submitted to congressional representatives in the United States House and Senate through their respective community funding programs, as well as to the USDA Rural Development for a grant.
- Fire engine (FY30) and ladder truck (FY32) replacement. The budget begins a “ramp-up” savings allocation, with \$100,000 in FY27 and amounts increasing by \$100,000 each year. This will come close to saving enough funds to pay for the approximate \$1.1 million engine in FY30. The annual buildup also would be close to the amount necessary to make annual debt service payments on the approximate \$2.5 million aerial platform truck.
- Affordable housing. The town will achieve the town board's target contribution in FY27 with a final \$70,000 added to the affordable housing fund. In FY24, the board agreed to a plan to annually increase spending on affordable housing until meeting the equivalent of 2 cents on the property tax rate at that time, or about \$320,000.
  - The town has invested accumulated affordable housing funds in two pilot projects (emergency assistance and home repair) and as gap financing for two development projects that will generate nearly 150 units of affordable housing. The results of an affordable housing strategy funded in FY26 will be available early in FY27 to facilitate prioritization of future funding.
- Nonprofit partnership funding. The town board received \$139,795 of funding requests for FY27. The adopted FY26 budget and FY27 placeholder figures were \$45,800 each year. The town board also provided a mid-year FY26 appropriation of \$45,912 to the Food, Fitness and Opportunity Research Collaborative (FFORC), which supports the Fairview community and Northern Hillsborough. The appropriation was to help the collaborative continue services through June 2026 after its federal funding was pulled unexpectedly. This increased the FY26 nonprofit support to \$91,712. The town board set the FY27 funding level at \$110,000 during its April 27 meeting, which included a public hearing and board review of nonprofit partnership funding requests. Decisions on which organizations will be funded and at what amounts will occur during the May and June budget meetings. Nonprofit organizations address critical needs in the community with minimal resources. The needs and opportunities always exceed available funding.
  - The town board has made a strong commitment to supporting nonprofit partners. Funding has increased by 440% over the past three years (from \$25,000 in FY24 to \$110,000 in FY27). Given the significant and increasing annual deficits, the town manager recommends the board consider freezing the nonprofit contributions to the level they set for FY27 over the next several years. An inflationary factor of 3% has been included for FY28 and FY29. If the General Fund deficits continue to grow as projected, those adjustments and the baseline contributions could be subject to reductions, cuts and deferrals as may be done with town operations.
- Vehicle replacement funds: Police - \$300,000 in FY27; Solid Waste - \$275,000 in FY28 and \$300,000 in FY29; Streets - \$85,000 in FY27. The allocations allow expensive vehicles to be replaced with cash, creating savings by not paying interest through loans and smoothing the impact on the annual budget.

- **Information Technology:** The budget recommends paying for IT upgrades with the \$500,000 accrued for the fiber loop project that is no longer needed.
  - Physical security standardization for town facilities, such as cameras, alarms and door access - \$100,000 annually from FY27-28.
  - Physical security upgrades - Expand key card access and cameras to town facilities that don't currently have these capabilities - \$120,000 annually from FY27-29.
- **Police Department**
  - In-car camera system replacements (\$75,000 annually from FY27-29).
  - Replace four to five vehicles per year.
  - Radio encryption upgrade to maintain compatibility and ability to communicate with other Orange County public safety departments (FY27 - \$55,000).
- **Public Works**
  - Street repaving: \$488,500 (\$332,500 from State Steet-Aid Program, Powell Bill, and \$156,000 from general operating revenues)
  - Garbage truck replacement (\$422,000) to replace 9-year-old automated garbage truck.
- **Public Space and Sustainability**
  - Sustainability annual commitment (\$320,000) to energy efficiency and carbon reduction goals in operations or other areas.
  - Small connectivity projects (\$20,000 per year).
  - Rainey Avenue sidewalk (FY27 - \$30,000) – for design expenses in first year and construction in FY29.
  - Picnic Shelters at Cates Creek Park (\$35,000) and the downtown Riverwalk entrance (\$35,000).
  - Wayfinding kiosks in West Hillsborough (\$24,000) will have a town and trail map on one side and a corkboard for town event information on the other side.
- **Community Services**
  - Department reorganization (added \$60,000 to the General Fund for FY27). A high level of coordination needed between Public Works, Public Space and Sustainability, and Stormwater and Environmental Services. The reorganization would combine those divisions into the Community Services and Sustainability Department. By combining division resources and distributing management-level tasks to other staff, the previous public works manager position can be replaced with two lower-level positions to address other departmental and organizational needs at a lower cost. The reorganization also combines the Planning and Economic Development and Engineering Services divisions into the Planning and Development Services Department.
  - Code enforcement abatement funds (\$35,000 annually) to address or remove nuisances such as tall grass, junk piles and abandoned and dilapidated houses or accessory structures that are no longer occupied.
  - Replacement of generator and automatic transfer switch at Town Hall (\$85,000).

## Water and Sewer Fund Highlights

### Water Rates

A 7.5% increase is recommended for each of the next three years. This is primarily to help pay for significant upcoming capital projects, addressing other water system needs, complying with the covenants for the Series 2018, 2020, and 2026 revenue bonds to pay for the reservoir, Adron Thompson Water/Sewer Facility renovation, damage to facilities from Tropical Storm Chantal last year and other capital needs, as well as keeping the fund in a fiscally sound position.

### Sewer Rates

A 7.5% increase is recommended for each of the next three years to help pay for significant capital projects, especially to address aging parts of the system as well as pinch points in the wastewater collection system that are limiting further development.

| <b>Rate Impact</b>  |  |  |
|---|--|--|
| <b>Fiscal Year 2026 ⇒ Fiscal Year 2027</b>  |  |  |
| <b>How much higher will water and sewer rates be per month after the rate increase?</b> |  |  |
|   | <b>Average Household Consumption<br/>4,000 gallons per month</b> | <b>Minimum Household Consumption<br/>2,000 gallons per month</b> |
| <b>In-Town Rates</b>  |  |  |
| Water   | \$3.72   | \$1.86   |
| Sewer   | \$5.24   | \$2.62   |
| <b>Out-of-Town Rates</b>  |  |  |
| Water   | \$7.24   | \$3.62   |
| Sewer   | \$10.20  | \$5.10   |

### Rate Structure Alternatives Study

Most water and sewer utilities use one of two billing methodologies:

1. **Minimum usage charge with a consumption allowance** and a volumetric charge for usage above the established minimum threshold. Hillsborough's minimum charge is for 2,000 gallons per month, which aligns with the median monthly consumption allowance in North Carolina. Approximately 55% of water rate structures in North Carolina use this approach.
2. **Base rate that is a monthly charge for availability of service** with a volumetric rate per gallon used. The base rate helps cover fixed costs like maintaining infrastructure, while the volumetric rate covers the cost of providing water.

Each approach has advantages and disadvantages. The minimum usage charge is easier and less expensive to implement and manage. The base rate requires more sophisticated accounting to accurately calculate the charge and must be updated regularly. It is typically used by larger utilities. Raftelis Financial Consultants has compared these approaches for Hillsborough to assess which methodology may be more equitable for charging for water and sewer service and whether a change would provide financial relief for certain customers based on their average consumption. Raftelis is a nationally recognized expert in utility billing and financial analysis.

Raftelis recommends keeping the current rate structure for at least a year or two, since the town just had Agreed Upon Procedures prepared for the Adron Thompson Water/Sewer Facility renovation loan. To demonstrate a consistent revenue source, Raftelis also suggests not making any changes if the town plans to issue additional debt within the next few years.

The current structure makes sense for our customer base composition, which is mostly residential. The base charge structure may make sense if our customer base becomes more diversified and we have a larger percentage of commercial accounts. If that happens, we already have the model built and

Raftelis can easily update it to see if a different rate structure starts to make sense.

**Financial Overview**

The summary table below shows the amount of savings/fund balance being appropriated each year to cover the deficits projected for the current year (FY26) as well as over the next three years (FYs27-29). The recent rate increases have helped and are necessary going forward given the many large capital projects needed for the system. It's important to note the deficits are projected even with spending a large amount of one-time revenues from grants, system development fees, savings and other sources. Staff deferred several major capital projects to help keep the finances in line with key financial metrics. Still, days of cash on hand are well below our preferred level of 365 days as well as that of peer units with similar bond ratings. Staff will continue refining the schedule of capital projects for further opportunities to defer implementation, where practical and given risk levels, such as sewage spills, system outages, development moratoriums and lost opportunities due to inability to serve new developments.

| <b>Water and Sewer Fund Balance</b>   |                    |                      |                    |                        |                        |
|---------------------------------------|--------------------|----------------------|--------------------|------------------------|------------------------|
| <b>Water &amp; Sewer Fund</b>         | <b>FY25 Actual</b> | <b>FY26 Estimate</b> | <b>FY27 Budget</b> | <b>FY28 Projection</b> | <b>FY29 Projection</b> |
| Fund Balance Appropriation            |                    | \$228,709            | \$993,844          | \$9,912                | \$256,656              |
| Remaining Balance                     | \$9,526,509        | \$9,297,800          | \$8,303,956        | \$8,294,044            | \$8,037,388            |
| Fund Balance as % of Operating Budget | 62%                | 49%                  | 53%                | 54%                    | 48%                    |
| Days of Cash on Hand                  | 385                | 313                  | 286                | 272                    | 254                    |

As a reminder, the Water and Sewer Fund cannot afford to risk having key financial metrics and ratios fall behind industry standards or to risk not meeting requirements from the Series 2018, 2020 and 2026 Revenue Bonds issued to pay for the reservoir expansion. The bond covenants provide non-negotiable standards for funding levels to remain fiscally sound and provide adequate capacity for debt payments. If those standards are not met, then the trustee for the bondholders or the Local Government Commission has the right to compel the increase of our rates to whatever level is needed to meet the various bond coverage ratios. In addition, even getting close to key metrics would have a negative impact on our bond rating and make future borrowings more expensive and difficult.

**Variety of Challenges with the Water and Sewer Operations**

Most who have lived in Hillsborough for a while are familiar with the unique challenges Hillsborough's water and sewer systems must contend with: 1) high debt levels to pay for the reservoir expansion, wastewater plant upgrade, water tank at Waterstone, and other expensive system needs, 2) stringent Falls Lake Rules, some of the tightest in the country that escalated the wastewater plant upgrade costs and limited the feasibility of future expansion, 3) costs of maintaining 25 sewage pump stations, which is far more per connection than most systems, 4) small system with difficulty in benefiting from economies of scale, which is why, many small units are absorbed by larger utilities, 5) aging assets, many near 50 years old and up to 100 years, that need to be repaired or replaced, and 6) new growth that adds pressure to spend money on certain upgrades before enough new customers exist to help spread the costs and minimize rate increases.

Some of these issues were already embedded in the budget, such as debt on already constructed assets. Inflation is estimated at approximately 6% for water and sewer operations. Many utilities must raise rates just to keep pace with annual operations. Reasons for the projected deficits and the need to increase rates include:

- Decreased customer usage, which is generating less revenue.
- Annual revenue lost (approximately \$520,000) from lowering the minimal monthly rate charge from 2,500 to 2,000 gallons per month from FYs 2022-25. This initiative provided substantial savings to low volume users and a more equitable charge methodology. It's estimated that 45% of customers benefited from this change, which came close to holding their bills steady during this period.
- Construction slowdown. A significant number of approved units have not started construction. Relief from these projects is still several years out.
- Significant system rehabilitation projects and overdue upgrades.
- Maintaining financial health and complying with bond covenant requirements.
  - To maintain the town's bond rating and meet bond covenants, the town must maintain a debt coverage ratio of at least 1.00. Industry standard is 1.20. This metric is an indicator of whether the town's operating revenue (rates) are sufficient to cover annual debt obligations. Even with annual rate increases, the projected debt coverage ratio is at the bare minimum in Year 1 at 1.07, decreasing slightly to 1.06 in Year 2 and increasing to 1.14 in Year 3.
  - Days of cash on hand is a key metric in determining the town's ability to meet short-term obligations. Days of cash on hand is projected to be below the industry standard of 365 days in all three years, even with the projected rate increases - at 286 in Year 1, 272 in Year 2 and 254 in Year 3.
  - Steps need to be taken to ensure the town continues to not only meet minimum requirements but also improve the financial condition to be more in line with industry standards.

| <b>Water &amp; Sewer Assets - Approximate Ages</b>   |  |
|--|--|
| <p><b>90 - 100 Years</b></p> <ul style="list-style-type: none"> <li>• Bellevue Sewer Outfall (1920s)</li> <li>• Water and sewer lines in the historic parts of town</li> <li>• Hassell Street Water Tank (mid-1930s)</li> <li>• Fire hydrants and valves in parts of historic district (1920s and 1930s)</li> <li>• Adron Thompson Water/Sewer Operations Facility - converted from the original water plant (1936)</li> </ul> | <p><b>50 Years</b></p> <ul style="list-style-type: none"> <li>• Water (1972) and Wastewater Treatment Plants (1977)</li> <li>• River Pump Station at the Wastewater Treat Plant (1977)</li> <li>• Highway 70A water mains made of asbestos-concrete. These old and fragile lines connect Hillsborough to Durham's water system during emergencies as well as conveying water to the central and south pressure zones daily (1973)</li> <li>• Sewer mains along the Eno River and Exchange Club Park</li> </ul> |

**Major Expenses**

- Elizabeth Brady Pump Station and Force Main Upgrade Project design (\$750,000) in FY26 with construction (\$1,050,000) in FY27. Note: Construction was phased, delaying \$3.5 million until FY29.
- Eno River Sewer Interceptor East Project construction (\$2,080,000) in FY27. Note: Construction was phased, delaying \$3,120,000 until FY29.

- Repairs to the West Fork Eno Reservoir Dam Spillway due to damage from Tropical Storm Chantal. The current project estimate is up to \$3 million, but detailed assessment and design will start in the next few months. Design and professional services in FY27 (\$230,000), with construction starting in FY28. Total cost to the town will depend on whether requested funding from FEMA is approved.
- Cates Creek Sewer Outfall Upgrade Phase I design and construction in FY27 (\$2,700,000). Project is primarily funded via developer contributions.
- Water Treatment Plant
  - Sodium Hypochlorite Conversion in FY27: \$1.35 million. Partially funded with federal grant secured through assistance of Rep. Valerie Foushee.
  - Filter influent actuators replacement in FY27: \$49,000.
  - Electrical system evaluation due to age of the facility: \$45,000.
  - Pump start equipment replacements in FY27: \$27,000.
  - Process controls relocation to SCADA monitoring system in FY27: \$300,000.
- Water Distribution and Wastewater Collection operations
  - Adron Thompson Water/Sewer Facility: Annual debt service of \$650,000 begins in FY27.
  - Vehicle replacements: two trucks in FY27: \$62,000 and \$92,000.
  - Sewer Jetter/Flush Truck in FY27: \$222,000.
  - Pumping station generator replacements: \$45,000 each fiscal year totaling \$135,000.
  - Water system master plan improvements: \$100,000 starting in FY28 and \$200,000 in FY29.
  - Hydrant and valve replacement project, primarily in the historic district: \$270,000, delayed to FY29.
  - Vacuum excavator in FY29: \$155,000
- Wastewater Treatment Plant
  - Solids Storage Mixing Pump Rebuild in FY27: \$82,000.
  - Additional step screen in FY27: \$65,000.

Some projects have been delayed or pushed out beyond the three-year budget window to minimize rate increases, especially on the water side where the deficit is larger. Two examples include replacement of the 90-year-old Hassell Street water tank to FY31, as well as the U.S. 70A water main and emergency connection to the City of Durham until FY30. The main is undersized and older than 50 years. While it was hard to delay such high priority projects that would address service quality, consistency and emergency situations, it was necessary to delay these projects totaling \$11+ million to not further raise water rates.

### Leveraging One-Time Revenues

The budget allocates as much one-time revenue as possible over the next three years. Examples include:

- Water System Development Fees – exhausted by FY28.
- Sewer System Development Fees – all spent, but \$325,000 balance that could be used to reduce debt issuances in FY29 for the Elizabeth Brady Pump Station and Eno River Outfall projects.
- Capital Facility Fees – exhausted by FY30.
- Remaining Waterstone Special Assessment District Funds - Approximately \$1 million is used in FY27 for the Cates Creek Outfall project, with the remaining used in FYs 2031-32 for Phase 2.
- Developer Contributions – All contributions have been applied to capital improvement projects.
- System Development Fee Proffers (advanced payments by developers) – applied unrealized funds to the Elizabeth Brady Pump Station with the expectation that the project doesn't move forward if those funds don't materialize.

## Stormwater Fund Highlights

### Stormwater Rates

Increasing the fee's residential tier by \$15 and non-residential tiers proportionally. The \$15 stormwater fee increase in FY27 follows the plan established in the FY25 budget to increase the stormwater fee for the residential tier by \$15 per year for three fiscal years (FYs25-27), for a total of \$45. This is the third fee increase since the Stormwater Fund was created in FY17.

| <b>Stormwater Rates</b>             |          |
|-------------------------------------|----------|
| Residential Property                | \$120    |
| Non-Residential Property            |          |
| Tier 1 - 0 to 10,000 sq. ft.        | \$240    |
| Tier 2 - 10,0001 to 30,000 sq. ft.  | \$840    |
| Tier 3 - 30,001 to 100,000 sq. ft.  | \$2,760  |
| Tier 4 - 100,001 to 200,000 sq. ft. | \$6,480  |
| Tier 5 - 200,001 to 600,000 sq. ft. | \$17,160 |
| Tier 6 - 600,001 sq. ft. and above  | \$30,000 |

### Financial Overview

- Infrastructure Maintenance. Improved levels of service and updated permit requirements will require additional investments in personnel, equipment and a stormwater capital improvement plan to plan for large projects, such as a culvert replacement on Elizabeth Brady Road. The FY27-29 recommended budget includes ramp-up funds for a stormwater capital improvement plan. The jet-vac truck was not able to be funded in the recommended budget.
- Planning Ahead. While the Stormwater Fund currently has a sufficient fund balance, the recommended capital improvement plan investments in the FY27-29 budget and overall operating cost increases will rapidly deplete that fund balance without future fee adjustments. A \$3 annual rate increase is needed just to cover salary and benefit increases. It is anticipated that another stormwater fee analysis will be conducted in FY28 or FY29 to direct future fee increases that may be necessary.

## Other Highlights

### Employees


- Merit Pay and Cost of Living Adjustment. Compensation and staying competitive with the market continue to be a major challenge for all employers, regardless of sector in the economy. The budget recommends a drop in the cost-of-living adjustment from \$1,500 per employee to \$1,000 and the same merit raises as previous years, with a 3 to 5% range depending on performance.
- Health and dental insurance. For the first time in six years, employer health insurance costs will increase 7.5%. Dental rates will increase by 9%.

## Moving Forward

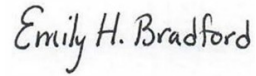
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Please do not hesitate to contact me, Budget Director Emily Bradford ([emily.bradford@hillsboroughnc.gov](mailto:emily.bradford@hillsboroughnc.gov)), Budget and Management Analyst Josh Fernandez ([josh.fernandez@hillsboroughnc.gov](mailto:josh.fernandez@hillsboroughnc.gov)), or Administrative Services Director Jen Della Valle ([jen.dellavalle@hillsboroughnc.gov](mailto:jen.dellavalle@hillsboroughnc.gov)) if you need additional information, have suggestions or concerns, or would like to propose alternatives. Town staff will make every effort to respond quickly and objectively to help you develop a budget that you feel best addresses the needs of the community! Finally, a big “thank you” to all town employees, department and division heads, and the budget team for their work in preparing this year’s document!

Sincerely,



Eric J. Peterson  
Town Manager



Emily H. Bradford  
Budget Director



Jen Della Valle  
Administrative Services Director

## Budget Summary & Information



# Reader's Guide to the Budget Document

## FY2027 Operating & Capital Budget

The Budget and Financial Plan describes how the town plans to achieve its goals and objectives and meet the community's needs. The Town of Hillsborough's budget and financial plan is not just a document full of numbers. It serves as an operations guide, financial plan, communications device, policy document and a general resource for information about the town.

This guide is provided to assist readers in locating information within the budget document. The Town of Hillsborough's Fiscal Year 2027 annual budget and financial forecast is divided into seven major sections: Budget Message/Ordinance, Budget Summary and Information, General Fund, Water and Sewer Fund, Stormwater Fund, Capital Improvement Plan, and Supplemental Information. Each section is outlined below.

### I. Budget Message/Ordinance

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The Budget Message, a letter from the town manager to the Board of Commissioners, provides an overview of the upcoming fiscal year budget and financial plan. This section also contains the FY26 Budget Ordinance. The ordinance, a statute legally adopted by the Board of Commissioners, sets the spending limits for the FY27 budget period (July 1, 2026, to June 30, 2027).

### II. Budget Summary and Information

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This section provides a summary of revenue, expenditure, and fund balance (savings) information for each of the town's funds. Information provided in both numerical and narrative format helps the reader to easily determine how much money each fund/budget unit is spending and generating. The section also includes the town's financial policies. Department responsibilities and an explanation of the process for developing and amending the budget and financial plan provide additional information to help the reader understand the budget process.

### III. General Fund

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This section includes the following budgets: governing body, administration, accounting, human resources, communications, planning, facility management, public space, safety and risk management, information technology, police, fire, fleet maintenance, streets, solid waste, cemetery, special appropriations, and contingency. Each portion contains actual expenses for FY25, projected FY26-FY29 expenses, and a budget highlights narrative.

### IV. Water and Sewer Fund

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This section includes budgets for the following: administration of enterprise, utilities administration, billing and collections, water treatment plant, West Fork Eno Reservoir, water distribution, wastewater collection, wastewater treatment plant, and contingency. Each portion contains actual expenses for FY25, projected FY26-FY29 expenses, and a budget highlights narrative.

### V. Stormwater Fund

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This section includes budgets for the following: Stormwater. The section contains actual expenses for FY25, projected FY26-FY29 expenses, and a budget highlights narrative.

### VI. Capital Improvement Plan

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This section includes projects with a total cost of \$100,000 or more that are listed in the town's seven-year capital improvement plan. Included are a description of each project and a breakout of the associated costs.

### VII. Supplemental Information

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This section contains information about Hillsborough, the Authorized Personnel Listing, and a glossary of terms used throughout the document.



# Function of the Financial Plan

## FY2027 Operating & Capital Budget

### What is a Financial Plan?

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The Hillsborough FY27-29 Financial Plan is a combination budget, capital improvement plan (CIP), and financial forecast. The planning window for this financial plan is three years.

### Why do a Financial Plan?

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Combining three traditionally separate documents (budget, CIP, & financial forecast) under one cover provides full and immediate disclosure of information to the Board of Commissioners. Having this variety of information at their fingertips during the budget process, improves the Board's decision-making ability by allowing them to see the impact of today's decisions on future fiscal years. In addition, the staff is better able to provide useful fiscal and operational analysis that is otherwise not possible by simply looking at an annual budget. Most successful businesses would never dream on only planning in one-year increments. To insure the continued financial strength and operational effectiveness of the Town, it is necessary to have a financial plan that is updated each year during the budget process.

The purpose of a financial plan is not to predict future revenues and expenditures down to the penny, but rather to anticipate and rationally plan for expected changes or problems. The real purpose of doing the "number crunching" in the forecast is to see what types of potential situations may be looming on the horizon. As is mentioned in the Budget Message, this creates a "fiscal radar" that gives the town more time to anticipate different scenarios and develop possible actions to deal with those scenarios before they become problems.

### How was it Done?

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For the most part, the town's annual budget is simply expanded to include two planning years in this document, FY27 - FY29. Sections that were expanded to accommodate the two out-years of the Financial Forecast include: expenditure and revenue summaries, departmental budgets, fund balance tables, and staffing/position information. In addition, supporting narratives and discussions on revenue trends & assumptions, fund balances, goals & objectives, debt, personnel, and the CIP all address the FY27 budget year plus FYs28-29. As the reader goes through each section, information is usually provided or discussed for FYs27-29. This helps to map a course of where the town is and what it is planning to do.

### What are the Forecasting Assumptions?

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Revenue and expenditure projections are based on several sources: Consumer Price Index projections, historical trend analysis, price estimates from prospective vendors, and institutional knowledge. Keeping in tradition with the Town's budgeting philosophy, the Town Manager tended to be somewhat conservative with revenue estimates and slightly liberal with expenditures estimates. This is done to increase the probability of producing a safe and realistic forecast.

### How will the Financial Planning Component be Used?

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Each year the town manager will use the Budget Message to discuss future issues and potential concerns for the Town to monitor. This will help point out significant issues that may confront Hillsborough in the near or distant future. The multi-year forecasting component assists the Town each year by helping to show the impact of this year's budget decisions on the next several years. It is important to understand the effect that adding additional personnel, equipment, projects, or programs will have on Hillsborough's budget and financial condition in the future (e.g., will buying this piece of equipment lower our fund balance to the point where we'll need to raise taxes next year, etc.)! The ultimate purpose of the financial plan is to get the staff and board in the regular habit of evaluating the multi-year impact of the policy and budget decisions we make today. Finally, continually reviewing finances and operations from a multi-year perspective can only help improve the town's ability to regularly make well-informed decisions.



### Summary of Significant Accounting Policies

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The accounting policies of the Town of Hillsborough conform to the generally accepted accounting principles (GAAP) as applicable to governments. The following is a summary of the more significant accounting policies:

#### I. Reporting Entity

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The Town of Hillsborough is a municipal corporation which is governed by an elected mayor and a five-member council. As required by generally accepted accounting principles, the financial statements present all funds and account groups which are controlled by or are financially dependent upon the town. The town provides financial support to certain boards, agencies and commissions. The town has evaluated its relationship with each of these entities according to criteria established by GASB Statement 14 and has determined that none of these entities is includable in the reporting entity because the town is not financially accountable for them.

#### II. Basis of Presentation – Fund Accounting

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The accounts of the town are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The account groups are not funds but are a reporting device used to account for certain assets and liabilities of the governmental funds that are not recorded directly in those funds.

The town uses the following fund categories (further divided by type) and account groups:

##### Governmental Funds

Used to account for the town's governmental functions. The Town of Hillsborough's Governmental funds include the following 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. The primary revenue sources are ad valorem taxes, state grants and various other taxes and licenses. The primary expenditures are for general government, public safety, street maintenance and construction, and solid waste services.

##### Proprietary Funds

Used to account for the town's business-like activities. The Town of Hillsborough's Proprietary funds include the following:

- **Enterprise Fund** - The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (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 where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Town of Hillsborough has one Enterprise Fund, comprised of the following sub-funds:
  - Water/Sewer: which accounts for the general operation of the water and sewer departments.
  - Stormwater: which accounts for the general operation of the stormwater department.

##### Fiduciary Funds

Used to account for the activities where the Town holds money in trust for a third party. The Town of Hillsborough's Fiduciary Funds include the following:

- **Trust and Agency Funds** - Trust and Agency Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, other governments and/or other funds. These include Pension Trust Funds. Pension Trust Funds are accounted for essentially the same as the proprietary funds since capital maintenance is critical. The town has one Fiduciary Fund, the Pension Trust Fund.

##### Account Groups

- **General Fixed Assets Account Group** - This group of accounts is established to account for all fixed assets of the Town of Hillsborough, other than those accounted for in the proprietary funds or trust funds.
- **General Long-Term Debt Account Group** - This group of accounts is established to account for all general long-term debt and certain other liabilities that are not specific liabilities of the proprietary funds of the town.

#### III. Measurement Focus and Basis of Accounting

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The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

The proprietary funds and the pension trust fund are accounted for on the flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund type equity (i.e. net total assets) is segregated into contributed capital and retained earning components. Operating statements for these funds present increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

The basis of accounting determines when the revenues and expenditures or expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

In accordance with the North Carolina General Statutes, all funds of the town are maintained during the year using the modified accrual basis of accounting. The governmental fund types are presented in the financial statements on this same basis. Under the modified accrual basis, revenues are recognized in the accounting period when they become susceptible to accrual (i.e. when they are "measurable" and "available") to pay the liabilities of the current period. In addition, expenditures are recorded when the related fund liability is incurred, if measurable, except for unmatured principal and interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The town considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the subsequent year.

Sales taxes and certain intergovernmental revenues, such as utilities franchise tax, collected and held by the state at year-end on behalf of the town are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Grant revenues that are unearned at year-end are recorded as deferred revenues.

The proprietary funds are presented in the financial statements on the modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period when earned and expenses are recognized in the period they are incurred. As permitted by generally accepted accounting principles, the town has elected to apply only applicable GASB Statements and Interpretations issued before November 30, 1989 in its accounting and reporting practices for its proprietary operations.

## IV. Budgetary Data

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The governing board as required by the North Carolina General Statutes adopts the town's budgets. An annual budget is adopted for the General Fund and the Water and Sewer Fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Water and Sewer Capital Projects Fund and the Water and Sewer Capital Reserve Fund. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the department level for all annually budgeted funds and at the object level for the multi-year funds. The town manager is authorized to effect interdepartmental transfers within the same fund, not to exceed 10 percent of the appropriated monies for the department whose allocation is reduced. (See Fiscal Policies section for more information.)

## V. Budget Calendar

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A budget calendar is included in the North Carolina General Statutes which prescribes the last day on which certain steps of the budget procedure are to be performed. The following schedule lists the tasks to be performed and the date by which each is required to be completed. For more information on the process followed by the Town of Hillsborough see Budget Calendar in the Supplemental Information section.

- April 30: Each department head will transmit to the budget officer the budget requests and the revenue estimates for their department for the budget year.
- June 1: The budget and the budget message shall be submitted to the governing board. The public hearing on the budget shall be scheduled at this time.
- July 1: the governing board shall adopt the budget ordinance.

## VI. Encumbrances

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As permitted by G.S. 159-26(d), the town maintains encumbrance accounts which are considered to be "budgetary accounts." Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result if unperformed contracts in process at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. These encumbrances outstanding are reported as "reserved for encumbrances" in the fund balance section of the balance sheet and will be charged against the subsequent year's budget. Encumbered appropriations are re-appropriated in the ensuing year's budget.



These financial policies were developed by the Board of Commissioners, Finance Director, and Town Manager. These policies are general in nature and designed to act as a guide to assist in making sound fiscal management decisions for the Town of Hillsborough. By adhering to established financial policies, following the North Carolina Budget and Fiscal Control Act, accepting guidance from the Town's independent auditors, Local Government Commission, and the UNC-Chapel Hill School of Government, the Town of Hillsborough can continue to strengthen its solid foundation, which is built on responsible fiscal and budgetary practices.

### Accounting Policy

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The town will establish and maintain its accounting systems in compliance with the North Carolina Local Government Budget and Fiscal Control Act. Financial systems will be maintained to monitor revenues and expenditures on a monthly basis. All revenue collections will be consolidated under the Finance Director and audited annually. An annual audit will be performed by an independent certified public accounting firm which will issue an official opinion on the annual financial statements, with a management letter explaining recommended improvements, if required. Town staff will attempt to address any such recommendations. The auditors will also prepare the Town's Annual Comprehensive Financial Report in compliance with Generally Accepted Accounting Principles (GAAP). The report will be submitted each year to the Government Finance Officer's Association for recognition under the Certificate of Achievement for Excellence in Financial Reporting program. Internal accounting control procedures/operations will be maintained and upgraded as needed to maximize the security and efficiency of the accounting system and town assets.

### Budget Amendment Policy

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General Statute (G.S.) 159-15 authorizes the governing board to amend the budget ordinance at any time after the ordinance is adopted, so long as the amended ordinance continues to meet the requirements of G.S. 159-8, which states that the budget must be balanced and 159-13, which describes the form, adoption, limitations, tax levy and filing of the budget ordinance. Budget amendments cannot increase or decrease the tax levy or alter a taxpayer's liability unless the board is ordered to do so by the courts or an authorized State agency.

Budget amendments must be made prior to obligating funds in excess of adopted budget appropriations. North Carolina state law, G.S. 159-8, requires that each fund in the budget remain balanced. Therefore, whenever a change in an estimated revenue or appropriation occurs throughout the year, an offsetting adjustment to some other revenue or appropriation account(s) must be made in order to keep the fund balanced. Budget amendments provide a way for local governments to accomplish this.

G.S. 159-13(a) allows the budget ordinance to be in any form that the board considers most efficient for making fiscal policy decisions, but the board must make appropriations by department, function or project and show revenues by major source.

A budget amendment must contain certain information, depending on its purpose. If the amendments increases an appropriation based on an increase in revenue, the amendment will specify the appropriation and its increase, as well as the revenue and its increase. Likewise, if the amendment reduces one appropriation and increases another, with no new revenue source, each appropriation will be listed along with the amount of increase or decrease. Each amendment must balance. Total increases in appropriations should equal total increases in revenues if new revenues are involved. In all situations, a brief description of the circumstances surrounding the amendment will be included on the face of the amendment or in the minutes where the amendment was approved.

Board approval or review is indicated on each amendment, either by signature of the town clerk to the board attesting to board approval or by including the actual amendment itself in the board meeting minutes.

The finance director may make minor changes to the budget without obtaining prior Board approval by formal budget amendment. Such changes must be within a fund and not between two or more funds. (Note: These changes cannot result in recurring obligations such as salaries.) Wherever the finance director makes this type of adjustment, he is required to inform the Board at the next meeting after the budget adjustment is made. In this way, the Board does not have to consider and vote on immaterial changes to the budget, but it is kept abreast of changes so they can be monitored.

The most important thing about budget amendments affecting expenditure accounts is that they are to be made prior to funds being obligated. The Finance Director can be held personally liable for any obligations made that are not in accordance with the current budget ordinance. Therefore, if an obligation is made in excess of the budgeted appropriation, a violation of G.S. 159-181(a) has occurred, even if the ordinance is later amended to authorize the obligation and the resulting expenditure.

Budget amendments may be made after June 30 to the budget ordinance for the prior year to cover obligations or expenditures in excess of appropriations that the Town must legally pay. However, such items are still a statutory violation, and the budget must be presented in the audited financial statements as it stood on June 30. If these amounts are material, a note disclosure in the audited financial statements must be needed to indicate statutory noncompliance.

### Capital Improvement Policy

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The town will update and adopt and re-adopt annually a seven-year Capital Improvement Plan (CIP) which details each capital project, the estimated cost, project description and anticipated funding source. Current operating budget expenditures will be used to maintain the CIP projects and provide all salaries, operating costs, and small capital outlay required.

### Debt Policy

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In accordance with North Carolina General Statute 159-55, the town's bounded indebtedness will not exceed eight (8) percent of the assessed valuation of the taxable property of the Town. Capital items and capital projects will be financed for a period that should not exceed the anticipated useful life of the asset.

## Investment Policy

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The town will attempt to maximize the investment of idle moneys, thus generating greater amounts of non-tax revenue through increased investment earnings. The following factors will be of paramount importance and in order of priority whenever town funds are invested: 1) security, 2) liquidity, 3) diversity, and 4) yield. The Town of Hillsborough will only invest in those instruments that comply with North Carolina General Statute 159-30, which is part of the Local Government Fiscal Control Act.

## Reserve Policy

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To insure the town's fiscal stability, it is necessary to maintain a healthy operating fund balance (reserve or savings). Since Hillsborough has experienced disasters in the past, the town must be prepared to deal with the financial hardships that can be dealt by unpredictable storms, tornados, and hurricanes. In addition to the need for emergency funds, the fund balance allows the town to maintain adequate cash flow levels, provides steady investment income, helps absorb revenue shortfalls, allows the town to take advantage of unexpected opportunities, and occasionally aids in making non-recurring capital purchases if the reserves are large enough.

Each year during annual budget preparation, the Board of Commissioners will re-evaluate the fund balance level needed for the upcoming year. The Board will take into account the needs of the community, as well as the fiscal strength of the governmental unit, in making its decision to set an appropriate fund balance level. If the fund balance drops below or rises above the designated range, then staff will outline a plan to bring it within range or explain the rationale for being outside the range. This benchmark range will serve as a goal that the governing body will strive to meet each fiscal year in order to preserve the Town of Hillsborough's financial integrity.

General Fund: The town will maintain an undesignated fund balance level between 33-100% (4-12 months) of annual General Fund operating expenditures. Municipalities are required by the Local Government Commission to retain a fund balance level of at least 8% in the General Fund.

Water / Sewer Fund: The town will maintain retained earnings between 33-100% (4-12 months) of annual Water and Sewer Fund operating expenditures.

Stormwater Fund: The town will maintain retained earnings between 33-100% (4-12 months) of annual Stormwater Fund operating expenditures.

## Revenue Policy

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As provided by the North Carolina Local Government Budget and Fiscal Control Act, estimated revenue from the ad valorem tax levy will be budgeted as follows:

- Assessed valuation shall be estimated based on historical trends and growth patterns in a conservative manner.
- The estimated percentage rate of collection of the tax levy shall not exceed the rate of the preceding fiscal year.
- The tax rate shall be set each year based on the cost of providing general government services.
- The town shall operate under an annual balanced budget ordinance adopted and administered in accordance with N.C.G.S. 159-8(a). A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balance is equal to appropriations.

The town will set fees for services to maximize user charges for identifiable services.

- Assessed valuation shall be estimated based on historical trends and growth patterns in a conservative manner.
- To the extent possible, the rate structure established for water and sewer customers will be sufficient to finance all operating, capital, and debt service costs providing said services.
- To the extent practical, any general town service which is of a higher level to benefit recipients shall be supported by user fees designed to recover costs from those recipients. Examples include zoning and code enforcement activities funded through zoning permit fees and demolition charges.
- Where user fees are based on cost recovery, costs should be reviewed annually during the budget process and user fees adjusted as practicable.

# General Fund



# Financial Summary: General Fund

## FY2027 Operating & Capital Budget

### Financial Summary

#### General Fund Financial Summary

|   | FY25 Actual     | FY26 Estimate   | FY27 Budget     | FY28 Projection | FY29 Projection  |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| <b>Revenues</b>   | \$18,754,948.66 | \$20,819,328.00 | \$19,010,400.00 | \$19,150,400.00 | \$19,335,400.00  |
| <b>Expenses</b>   | \$15,691,673.88 | \$21,567,995.00 | \$19,476,631.00 | \$20,036,740.00 | \$21,870,074.00  |
| <b>Surplus/(Deficit) - w/o fund balance appropriation</b> | \$3,063,274.78  | (\$748,667.00)  | (\$466,231.00)  | (\$886,340.00)  | (\$2,534,674.00) |
| <b>Fund Balance</b>                                       | –               | \$15,733,111.00 | \$15,266,880.00 | \$14,380,540.00 | \$11,845,866.00  |
| <b>Fund Balance %</b>                                     | \$0.00          | \$0.73          | \$0.78          | \$0.72          | \$0.54           |

### Revenues

#### General Fund Revenue by Type

|                       | FY25 Actual         | FY26 Estimate       | FY27 Budget         | FY28 Projection     | FY29 Projection     |
|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>       |                     |                     |                     |                     |                     |
| Intergovernmental     | \$1,824,155         | \$1,741,204         | \$1,695,500         | \$1,695,500         | \$1,695,500         |
| Other                 | \$289,505           | \$1,171,451         | \$126,300           | \$96,300            | \$96,300            |
| Grants                | \$62,720            | \$0                 | \$0                 | \$0                 | \$0                 |
| Property Tax          | \$10,474,657        | \$12,319,376        | \$12,535,000        | \$12,765,000        | \$13,000,000        |
| Licenses/Permits/Fees | \$147,573           | \$203,452           | \$125,100           | \$125,100           | \$125,100           |
| Sales Tax             | \$3,419,504         | \$3,408,000         | \$3,408,000         | \$3,408,000         | \$3,408,000         |
| Interfund Transfers   | \$1,707,759         | \$1,215,845         | \$720,500           | \$660,500           | \$610,500           |
| Interest              | \$829,076           | \$760,000           | \$400,000           | \$400,000           | \$400,000           |
| <b>REVENUES TOTAL</b> | <b>\$18,754,949</b> | <b>\$20,819,328</b> | <b>\$19,010,400</b> | <b>\$19,150,400</b> | <b>\$19,335,400</b> |

### Expenditures

#### General Fund Expenditures by Type

|                       | FY25 Actual         | FY26 Estimate       | FY27 Budget         | FY28 Projection     | FY29 Projection     |
|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Expenses</b>       |                     |                     |                     |                     |                     |
| Personnel             | \$8,704,589         | \$9,803,750         | \$10,678,198        | \$11,310,026        | \$11,947,489        |
| Operating             | \$7,672,090         | \$9,174,600         | \$9,471,537         | \$9,644,886         | \$10,032,606        |
| Cost Allocations      | (\$3,014,602)       | (\$3,603,031)       | (\$3,893,748)       | (\$4,111,911)       | (\$4,139,001)       |
| Debt Service          | \$346,942           | \$396,625           | \$621,818           | \$610,913           | \$1,596,154         |
| Capital               | \$400,345           | \$3,603,448         | \$1,067,000         | \$691,000           | \$576,000           |
| Interfund Transfers   | \$1,582,309         | \$2,192,603         | \$1,531,826         | \$1,891,826         | \$1,856,826         |
| <b>EXPENSES TOTAL</b> | <b>\$15,691,674</b> | <b>\$21,567,995</b> | <b>\$19,476,631</b> | <b>\$20,036,740</b> | <b>\$21,870,074</b> |



# Noteworthy Requests: General Fund

## FY2027 Operating & Capital Budget

### Funded Noteworthy Requests

General Fund: Funded Noteworthy Requests

| Worksheet Name  | FY2027             | FY2028             | FY2029             |
|---|--------------------|--------------------|--------------------|
| <b>Amount</b>   |                    |                    |                    |
| Ballistic Helmets   | \$12,800           | \$0                | \$0                |
| Code Enforcement Abatement  | \$35,000           | \$35,000           | \$35,000           |
| Community Kiosks  | \$10,500           | \$10,500           | \$10,500           |
| Community Services Department Re-Organization                               | \$60,423           | \$77,435           | \$83,478           |
| Cost Allocation Plan  | \$7,500            | \$0                | \$0                |
| Crime Scene Barriers  | \$2,500            | \$0                | \$0                |
| Fire Station at North Churton Street  | \$300,000          | \$300,000          | \$685,026          |
| Fire Vehicle Replacement Fund   | \$100,000          | \$200,000          | \$300,000          |
| Garbage Truck Replacements  | \$422,010          | \$0                | \$0                |
| Generator and Automatic Transfer Switch Replacement at Town Hall Main House | \$85,000           | \$0                | \$0                |
| Handgun Lights  | \$6,200            | \$0                | \$0                |
| HVAC Unit Replacements at Police Department                                 | \$30,000           | \$0                | \$0                |
| Paint Exterior of Wastewater Treatment Plant                                | \$20,000           | \$0                | \$0                |
| Paint Interior of Administration Building                                   | \$17,500           | \$0                | \$0                |
| Parks Play Equipment Replacement  | \$0                | \$75,000           | \$0                |
| Passenger Rail Multi-Modal Station  | \$0                | \$0                | \$361,119          |
| Phone System Replacement  | \$0                | \$100,000          | \$100,000          |
| Physical Security Standardization   | \$100,000          | \$100,000          | \$0                |
| Physical Security Upgrades  | \$120,000          | \$120,000          | \$120,000          |
| Picnic Shelter at Cates Creek Park  | \$35,000           | \$0                | \$0                |
| Picnic Shelter at Riverwalk Entrance  | \$35,000           | \$0                | \$0                |
| Picnic Tables at Cates Creek Park   | \$22,000           | \$0                | \$0                |
| Police In-Car Camera Replacements   | \$75,901           | \$72,325           | \$72,325           |
| Printer Standardization   | \$24,154           | \$33,754           | \$43,354           |
| Public Records Request Software   | \$0                | \$12,288           | \$10,788           |
| Radio Encryption  | \$55,000           | \$0                | \$0                |
| Renovate Third Floor of Administration Building                             | \$20,000           | \$0                | \$0                |
| Ridgewalk Greenway - North Segment  | \$333,000          | \$333,000          | \$333,000          |
| Rifle Plates  | \$15,000           | \$0                | \$0                |
| Sidewalk at Rainey Avenue   | \$30,000           | \$0                | \$125,000          |
| Speed Box   | \$2,500            | \$0                | \$0                |
| Story Walk  | \$0                | \$0                | \$12,000           |
| Thermostat Upgrades   | \$9,000            | \$0                | \$0                |
| Truck #244 Replacement  | \$0                | \$51,010           | \$0                |
| Veteran's Memorial  | \$15,000           | \$0                | \$0                |
| Wayfinding Kiosks in West Hillsborough                                      | \$24,000           | \$0                | \$0                |
| Welcome Sign Easement Plat  | \$6,000            | \$0                | \$0                |
| <b>AMOUNT</b>   | <b>\$2,030,988</b> | <b>\$1,520,312</b> | <b>\$2,291,590</b> |

# Unfunded Noteworthy Requests

General Fund: Unfunded Noteworthy Requests

| Worksheet Name   | FY2027           | FY2028           | FY2029           |
|--|------------------|------------------|------------------|
| <b>Amount</b>  |                  |                  |                  |
| Community Home Trust - Funding Expansion Request       | \$2,500          | \$2,500          | \$2,500          |
| Fire Station at North Churton Street Ramp-Up Expansion | \$125,000        | \$250,000        | \$370,000        |
| Generator for Community Center                         | \$35,000         | \$0              | \$0              |
| Tax Collection Fee Increase                            | \$120,000        | \$123,000        | \$125,000        |
| <b>AMOUNT</b>  | <b>\$282,500</b> | <b>\$375,500</b> | <b>\$497,500</b> |

# General Government



### Key Operations

The Accounting Division is responsible for managing all the fiscal affairs of the town and supporting the financial-related operations of its departments. It collects, records, deposits and disburses all funds for the town. The department maintains the town's fixed assets, oversees the collection and distribution of the food and beverage tax, processes accounts payable, prepares reports required by the state and federal governments, assists independent auditors during the annual audit and reviews accounting functions for all town departments. The department also coordinates and executes all municipal debt and bond issuance, debt service, refinancing transactions, distribution of information to financial advisors and rating agencies, monitors the town's debt portfolio for cost savings opportunities and provides advanced technical research and financial support for cash and investment management.

### FY26 Major Accomplishments

- All town financial audits were submitted in a timely basis for year ended June 30, 2025. There were no findings.
- Successfully transitioned to a new financial software system from Tyler Technologies called ERP Pro.
- Successfully executed the 2025 Installment Financing for the 86 North Facility Renovation and Improvement project.

### FY27 Major Budget Changes

- No major changes.

### FY28-29 Financial Forecast

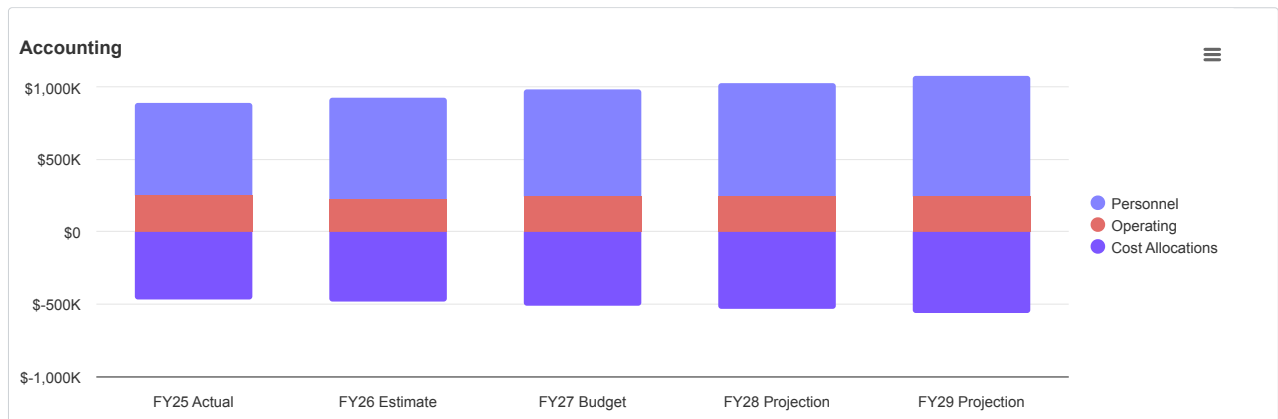
- No major changes.

### Expenditures by Category

Accounting

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                  |
| Personnel             | \$638,966        | \$700,200        | \$746,441        | \$787,276        | \$835,088        |
| Operating             | \$254,501        | \$223,403        | \$240,600        | \$241,600        | \$242,600        |
| Cost Allocations      | (\$464,603)      | (\$480,273)      | (\$513,260)      | (\$535,015)      | (\$560,397)      |
| <b>EXPENSES TOTAL</b> | <b>\$428,864</b> | <b>\$443,330</b> | <b>\$473,781</b> | <b>\$493,861</b> | <b>\$517,291</b> |

### Department Expenditure Summary



Data Updated: May 08, 2026, 1:43 PM

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# Full-Time Equivalent Position Count

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Accounting (FTEs)

| Job Title                   | FY2027     | FY2028     | FY2029     |
|-----------------------------|------------|------------|------------|
| <b>Allocated FTE Count</b>  |            |            |            |
| ACCOUNTING SPECIALIST       | 2.4        | 2.4        | 2.4        |
| FINANCE DIRECTOR            | 1          | 1          | 1          |
| ACCOUNTS PAYABLE TECHNICIAN | 1          | 1          | 1          |
| FINANCIAL ANALYST           | 1          | 1          | 1          |
| <b>ALLOCATED FTE COUNT</b>  | <b>5.4</b> | <b>5.4</b> | <b>5.4</b> |



# Tax Collection Fee Increase

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Accounting

## Priority Rank

1

## Request Description

Orange County bills and collects property taxes on behalf of the three municipalities with the county, Chapel Hill, Carrboro and Hillsborough. For this service, the county charges a collection fee of 0.5% of collected taxes. They have done a fee study and determined that the average fee to municipalities is 1.5% across their peer group, including neighboring Durham County.

## Link to Strategic Plan or Departmental Priorities

N/A

## Alternatives & Operational Impact if Not Funded

N/A

## Additional Information

The county has reached out to discuss the fee increase, but no official request has been made and the exact timing of any increase is unknown at this time.

## Budget Justification Expenditures

Tax Collection Fee Increase

| Division Description | FY2027           | FY2028           | FY2029           |
|----------------------|------------------|------------------|------------------|
| <b>Amount</b>        |                  |                  |                  |
| Accounting           | \$120,000        | \$123,000        | \$125,000        |
| <b>AMOUNT</b>        | <b>\$120,000</b> | <b>\$123,000</b> | <b>\$125,000</b> |



### Key Operations

Administration provides the leadership, coordination, planning, and information dissemination function in implementing the Board of Commissioners' goals, objectives and policy. Administration also provides support services to the town's departments in the form of annual budget and strategic plan preparation, record keeping of actions taken by the board and other official bodies of the town, maintenance of the Code of Ordinances and agenda preparation for board meetings. The town manager is responsible for the day-to-day operations of the town.

### FY26 Major Accomplishments

- Conducted winter weather kickoff.
- Managed integration of budget software with the town's financial software system.

### FY27 Major Budget Changes

- No major changes.

### FY28-29 Financial Forecast

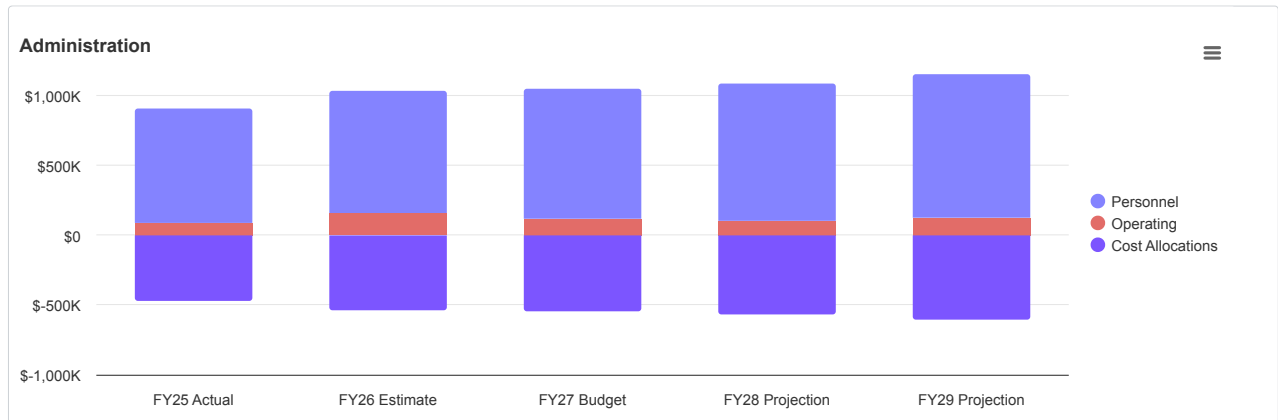
- Public records request software in FY28.

### Expenditures by Category

Administration

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                  |
| Personnel             | \$817,047        | \$881,215        | \$928,698        | \$980,160        | \$1,032,055      |
| Operating             | \$92,442         | \$158,286        | \$120,508        | \$105,846        | \$124,346        |
| Cost Allocations      | (\$472,934)      | (\$540,540)      | (\$545,587)      | (\$564,723)      | (\$601,328)      |
| <b>EXPENSES TOTAL</b> | <b>\$436,555</b> | <b>\$498,961</b> | <b>\$503,619</b> | <b>\$521,283</b> | <b>\$555,073</b> |

### Department Expenditure Summary



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# Full-Time Equivalent Position Count

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Administration (FTEs)

| Job Title                             | FY2027     | FY2028     | FY2029     |
|---------------------------------------|------------|------------|------------|
| <b>Allocated FTE Count</b>            |            |            |            |
| ADMINISTRATIVE SERVICES DIRECTOR      | 1          | 1          | 1          |
| BUDGET DIRECTOR                       | 1          | 1          | 1          |
| BUDGET AND MANAGEMENT ANALYST         | 1          | 1          | 1          |
| TOWN MANAGER                          | 1          | 1          | 1          |
| TOWN CLERK/HUMAN RESOURCES TECHNICIAN | 0.6        | 0.6        | 0.6        |
| <b>ALLOCATED FTE COUNT</b>            | <b>4.6</b> | <b>4.6</b> | <b>4.6</b> |



# Cost Allocation Plan

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Administration

## Priority Rank

2

## Request Description

The town's cost allocation plan was developed many years ago based on simplistic information and was done in-house. This request is to fund a third-party analysis and study of indirect cost sharing paid by the Water and Sewer Fund as well as the Stormwater Fund for central services including the following budget units: Governing Body, Administration, Accounting, Human Resources, Communications, Facilities Management, Safety and Risk Management, Information Technology, Engineering Services, and Fleet Maintenance. By hiring a neutral, professional, and experienced contract partner for this effort, the town will receive a scientific and reliable end-product that will be used for cost allocation budgeting and accounting going forward. This will ensure that all funds are charged appropriately for shared services and avoid undue strain on taxpayers, utility customers, or stormwater customers.

## Link to Strategic Plan or Departmental Priorities

Service Excellence: Objective 2 - Provide quality municipal services through operational excellence and a culture of innovation. By obtaining a professional and scientific cost allocation report, the town will have internal and external transparency about the method of allocation and ensure that all funds are covering appropriate costs for shared central services.

## Alternatives & Operational Impact if Not Funded

The town currently has a cost allocation structure, but it is old and has not been reevaluated or changed in several years. If not funded, the town's current cost allocations may place undue strain on any of the three operating funds.

## Additional Information

N/A

## Budget Justification Expenditures

Cost Allocation Plan

| Division Description | FY2027         | FY2028     | FY2029     |
|----------------------|----------------|------------|------------|
| <b>Amount</b>        |                |            |            |
| Administration       | \$7,500        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$7,500</b> | <b>\$0</b> | <b>\$0</b> |



# Public Records Request Software

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Administration

## Priority Rank

1

## Request Description

NextRequest is a public records software under CivicPlus that allows agencies to receive, track, and fulfill records requests and manage workflows through an online portal.

## Link to Strategic Plan or Departmental Priorities

- N/A

## Alternatives & Operational Impact if Not Funded

- Challenges with not having a management tool in place:
- The increase in volume and complexity of requests, highlighting the need for additional support, tools, and automation.
- The challenge of tracking requests, easily knowing their status, and meeting due dates (especially when multiple departments are involved); things can easily slip through the cracks.
- The decentralized use of multiple tools and the overall impact to time and workflow; logging, tracking, routing, emailing, file-sharing, redacting, etc. all in different systems.
- The lack of internal visibility, which can lead to duplication of work or other inefficiencies.

## Additional Information

- N/A

## Budget Justification Expenditures

Public Records Request Software

| Division Description | FY2027     | FY2028          | FY2029          |
|----------------------|------------|-----------------|-----------------|
| <b>Amount</b>        |            |                 |                 |
| Administration       | \$0        | \$12,288        | \$10,788        |
| <b>AMOUNT</b>        | <b>\$0</b> | <b>\$12,288</b> | <b>\$10,788</b> |

### Key Operations

Communications provides information dissemination function in implementing the Board of Commissioners' goals, objectives and policy. This includes press releases, social media, website administration, Government 101 and Engage Hillsborough.

### FY26 Major Accomplishments

- Continued improvements to emergency operations, including revising boil water signage, revising emergency information webpages, and adding newly available alerts maps to the alerts page to show the alert message and affected area.
- Senior communications specialist completed advanced public information officer training.
- Completed a public access policy and signage to provide safe and effective work areas for town employees, protect confidential information and ensure safe and effective areas for visitors to conduct town business.
- Continued work to meet federal digital accessibility standards by April 2027, including converting necessary information in PDFs to other online options that are accessible to screen readers.

### FY27 Major Budget Changes

- Continue to improve emergency operations by adding community kiosks, portable signage and ham radio capability.
- Additional funds may be needed for language solutions, captioning of meeting videos, and remediating remaining PDFs on the town website.

### FY28-29 Financial Forecast

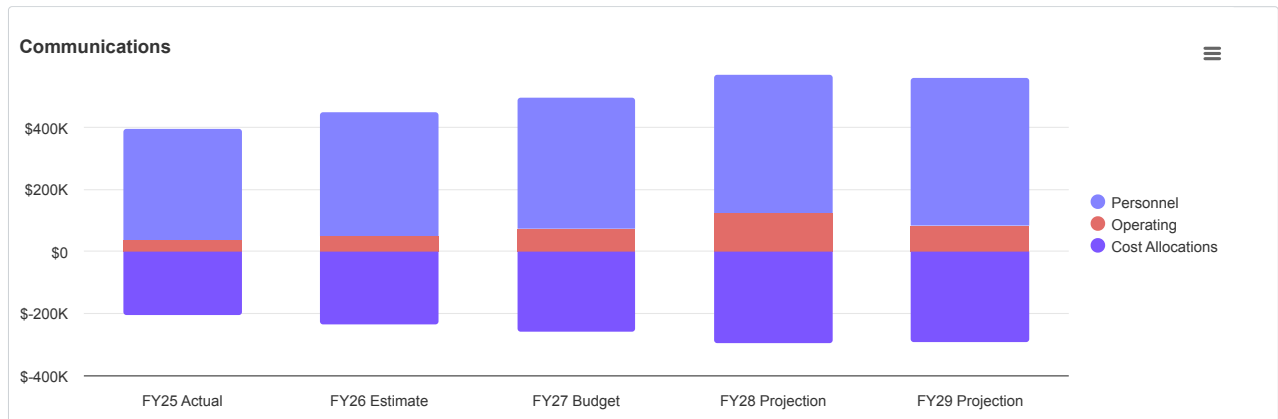
- Anticipating starting work on a new website in FY28: placeholder estimate of \$40,000.

### Expenditures by Category

Communications

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                  |
| Personnel             | \$361,014        | \$399,485        | \$423,768        | \$447,841        | \$474,993        |
| Operating             | \$35,210         | \$50,174         | \$73,219         | \$122,678        | \$84,486         |
| Cost Allocations      | (\$206,036)      | (\$233,822)      | (\$258,432)      | (\$296,669)      | (\$290,928)      |
| <b>EXPENSES TOTAL</b> | <b>\$190,187</b> | <b>\$215,837</b> | <b>\$238,555</b> | <b>\$273,850</b> | <b>\$268,551</b> |

### Department Expenditure Summary



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# Full-Time Equivalent Position Count

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Communications (FTEs)

| Job Title                        | FY2027   | FY2028   | FY2029   |
|----------------------------------|----------|----------|----------|
| <b>Allocated FTE Count</b>       |          |          |          |
| COMMUNICATIONS SPECIALIST        | 1        | 1        | 1        |
| COMMUNICATIONS MANAGER           | 1        | 1        | 1        |
| SENIOR COMMUNICATIONS SPECIALIST | 1        | 1        | 1        |
| <b>ALLOCATED FTE COUNT</b>       | <b>3</b> | <b>3</b> | <b>3</b> |



# Community Kiosks

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Communications

## Priority Rank

1

## Request Description

To enhance emergency communications and provide a digital alternative, the Communications Division would like to work with community partners to build information kiosks in key locations throughout town. A portion of the kiosk could be used by the community partner. Space would be reserved for use by the town to share information, particularly in an emergency. The cost per kiosk would be about \$3,500 with additional costs for shipping if ordering a kit. The cost could be less if the kiosks are built and installed in house. This request is to build three in a year (\$10,500), with the desire to build additional kiosks in subsequent years. In addition to spreading out the cost, the slow implementation would allow time to determine any changes needed to the kiosks, agreements with partners or type of information shared.

## Link to Strategic Plan or Departmental Priorities

This request relates to the focus areas of Community Safety, Service Excellence and Connected Community in the Strategic Plan. It would help fulfill the Community Safety objective of reinforcing resiliency in town operations by implementing emergency preparedness strategies. It also would help fulfill the Service Excellence objective of promoting inclusive community engagement in town services, programs and projects.

## Alternatives & Operational Impact if Not Funded

The Communications Division plans to order materials for portable signs in addition to building permanent structures. If this request is not funded, the portable signs using A-frames and weatherproof posters would be used alone. There is a risk with portable signage that they could be removed by the public or knocked over or swept away due to flooding or high winds.

## Additional Information

Timberhomes Vermont sells kits for classic trailhead kiosks. Similar kiosks could be built in-house, or the town could choose to order from a company. <https://timberhomesllc.com/our-work/structures-for-parks/trailhead-kiosks/classic-trailhead-kiosk/>

## Budget Justification Expenditures

Community Kiosks

| Division Description | FY2027          | FY2028          | FY2029          |
|----------------------|-----------------|-----------------|-----------------|
| <b>Amount</b>        |                 |                 |                 |
| Communications       | \$10,500        | \$10,500        | \$10,500        |
| <b>AMOUNT</b>        | <b>\$10,500</b> | <b>\$10,500</b> | <b>\$10,500</b> |

### Key Operations

The Disaster Relief budget unit captures and records expenditures related to emergency events. Having expenses in one place is helpful when seeking reimbursement from FEMA for eligible expenses.

### FY26 Major Accomplishments

- Responded to Tropical Storm Chantal.

### FY27 Major Budget Changes

- N/A

### FY28-29 Financial Forecast

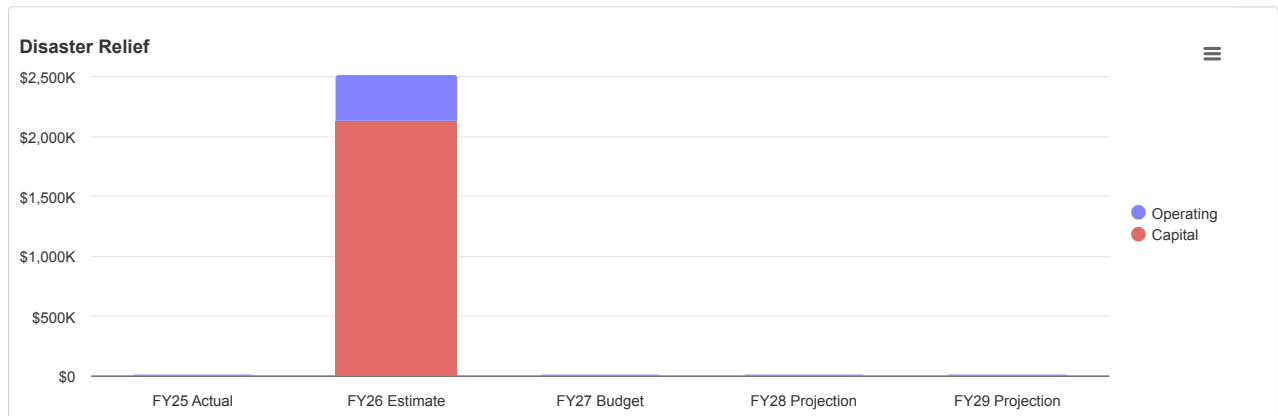
- N/A

### Expenditures by Category

Disaster Relief - General Fund

|                       | FY25 Actual    | FY26 Estimate      | FY27 Budget     | FY28 Projection | FY29 Projection |
|-----------------------|----------------|--------------------|-----------------|-----------------|-----------------|
| <b>Expenses</b>       |                |                    |                 |                 |                 |
| Operating             | \$9,998        | \$382,685          | \$10,000        | \$10,000        | \$10,000        |
| Capital               | –              | \$2,131,931        | \$0             | \$0             | \$0             |
| <b>EXPENSES TOTAL</b> | <b>\$9,998</b> | <b>\$2,514,616</b> | <b>\$10,000</b> | <b>\$10,000</b> | <b>\$10,000</b> |

### Department Expenditure Summary



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### Key Operations

The Facility Management division provides consolidated management of town facilities including routine and preventive maintenance and cleaning and repair contracts.

### FY26 Major Accomplishments

- Restored the bathroom, parking lot, and activity shelter at Gold Park and the Adron F. Thompson basement from Tropical Storm Helene.
- Painted exterior of Town Hall Campus.
- Renovated floors at the Water Treatment Plant and Wastewater Treatment Plant.
- Completed major concrete roof repair at the Water Treatment Plant.
- Freshened exterior of the Old Furniture Store.
- Replaced two HVAC units at the Police Department and one at the Stormwater Office.
- Cleaned gutters and power washed exteriors of all facilities.
- Replaced pump house roof at Water Treatment Plant.
- Replaced doors to carriage house at Town Hall.

### FY27 Major Budget Changes

- No major changes.

### FY28-29 Financial Forecast

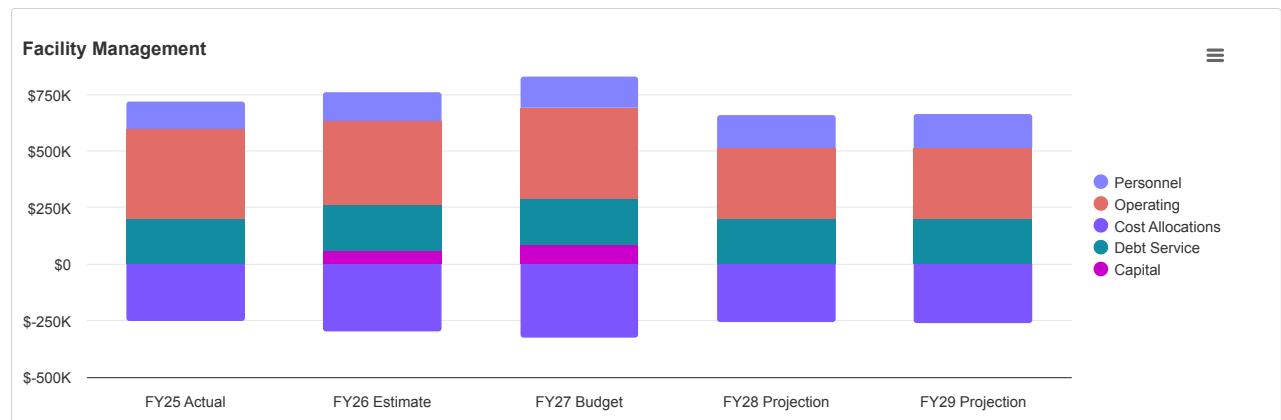
- No major changes.

### Expenditures by Category

Facilities Management

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                  |
| Personnel             | \$120,842        | \$127,587        | \$135,823        | \$145,607        | \$153,854        |
| Operating             | \$395,460        | \$376,152        | \$407,597        | \$311,097        | \$311,097        |
| Cost Allocations      | (\$250,765)      | (\$296,461)      | (\$323,150)      | (\$256,181)      | (\$259,397)      |
| Debt Service          | \$200,171        | \$200,171        | \$200,172        | \$200,171        | \$200,172        |
| Capital               | \$0              | \$56,250         | \$85,000         | \$0              | \$0              |
| <b>EXPENSES TOTAL</b> | <b>\$465,707</b> | <b>\$463,699</b> | <b>\$505,442</b> | <b>\$400,694</b> | <b>\$405,726</b> |

### Department Expenditure Summary



Data Updated: May 08, 2026, 1:43 PM

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# Full-Time Equivalent Position Count

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Facilities Management (FTEs)

| Job Title                  | FY2027   | FY2028   | FY2029   |
|----------------------------|----------|----------|----------|
| <b>Allocated FTE Count</b> |          |          |          |
| FACILITIES COORDINATOR     | 1        | 1        | 1        |
| <b>ALLOCATED FTE COUNT</b> | <b>1</b> | <b>1</b> | <b>1</b> |



# Generator for Community Center

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Facility Management

## Priority Rank

6

## Request Description

The Town is replacing the emergency generator and transfer switch located at the Police Department. Although the generator has come to the end of its replacement schedule, there is some usable life left in the unit. This request is to relocate the generator to the Dorothy Johnson Community Center to serve as a backup generator in the event of power loss. This could give the Town the ability to have an emergency shelter to offer residents if one is needed. There would be an additional ongoing cost of yearly maintenance and possible repairs.

## Link to Strategic Plan or Departmental Priorities

This request could be a part of  
Objective 1 - Ensure that people are safe and feel safe throughout town.  
Objective 2.1- Complete refresh of the Emergency Operations Plan  
Objective 2.4 - Establish Emergency Operations Centers

This request could also represent the Values of the Strategic Plan  
Public Service - We are responsible stewards of community tax dollars put to use for the public good.

This could be achieved by repurposing the use of the generator that is already paid for and being put to use in a way that is not as taxing as a full-time backup generator, while adding a valuable public service.

## Alternatives & Operational Impact if Not Funded

If not funded, the generator could be sold, and the sale of the generator could help support the Community Center funding or just return to available funds for the town. We would not be adding a service for the community at a reduced cost than we would if this request involved purchasing all new equipment.

## Additional Information

N/A

## Budget Justification Expenditures

Community Center Generator

| Division Description  | FY2027          | FY2028     | FY2029     |
|-----------------------|-----------------|------------|------------|
| <b>Amount</b>         |                 |            |            |
| Facilities Management | \$35,000        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$35,000</b> | <b>\$0</b> | <b>\$0</b> |



# Generator and ATS Switch Replacement at Town Hall

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Facility Management

## Priority Rank

1

## Request Description

Replace the generator and ATS Switch at the Town Hall Main House as it has come to the end of its lifecycle. The current ATS is working, but is showing signs of wear.

## Link to Strategic Plan or Departmental Priorities

Supports the departmental goal to maintain town-owned facilities.

## Alternatives and Operational Impact if Not Funded

Decreased reliability and increased maintenance cost moving forward.

## Additional Information

N/A

## Budget Justification Expenditures

Generator and ATS Switch Replacement at Town Hall

| Division Description  | FY2027          | FY2028     | FY2029     |
|-----------------------|-----------------|------------|------------|
| <b>Amount</b>         |                 |            |            |
| Facilities Management | \$85,000        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$85,000</b> | <b>\$0</b> | <b>\$0</b> |

# HVAC Unit Replacements

Budget Justification Form (FY27-FY29)

| <b>Fund</b>  | <b>Department</b>   | <b>Priority Rank</b> |
|--------------|---------------------|----------------------|
| General Fund | Facility Management | 2                    |

## Request Description

Replace HVAC units at the police department that have come to the end of their lifecycle on the replacement schedule.

## Link to Strategic Plan or Departmental Priorities

Supports the departmental goal to maintain town-owned facilities.

## Alternatives & Operational Impact if Not Funded

If not funded, we could leave as-is and run the risk of increased downtime/decreased reliability, and increased maintenance costs. A service call from our contracted HVAC company averages \$600.00 per call. We had 28 calls for service due to HVAC issues last fiscal year. That is down from 47 calls two years ago. This reduction is due to supported request to replace aged units in past budget years.

## Additional Information

N/A

## Budget Justification Expenditures

HVAC Unit Replacements

| <b>Division Description</b> | <b>FY2027</b>   | <b>FY2028</b> | <b>FY2029</b> |
|-----------------------------|-----------------|---------------|---------------|
| <b>Amount</b>               |                 |               |               |
| Facilities Management       | \$30,000        | \$0           | \$0           |
| <b>AMOUNT</b>               | <b>\$30,000</b> | <b>\$0</b>    | <b>\$0</b>    |



# Paint Exterior of Wastewater Treatment Plant

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Facility Management

## Priority Rank

4

## Request Description

Paint the exterior of the Wastewater Plant. There are areas of rust, faded and peeling paint on doors, window frames, and exposed steel beams on the exterior of the building.

## Link to Strategic Plan or Departmental Priorities

Supports the departmental goal to maintain town-owned facilities.

## Alternatives & Operational Impact if Not Funded

If not funded and delayed, the rust will increase, which will increase painting costs when issues are addressed at a later budget year.

## Additional Information

N/A

## Budget Justification Expenditures

Paint Exterior of Wastewater Treatment Plant

| Division Description  | FY2027          | FY2028     | FY2029     |
|-----------------------|-----------------|------------|------------|
| <b>Amount</b>         |                 |            |            |
| Facilities Management | \$20,000        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$20,000</b> | <b>\$0</b> | <b>\$0</b> |



# Paint Interior of Administration Building

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Facility Management

## Priority Rank

5

## Request Description

Fresh coat of interior paint for the first and second floors of the Administration Building (offices, hallways, meeting room, bathrooms, stairwells, all walls and ceilings). I suggest some color/accent walls/town logo (maybe the town colors) in the meeting room or common areas for a more pleasing look/ feel for visitors and occupants.

## Link to Strategic Plan or Departmental Priorities

Supports the departmental goal to maintain town-owned facilities.

## Alternatives & Operational Impact if Not Funded

Alternatives, if not funded, could be to paint/freshen-up the common area walls only (meeting room, hallways, stairways, and bathrooms for about half the total amount requested. If not funded this year, the ability to do a fresh-up type project increases in price, closer to the cost of a total paint job.

## Additional Information

N/A

## Budget Justification Expenditures

Paint Interior of Administration Building

| Division Description  | FY2027          | FY2028     | FY2029     |
|-----------------------|-----------------|------------|------------|
| <b>Amount</b>         |                 |            |            |
| Facilities Management | \$17,500        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$17,500</b> | <b>\$0</b> | <b>\$0</b> |



# Renovate Third Floor of Administration Building

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Facility Management

## Priority Rank

7

## Request Description

The Administration Building has limited office space available, with two communication employees sharing an office and the communication manager in a small office with no exterior window, which previously served as a small conference space. The third floor of the building has two rooms that are being used for storage. Staff looked into the usability of those spaces and determined that both spaces could be used as offices with some minor upgrades to the space. This request is for funding to paint, replace the carpeting, do the necessary electrical work and make some IT configurations to accommodate office use. The two employees sharing an office would move to the third floor offices and the communications manager would move into the larger space. The small office would be left as a flex office, for remote employees to use when on-site. With how limited the town is with office space, this is a very affordable option to gain two extra offices without having to do major renovations or build a new space.

## Link to Strategic Plan or Departmental Priorities

Our ability to do our jobs effectively ties back to having the necessary equipment and work space.

## Alternatives & Operational Impact if Not Funded

If this request is not funded, employees could continue using their existing space, which is limited. This becomes especially limited when we have interns or temporary employees. Another option would be to just do the necessary work to use the space as an office, but not replace the carpeting, which is potentially original to the building and to forgo the painting.

## Additional Information

N/A

## Budget Justification Expenditures

Renovate Third Floor of Administration Building

| Division Description  | FY2027          | FY2028     | FY2029     |
|-----------------------|-----------------|------------|------------|
| <b>Amount</b>         |                 |            |            |
| Facilities Management | \$20,000        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$20,000</b> | <b>\$0</b> | <b>\$0</b> |

# Thermostat Upgrades

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Facilities Management

## Priority Rank

3

## Request Description

Replace older HVAC thermostats with programmable units for increased energy efficiency during times the facility is unoccupied. This request would replace 6 thermostats and includes parts and labor.

## Link to Strategic Plan or Departmental Priorities

Links to our Energy reduction goals and initiatives.

## Alternatives and Operational Impact if Not Funded

If not funded, older thermostats are less effective in measuring ambient temperatures, thus decreasing efficiency and comfort in the facility.

## Additional Information

Includes six total thermostat upgrades at three facilities: Water Treatment Plant, Wastewater Treatment Plant and Police Department

## Budget Justification Expenditures

Thermostat Upgrades

| Division Description  | FY2027         | FY2028     | FY2029     |
|-----------------------|----------------|------------|------------|
| <b>Amount</b>         |                |            |            |
| Facilities Management | \$9,000        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$9,000</b> | <b>\$0</b> | <b>\$0</b> |



# Governing Body

## FY2027 Operating & Capital Budget

### Key Operations

Governing Body consists of the mayor and five-member Board of Commissioners. It is responsible for the town's legislative governance and general policy setting. The board hires and fires the town manager, who they direct to implement major policy decisions and address key services/operational needs in the community. The board also hires and fires the town attorney, who provides legal counsel, handles preparation of contracts, amendments to the code of ordinances, enforcement of certain provisions of the code and represents the town in court as directed by the governing body.

### FY26 Major Accomplishments

- No major updates.

### FY27 Major Budget Changes

- No major changes.

### FY28-29 Financial Forecast

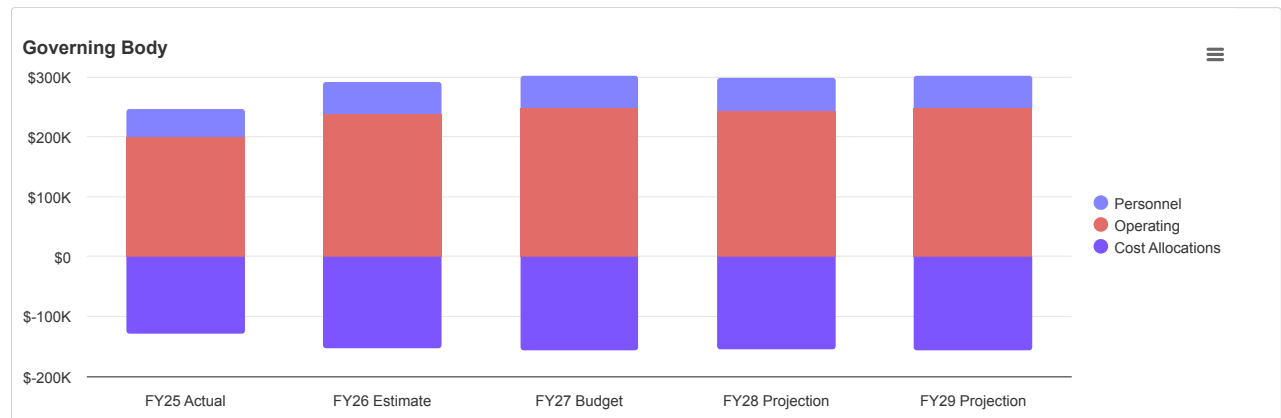
- No major changes.

### Expenditures by Category

Governing Body

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                  |
| Personnel             | \$46,404         | \$54,371         | \$54,507         | \$54,507         | \$54,507         |
| Operating             | \$199,777        | \$238,368        | \$247,871        | \$243,871        | \$247,871        |
| Cost Allocations      | (\$128,014)      | (\$152,223)      | (\$157,236)      | (\$155,156)      | (\$157,236)      |
| <b>EXPENSES TOTAL</b> | <b>\$118,167</b> | <b>\$140,516</b> | <b>\$145,142</b> | <b>\$143,222</b> | <b>\$145,142</b> |

### Department Expenditure Summary



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# Governing Body - Dues and Training

FY2027 Operating & Capital Budget

## Dues & Subscriptions

Governing Body Dues and Subscriptions

| Itemization Description               | FY2026          | FY2027          | FY2028          | FY2029          |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Amount</b>                         |                 |                 |                 |                 |
| Central Pines Regional Council        | \$4,400         | \$4,400         | \$4,400         | \$4,400         |
| Chapel Hill Chamber of Commerce       | \$1,495         | \$1,500         | \$1,500         | \$1,500         |
| Hillsborough Chamber of Commerce      | \$6,000         | \$6,000         | \$6,000         | \$6,000         |
| Miscellaneous                         | \$500           | \$500           | \$500           | \$500           |
| National League of Cities             | \$1,314         | \$1,314         | \$1,314         | \$1,314         |
| NC Black Elected Municipal Officials  | \$75            | \$75            | \$75            | \$75            |
| NC Mayors Association                 | \$300           | \$300           | \$300           | \$300           |
| NC Women in Municipal Government (x2) | \$150           | \$150           | \$150           | \$150           |
| NCLM Annual Dues                      | \$11,262        | \$11,300        | \$11,300        | \$11,300        |
| School of Government Annual Dues      | \$1,590         | \$1,600         | \$1,600         | \$1,600         |
| Southern City Subscription            | \$22            | \$22            | \$22            | \$22            |
| <b>AMOUNT</b>                         | <b>\$27,108</b> | <b>\$27,161</b> | <b>\$27,161</b> | <b>\$27,161</b> |

## Training, Conferences and Conventions

Governing Body Training, Conferences and Conventions

| Itemization Description                          | FY2026          | FY2027          | FY2028          | FY2029          |
|--|-----------------|-----------------|-----------------|-----------------|
| <b>Amount</b>                                    |                 |                 |                 |                 |
| Central Pines Regional Summit                    | \$300           | \$300           | \$300           | \$300           |
| Inter City Visits                                | \$0             | \$16,000        | \$0             | \$16,000        |
| International LGBTQ Leaders Conference           | \$1,800         | \$1,800         | \$1,800         | \$1,800         |
| Leadership Chapel Hill - Carrboro (x2)           | \$3,750         | \$0             | \$0             | \$0             |
| Miscellaneous Training                           | \$5,000         | \$5,000         | \$5,000         | \$5,000         |
| NC 365 Conference                                | \$1,000         | \$1,000         | \$1,000         | \$1,000         |
| NC Mayors Association Member Meeting             | \$400           | \$400           | \$400           | \$400           |
| NCLM City Vision                                 | \$3,600         | \$3,600         | \$3,600         | \$3,600         |
| NCLM Town and State Dinner                       | \$300           | \$300           | \$300           | \$300           |
| NCLM Town Hall Day (1)                           | \$30            | \$30            | \$30            | \$30            |
| Newly Elected Officials School (FY26/28/30)      | \$1,500         | \$0             | \$1,500         | \$0             |
| State of the Community Report                    | \$280           | \$280           | \$280           | \$280           |
| Travel Reimbursement for Meetings Outside County | \$600           | \$600           | \$600           | \$600           |
| UNC SOG Advanced Leadership Corps.               | \$1,000         | \$1,000         | \$1,000         | \$1,000         |
| Women in Municipal Government Conference (x2)    | \$5,100         | \$5,100         | \$5,100         | \$5,100         |
| <b>AMOUNT</b>                                    | <b>\$24,660</b> | <b>\$35,410</b> | <b>\$20,910</b> | <b>\$35,410</b> |



### Key Operations

The Human Resources Division is responsible for developing, interpreting and administering the personnel programs and policies that govern all town employees, including recruitment and selection, position classification and pay, personnel records, training and development, benefits administration, wellness, employee relations and equal employment opportunity.

### FY26 Major Accomplishments

- Absorbed health insurance rate increase, keeping cost to employees the same as FY25.
- Implemented a student loan assistance program that is at no cost to employees. Program helps employees and their families navigate student loan options, including college planning and student loan repayments. With a program relaunch in January 2026, this program will help employees and their families navigate the changes of the student loan landscape as a result of the One Big Beautiful Bill.
- Provided employees more robust resources and easier access to services through Revive and Thrive, the town's new employee assistance program. There is no cost to employees to participate in the program.
- Become a member of Central Pines Regional Council's Human Resources Consortium. Membership provides access to pay data from other jurisdictions, discounts on supervisor training, and ongoing resources and support.

### FY27 Major Budget Changes

- No major changes.

### FY28-29 Financial Forecast

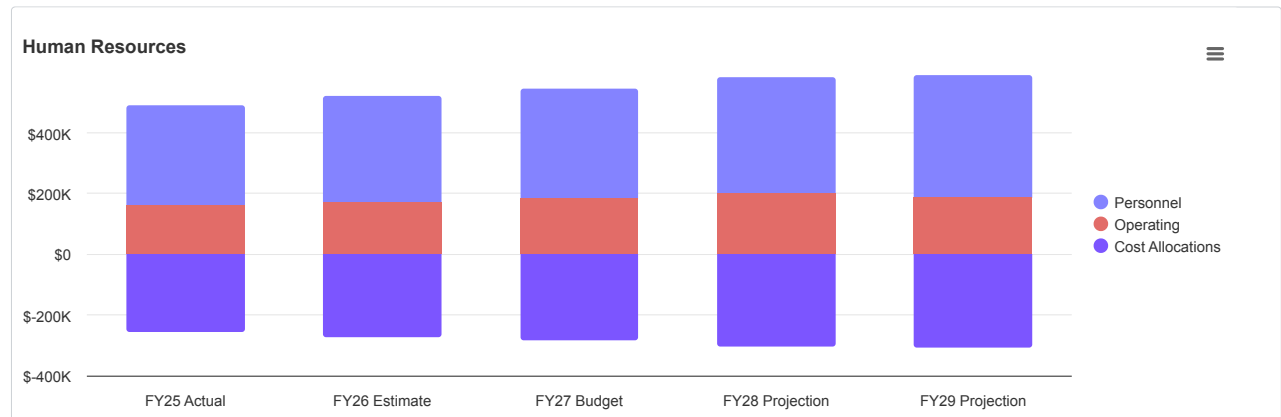
- Anticipate continued increase in health insurance coverage costs.

### Expenditures by Category

Human Resources

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                  |
| Personnel             | \$328,640        | \$350,905        | \$362,548        | \$382,497        | \$403,394        |
| Operating             | \$162,020        | \$172,494        | \$182,821        | \$201,021        | \$187,414        |
| Cost Allocations      | (\$255,143)      | (\$272,166)      | (\$283,591)      | (\$303,429)      | (\$307,220)      |
| <b>EXPENSES TOTAL</b> | <b>\$235,517</b> | <b>\$251,233</b> | <b>\$261,778</b> | <b>\$280,089</b> | <b>\$283,588</b> |

### Department Expenditure Summary



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# Full-Time Equivalent Position Count

Human Resources (FTEs)

| Job Title                             | FY2027     | FY2028     | FY2029     |
|---------------------------------------|------------|------------|------------|
| <b>Allocated FTE Count</b>            |            |            |            |
| HUMAN RESOURCES ANALYST               | 1          | 1          | 1          |
| HUMAN RESOURCES MANAGER               | 1          | 1          | 1          |
| TOWN CLERK/HUMAN RESOURCES TECHNICIAN | 0.4        | 0.4        | 0.4        |
| <b>ALLOCATED FTE COUNT</b>            | <b>2.4</b> | <b>2.4</b> | <b>2.4</b> |



# Information Technology

## FY2027 Operating & Capital Budget

### Key Operations

Information Technology maintains and improves the town's information services infrastructure, provides IT support for town personnel, provides cybersecurity protection; scanning, updating definitions, provides timely application of system patches; maintains, tests and monitors data backup and recovery services; provides recommendations on computers, tablets, servers and other hardware replacements and enhancements; and provides network security enhancements.

### FY26 Major Accomplishments

- Filled vacant Information Technology Manager position.
- Cut costs on monthly and annual services that are no longer in use.
- Documented services and systems to cut down on overlap/waste.
- Hardened security (least privilege, documentation, focus) with tools already available.
- Established Physical Security Working Group with focus on physical security needs, policies, and expenditures.
- Standardizing 25% refresh rate for personal computing devices to smooth budgetary impact.

### FY27 Major Budget Changes

- Focus on physical security, both additions and (re)alignments
- Implement cloud based phone system across town facilities.
- Centralize printing at remaining facilities where applicable.

### FY28-29 Financial Forecast

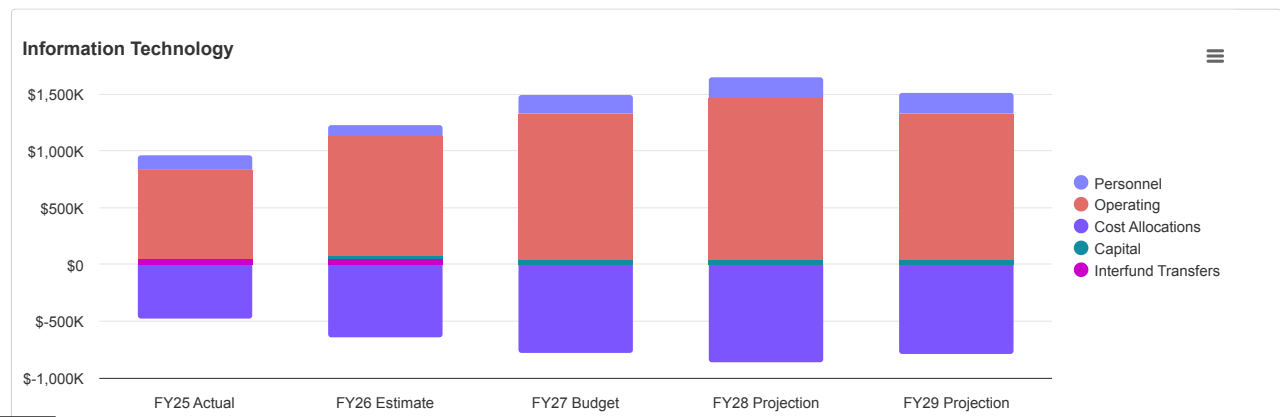
- Continue focus on physical security, both additions and (re)alignments.

### Expenditures by Category

Information Technology

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                  |
| Personnel             | \$132,935        | \$108,995        | \$170,790        | \$179,953        | \$189,551        |
| Operating             | \$780,748        | \$1,049,191      | \$1,290,244      | \$1,435,644      | \$1,291,744      |
| Cost Allocations      | (\$475,115)      | (\$641,256)      | (\$777,937)      | (\$858,309)      | (\$788,472)      |
| Capital               | –                | \$25,000         | \$35,000         | \$35,000         | \$35,000         |
| Interfund Transfers   | \$50,000         | \$50,000         | \$0              | \$0              | \$0              |
| <b>EXPENSES TOTAL</b> | <b>\$488,568</b> | <b>\$591,930</b> | <b>\$718,097</b> | <b>\$792,288</b> | <b>\$727,823</b> |

### Department Expenditure Summary



## Full-Time Equivalent Position Count

---

### Information Technology (FTEs)

| Job Title                      | FY2027   | FY2028   | FY2029   |
|--------------------------------|----------|----------|----------|
| <b>Allocated FTE Count</b>     |          |          |          |
| INFORMATION TECHNOLOGY MANAGER | 1        | 1        | 1        |
| <b>ALLOCATED FTE COUNT</b>     | <b>1</b> | <b>1</b> | <b>1</b> |



# Phone System Replacement

Budget Justification Form (FY27-FY29)

## Fund

General

## Department

Information Technology

## Priority Rank

2

## Request Description

Replace current phone system which is hosted on a physical server with a cloud-based system. Exploring Ring Central, Microsoft Teams, and others.

Current phone system is on premise in a server closet that has limited air conditioning. Police phone system and Town phone system are split, without real need to be (Per vendor, plan was to integrate, but 'lost steam') causing administrative and backend configuration issues. Phones do not currently "travel" with the user, so if a user is away from their desk, they may miss calls. Limited functionality. Emergency calls may have issues with location data for remote users.

Microsoft Teams phone system could be bundled with existing licenses, cutting down on potential costs. Would work with Microsoft Teams which is already deployed in Town. Users would need basic overview of phone system.

New phone system would be cloud hosted, potentially limiting downtime, integrate with other products, and provide additional flexibility for mobile/off-site workplace. Current phone provider does conversions but also getting quotes from other distributors.

## Link to Strategic Plan or Departmental Priorities

Taking care of what we've got.

## Alternatives and Operational Impact if Not Funded

Continue to use existing phone systems.

## Additional Information

N/A

## Budget Justification Expenditures

Phone System Replacement

| Division Description   | FY2027     | FY2028           | FY2029           |
|------------------------|------------|------------------|------------------|
| <b>Amount</b>          |            |                  |                  |
| Information Technology | \$0        | \$100,000        | \$100,000        |
| <b>AMOUNT</b>          | <b>\$0</b> | <b>\$100,000</b> | <b>\$100,000</b> |



# Physical Security Standardization

Budget Justification Form (FY27-FY29)

## Fund

General

## Department

Information Technology

## Priority Rank

1

## Request Description

Standardize existing security systems. The purpose is to unify and centralize the management of existing security systems across sites per recommendations by the Physical Security working group. It's about consolidation, alignment, and consistency for ease of use, oversight, and speed during disaster scenarios.

This includes:

- Consolidating cameras, alarms, and access control systems under a unified platform
- Centralizing budgeting, purchasing, and approvals for security-related items
- Establishing consistent processes and policies for security management

## Link to Strategic Plan or Departmental Priorities

- Focus Area 4: Community Safety - Objective 1 - Ensure that all people are safe and feel safe throughout town.
- Focus Area 4: Community Safety - Objective 2 - Reinforce resiliency in town operations by implementing emergency preparedness strategies
- Focus Area 5: Service Excellence - Objective 1 - Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.
- Focus Area 5: Service Excellence - Objective 2 - Provide Quality municipal services through operational excellence and a culture of innovation

## Alternatives and Operational Impact if Not Funded

Physical security is not currently standardized, and each building has its own systems (or lack thereof) causing strains to emergency response, and confusion during issues/security problems. PD cannot get into certain buildings without being let in, which is a problem during security issues. We do not have control of our building security envelope, so we cannot be sure that we have control of our resources or the safety and security for our employees. If not funded, we will continue having a scattershot approach to entry and exit to our buildings, unclear documentation for our keys, and blind spots for coverage on our security cameras for high value areas.

## Additional Information

- Separate from Physical Security Expansion - Standardization involves moving disparate systems to the same system for consistency, access and training purposes. Changes to existing systems in place and standardizing to unified platforms.
- The physical security group has been set up and will be meeting regularly to discuss physical security (Cameras, access control, keys, alarms, etc.). Physical Security working group Vision - Ensuring the Town of Hillsborough is a unified and secure physical workspace to protect its people, assets, and technology.
- One thing that has come up is to standardize our processes across the Town sites. To that end, we believe that the budget and items related to physical security should be centralized. Whether this be standardized in Facilities or Information Technology is academic, but this would mean that responsibility for building security, purchasing, approval, and budgeting would all come from one department, rather than be the responsibility of each department at each facility they are at.
- This would allow us to cut down on duplication, push standards across the town sites, bulk purchase, and have a single point of contact for renewals negotiating rates, and other benefits. Along with the work to standardize the budget, the Physical Security Team would help coordinate security processes, policies, and purchasing of services that align with Town security needs with a focus on safety and security.

## Budget Justification Expenditures

Physical Security Standardization

| Division Description   | FY2027           | FY2028           | FY2029     |
|------------------------|------------------|------------------|------------|
| <b>Amount</b>          |                  |                  |            |
| Information Technology | \$100,000        | \$100,000        | \$0        |
| <b>AMOUNT</b>          | <b>\$100,000</b> | <b>\$100,000</b> | <b>\$0</b> |



# Physical Security Upgrades

Budget Justification Form (FY27-FY29)

## Fund

General

## Department

Information Technology

## Priority Rank

3

## Request Description

Add new security measures (cameras, alarms, access control, re-keying) to facilities that currently do not have them. It's an installation and deployment project to bring all sites up to a baseline level of security.

This includes:

- Installing cameras for surveillance at high value locations, entrances not currently covered
- Deploying burglar alarms and monitoring solutions in areas that are not currently covered
- Implementing door access control systems in areas not currently covered

This request is in tandem with the standardization work done by the Physical Security Group and would implement solutions determined to fit that groups framework.

## Link to Strategic Plan or Departmental Priorities

- Focus Area 4: Community Safety - Objective 1 - Ensure that all people are safe and feel safe throughout town.
- Focus Area 4: Community Safety - Objective 2 - Reinforce resiliency in town operations by implementing emergency preparedness strategies
- Focus Area 5: Service Excellence - Objective 1 - Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency
- Focus Area 5: Service Excellence - Objective 2 - Provide Quality municipal services through operational excellence and a culture of innovation

## Alternatives and Operational Impact if Not Funded

- Physical security is not currently implemented at key locations in the town, causing gaps in safety and security.
- New systems could be implemented that increase both of those areas, and failure to fund this work means that we cannot increase our confidence that employees and assets are protected.

## Additional Information

- The physical security group has been set up and will be meeting regularly to discuss physical security (Cameras, access control, keys, alarms, etc.).
- Physical Security working group Vision - Ensuring the Town of Hillsborough is a unified and secure physical workspace to protect its people, assets, and technology.

## Budget Justification Expenditures

Physical Security Upgrades

| Division Description   | FY2027           | FY2028           | FY2029           |
|------------------------|------------------|------------------|------------------|
| <b>Amount</b>          |                  |                  |                  |
| Information Technology | \$120,000        | \$120,000        | \$120,000        |
| <b>AMOUNT</b>          | <b>\$120,000</b> | <b>\$120,000</b> | <b>\$120,000</b> |



# Printer Standardization

Budget Justification Form (FY27-FY29)

## Fund

General

## Department

Information Technology

## Priority Rank

4

## Request Description

We currently have Multifunction devices at a few sites, but this request would expand that to include future buildings and renovations as well as outfit other buildings that need centralized printing.

FY 27 - Adron Thompson, Hwy 86

FY 28 - Additional 2 Locations

FY 29 - Additional 2 Locations

This would also be the place where we would centralize all printing for the town of Hillsborough. I believe that we may be spending a fair amount on one-off printers and printer ink. Though IT generally isn't concerned with office supplies, printer ink often is as expensive or more so than just purchasing a new printer. Centralizing the purchase of one-off printers and their ink will allow us to standardize those who need to retain one-off printers, bulk purchase devices and ink, and provide a better understanding of town wide costs.

## Link to Strategic Plan or Departmental Priorities

N/A

## Alternatives and Operational Impact if Not Funded

N/A

## Additional Information

N/A

## Budget Justification Expenditures

Printer Standardization

| Division Description   | FY2027          | FY2028          | FY2029          |
|------------------------|-----------------|-----------------|-----------------|
| <b>Amount</b>          |                 |                 |                 |
| Information Technology | \$24,154        | \$33,754        | \$43,354        |
| <b>AMOUNT</b>          | <b>\$24,154</b> | <b>\$33,754</b> | <b>\$43,354</b> |

### Key Operations

The Planning and Economic Development Division facilitates public interaction and participation in development review and land use decisions through its advisory boards, public engagement, and public hearings, as well as identifies opportunities to grow the local economy through local business development, entrepreneurship, and tourism program management. The division also works in specialty areas like historic preservation, public/private art initiatives, addressing, and code enforcement. Staff writes ordinances and policy amendments to keep current with technology and trends, represents the town on regional planning committees, and maintains records of advisory board and quasi-judicial board actions.

### FY26 Major Accomplishments

- Completed and adopted the Downtown and West Hillsborough Parking Study.
- Made significant progress on the Unified Development Ordinance (UDO) re-write.
- Continue to make significant progress on Code Enforcement cases.

### FY27 Major Budget Changes

- Additional funds requested to abate Code Enforcement cases that aren't being resolved by property owners.

### FY28-29 Financial Forecast

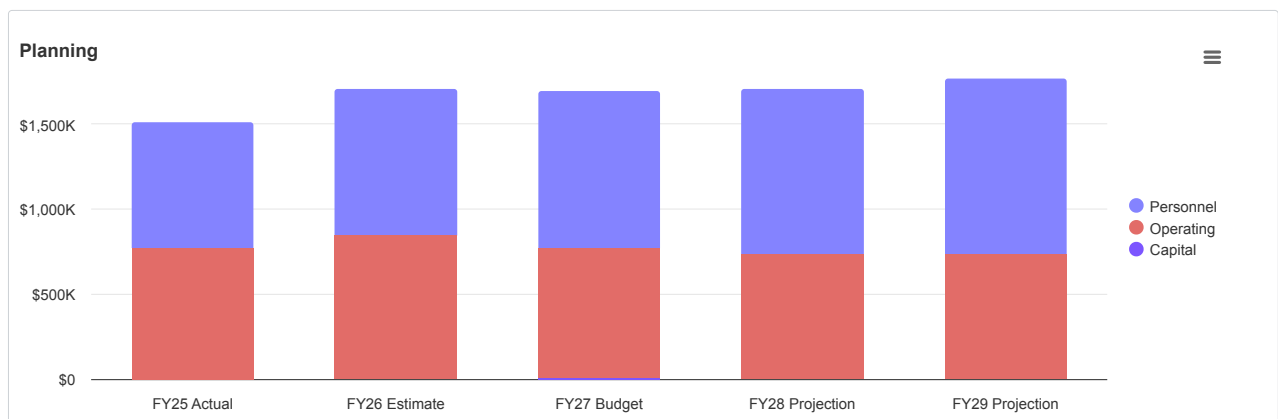
- Implement projects from the Downtown and West Hillsborough Parking Study.
- Implement projects from the Comprehensive Sustainability Plan.

### Expenditures by Category

Planning

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                    |                    |
| Personnel             | \$736,605          | \$864,160          | \$918,368          | \$970,342          | \$1,030,250        |
| Operating             | \$770,204          | \$840,501          | \$765,958          | \$736,040          | \$736,040          |
| Capital               | –                  | \$0                | \$6,000            | \$0                | \$0                |
| <b>EXPENSES TOTAL</b> | <b>\$1,506,809</b> | <b>\$1,704,661</b> | <b>\$1,690,326</b> | <b>\$1,706,382</b> | <b>\$1,766,290</b> |

### Department Expenditure Summary



Data Updated: May 08, 2026, 1:43 PM

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# Full-Time Equivalent Position Count

Planning (FTEs)

| Job Title  | FY2027   | FY2028   | FY2029   |
|--|----------|----------|----------|
| <b>Allocated FTE Count</b>                         |          |          |          |
| SENIOR PLANNER                                     | 2        | 2        | 2        |
| ASSISTANT TOWN MANAGER/COMMUNITY SERVICES DIRECTOR | 1        | 1        | 1        |
| PLANNING AND ECONOMIC DEVELOPMENT MANAGER          | 1        | 1        | 1        |
| PLANNER  | 1        | 1        | 1        |
| PLANNING TECHNICIAN                                | 1        | 1        | 1        |
| <b>ALLOCATED FTE COUNT</b>                         | <b>6</b> | <b>6</b> | <b>6</b> |



# Code Enforcement Abatement

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Planning

## Priority Rank

1

## Request Description

In FY24, the town invested in hiring a third-party code enforcement contractor that has made a lot of progress in code enforcement cases by getting residents/property owners to do abatements themselves and correct zoning and code enforcement issues. Unfortunately, there are a handful of cases where the property owners can't or won't be able to do the abatements. In FY25, approximately \$20K that was not utilized in FY24 for code enforcement, was re-assigned in FY25 to do abatement work. Abatement funds are needed to have a contractor mow tall grass, clear junk piles, and in some cases, tear down or remove the remains of abandoned and dilapidated houses or accessory structures that are no longer occupied.

## Link to Strategic Plan or Departmental Priorities

Keeping the town clear of noxious growth, junk accumulation, and dilapidated and un-utilized housing and structures contributes to the best health, safety, and welfare outcomes for our citizens.

## Alternatives and Operational Impact if Not Funded

If abatement is not continued to be prioritized, it will be hard to keep the momentum going on code enforcement efforts and keep the folks that can self-abate motivated to do so.

## Additional Information

N/A

## Budget Justification Expenditures

Code Enforcement Abatement

| Division Description | FY2027          | FY2028          | FY2029          |
|----------------------|-----------------|-----------------|-----------------|
| <b>Amount</b>        |                 |                 |                 |
| Planning             | \$35,000        | \$35,000        | \$35,000        |
| <b>AMOUNT</b>        | <b>\$35,000</b> | <b>\$35,000</b> | <b>\$35,000</b> |



# Welcome Sign Easement

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Planning

## Priority Rank

2

## Request Description

The town has an 'unofficial' Welcome to Hillsborough stone sign with two poles behind it that folks have historically used as a makeshift banner holder, at the corner of S Churton St and Mayo Street. To date, there's been no record found that the town has a sign easement or agreement with the property owner where the sign is location to construct or maintain this sign. This was likely something that was done before formal agreements were standard, however, in order for the town to expend funds to update or improve the sign by refacing it, repairing it if it gets damaged, or improving the banner holder structure, we really should survey the property and get a formal sign easement from the property owner. This BJJ is for a requested \$6,000 for surveying work to obtain a sign easement. Future projects, once a sign easement is in place, may include improvements to the sign area such as lighting it and/or adding a better banner holder structure so folks can advertise special events in a structured, central location.

## Link to Strategic Plan or Departmental Priorities

Maintaining signage and installing new signage contributes to placemaking and economic vitality by creating an aesthetically pleasing environment. Additionally, having a central place for event organizers to advertise is helpful for tourism purposes and the tourism program may be interested in cost sharing or fully funding future sign improvements once a legal sign easement is established.

## Alternatives and Operational Impact if Not Funded

If obtaining a sign easement is not eventually prioritized, the town runs the risk of the sign structure being damaged or falling into disrepair and staying that way until the sign easement can be established and then the work is funded. Having a sign easement established would allow the town to do maintenance on the sign structure and repair or improve it if needed.

## Additional Information

N/A

## Budget Justification Expenditures

Welcome Sign Easement Plat

| Division Description | FY2027         | FY2028     | FY2029     |
|----------------------|----------------|------------|------------|
| <b>Amount</b>        |                |            |            |
| Planning             | \$6,000        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$6,000</b> | <b>\$0</b> | <b>\$0</b> |



### Key Operations

The Public Space division funds the planning, development, and management of the town's parks, greenways and public spaces, including streets and sidewalks. These functions include managing the planning, design and construction of public projects, education, outreach, and coordination with community groups, overseeing ongoing maintenance and improvements to town property and the built environment and managing sustainability initiatives.

Connectivity and accessibility are key goals. The division focuses on multimodal connections between neighborhoods and area destinations. The division uses placemaking strategies and sustainability principles to ensure a healthy environment while also providing inviting spaces where residents and visitors can build community. The division integrates high quality design, public art, and amenities into the built environment.

### FY26 Major Accomplishments

- The first several months of FY26 were unexpectedly consumed by Storm Chantal recovery efforts. This division provided immediate response to the storm, inventory of damages, and tree and debris clearing and oversight. This division also provided oversight for clean up and repairs to the Gold Park restroom, dog park, gardens, fencing, playground, and trails, as well as Kings Highway Park and Riverwalk bridges, trails, and amenities.
- Parks and Recreation Board completed the Riverwalk Master Plan and Kings Highway Park Master Plan.
- Expanded climate and sustainability efforts with the following initiatives: solar feasibility study for town facilities, LED streetlight transition project with Duke Energy, ongoing participation in the Climate Council of Orange County, Leave the Leaves campaign expansion, continued education of town employees through the Climate Corner in the employee newsletter.
- The Uproar Public Art Festival was a great success despite occurring in the aftermath of Chantal. The town purchased two additional pieces of permanent art for the Town Hall campus.
- The volunteer Invasive Species Removal Team, with oversight from Public Space and Sustainability, cleared acres of invasive species along Riverwalk and other sites and started a live stake nursery at Cates Creek Park to grow future native and riparian plantings for town properties.
- This division serves as lead to the Triangle Regional West Transportation Planning Organization and coordinated with NCDOT on five various express design projects to inform future State Transportation Improvement Plans.
- Continued to develop engineering plans for the future train station and Churton Street widening and interstate interchange projects.
- Provided project management and coordination for the Highway 86 North facility renovation project, which is scheduled to be complete in the summer of 2026.
- Developed fixed assets and transportation projects databases using Arc Online GIS products.

### FY27 Major Budget Changes

- Begin contracting out garden maintenance at Turnip Patch Park, downtown parking lot, Hillsborough Police Department, Cates Creek Park, and the planters on West King and South Nash streets, Riverwalk, and the Hillsborough Police Department. In years past, garden and planter maintenance was provided by the Public Space Manager but with the added duties related to transportation planning, contract labor is needed to keep the gardens and planters well cared for throughout the year. (\$10,000)

### FY28-29 Financial Forecast

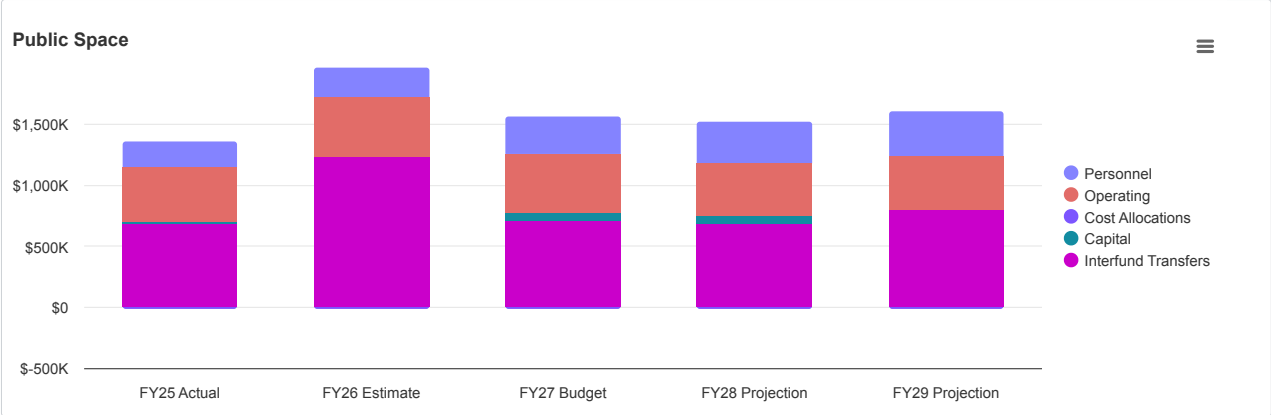
- Garden and planter maintenance will be an ongoing annual expense.

### Expenditures by Category

Public Space

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                    |                    |
| Personnel             | \$215,798          | \$245,025          | \$307,408          | \$342,251          | \$362,784          |
| Operating             | \$448,978          | \$486,899          | \$481,509          | \$432,226          | \$443,016          |
| Cost Allocations      | (\$13,764)         | (\$13,764)         | (\$13,764)         | (\$13,764)         | (\$13,764)         |
| Capital               | \$21,019           | \$0                | \$70,000           | \$75,000           | \$0                |
| Interfund Transfers   | \$673,000          | \$1,232,603        | \$703,000          | \$673,000          | \$798,000          |
| <b>EXPENSES TOTAL</b> | <b>\$1,345,031</b> | <b>\$1,950,763</b> | <b>\$1,548,153</b> | <b>\$1,508,713</b> | <b>\$1,590,036</b> |

# Department Expenditure Summary



Data Updated: May 08, 2026, 1:43 PM

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## Full-Time Equivalent Position Count

Public Space (FTEs)

| Job Title                                | FY2027     | FY2028     | FY2029     |
|--|------------|------------|------------|
| <b>Allocated FTE Count</b>               |            |            |            |
| TRANSPORTATION PLANNER                   | 1          | 1          | 1          |
| COMMUNITY SERVICES DIRECTOR              | 1          | 1          | 1          |
| SENIOR ADMINISTRATIVE SUPPORT SPECIALIST | 0.5        | 0.5        | 0.5        |
| <b>ALLOCATED FTE COUNT</b>               | <b>2.5</b> | <b>2.5</b> | <b>2.5</b> |



# Community Services Department Re-Organization

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Public Space

## Priority Rank

4

## Request Description

There is a high level of coordination needed between the activities of Public Works, Public Space & Sustainability, and Stormwater & Environmental Services, so it is proposed to combine those divisions into a single department named "Community Services and Sustainability". By combining resources, in those three divisions and distributing management-level tasks to other staff, the previous public works manager position can be replaced with two lower-level positions in order to address other departmental and organizational needs at a lower cost compared to adding the necessary personnel through expansion. The identified needs for the near-term future of the department include additional public works staff to keep up with workload and community growth, and a dedicated transportation resource to focus on regional coordination, competitive funding opportunities, and project management. The other department created in the reorganization would consist of Planning and Economic Development and Engineering Services and be named "Planning & Development Services". The separation of the departments creates additional bandwidth for focus on affordable housing and delivery of upcoming projects. The goals of the proposed reorganization include the following: Add operational staff to public works, add dedicated transportation resource, provide advancement opportunities for public works staff, address shifting priorities and increased demand on public works staff, increase alignment of time and energy on advancing and delivering town priority projects, retain high-level focus and accountability for sustainability and affordable housing goals, and minimize cost impacts.

## Link to Strategic Plan or Departmental Priorities

Service Excellence, Objective 1: Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.

## Alternatives and Operational Impact if Not Funded

- If not approved, no changes to departments would be made.

## Additional Information

- Staff recommends the proposed reorganization.

## Budget Justification Expenditures

Community Services Department Re-Organization

| Division Description   | FY2027          | FY2028          | FY2029          |
|------------------------|-----------------|-----------------|-----------------|
| <b>Amount</b>          |                 |                 |                 |
| Information Technology | \$2,500         | \$0             | \$0             |
| Public Space           | \$57,923        | \$77,435        | \$83,478        |
| <b>AMOUNT</b>          | <b>\$60,423</b> | <b>\$77,435</b> | <b>\$83,478</b> |



# Picnic Shelter at Cates Creek Park

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Public Space

## Priority Rank

1

## Request Description

Add a covered picnic shelter over the existing concrete slab at Cates Creek Park near the playground and restroom building. The structure will provide relief for visitors from extreme heat and provide shelter during other weather events, allowing the park to be more accessible and equitable throughout the year.

## Link to Strategic Plan or Departmental Priorities

This is a priority listed in the Cates Creek Park Master Plan and helps accomplish the following strategic action in the Comprehensive Sustainability Plan: Implement recommendations of parks master plans that advance accessibility, sustainability, safety and equity in public spaces.

## Alternatives and Operational Impact if Not Funded

This item is a priority recommendation but can be scheduled as funding allows.

## Additional Information

Link to Cates Creek Park Master Plan:  
<https://www.hillsboroughnc.gov/home/showpublisheddocument/68/638602631774560146>

## Budget Justification Expenditures

Picnic Shelter at Cates Creek Park

| Division Description | FY2027          | FY2028     | FY2029     |
|----------------------|-----------------|------------|------------|
| <b>Amount</b>        |                 |            |            |
| Public Space         | \$35,000        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$35,000</b> | <b>\$0</b> | <b>\$0</b> |



# Picnic Shelter at Riverwalk Entrance

Budget Justification Form (FY27-FY29)

## Fund

General

## Department

Public Space

## Priority Rank

2

## Request Description

Add a covered picnic shelter over the picnic tables at the Nash and Kollock Street entrance to Riverwalk. The structure will provide relief to visitors from extreme heat and shelter from weather events, allowing the area to be more accessible and equitable throughout the year.

## Link to Strategic Plan or Departmental Priorities

This is a priority in the Riverwalk Master Plan and helps accomplish the following strategic action in the Comprehensive Sustainability Plan: Implement recommendations of parks master plans that advance accessibility, sustainability, safety, and equity in public spaces. Estimated cost is \$35,000 but Tourism will support the project with a contribution of \$12,000.

## Alternatives and Operational Impact if Not Funded

This item is a priority recommendation but can be scheduled as funding allows.

## Additional Information

Link to Riverwalk Master Plan: <https://www.hillsboroughnc.gov/home/showpublisheddocument/1183/638968335777959090>

## Budget Justification Expenditures

Picnic Shelter at Riverwalk Entrance

| Division Description | FY2027          | FY2028     | FY2029     |
|----------------------|-----------------|------------|------------|
| <b>Amount</b>        |                 |            |            |
| Public Space         | \$35,000        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$35,000</b> | <b>\$0</b> | <b>\$0</b> |



# Picnic Tables at Cates Creek Park

Budget Justification Form (FY27-FY29)

## Fund

General

## Department

Public Space

## Priority Rank

3

## Request Description

Add two picnic tables to Cates Creek Park near the restroom building. Currently the park has two tables by the restroom and playground. The existing tables are well utilized. The Parks and Recreation Board recommends adding two more tables to expand the opportunity for visitors to gather, sit, and eat. The park is seeing much greater attendance now that the skatepark is open. The park is also regularly attended by visiting groups from The Little School. The picnic tables will be handicap accessible and placed on the existing concrete slab.

## Link to Strategic Plan or Departmental Priorities

This is a priority listed in the Cates Creek Park Master Plan and helps accomplish the following strategic action in the Comprehensive Sustainability Plan: Implement recommendations of parks master plans that advance accessibility, sustainability, safety and equity in public spaces.

## Alternatives and Operational Impact if Not Funded

Several picnic tables are already located at the park. This request could be scheduled in a future year as funding allows.

## Additional Information

Link to Cates Creek Park Master Plan:  
<https://www.hillsboroughnc.gov/home/showpublisheddocument/68/638602631774560146>

## Budget Justification Expenditures

Picnic Tables at Cates Creek Park

| Division Description | FY2027          | FY2028     | FY2029     |
|----------------------|-----------------|------------|------------|
| <b>Amount</b>        |                 |            |            |
| Public Space         | \$22,000        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$22,000</b> | <b>\$0</b> | <b>\$0</b> |



### Fund

General

### Department

Public Space

### Priority Rank

6

### Request Description

The Parks and Recreation Board would like to add a story walk to Gold Park. Story walks are comprised of individual framed stands that hold the pages of a book at various locations along a path so that path users can read a book as they go along. The books are geared toward school age children. This proposal includes 16 aluminum framed units, fabricated and installed, in Gold Park and funds for the first year's worth of books switched out quarterly. The books can be switched out at any interval the town prefers. Most story walks exchange books at least quarterly to keep interest from the public. Several companies offer book leasing and maintenance agreements. The Parks and Recreation Board prefers to work with a company that offers bilingual and multicultural stories.

### Link to Strategic Plan or Departmental Priorities

This proposal helps to advance equity and accessibility in a town park, a Public Space and Sustainability Division priority.

### Alternatives and Operational Impact if Not Funded

N/A

### Additional Information

An example of a company that provides bilingual story walks:

- <https://syncreticpress.com/pages/book-walks>
- <https://youtu.be/kXIS3frzVjQ>

### Budget Justification Expenditures

Story Walk

| Division Description | FY2027     | FY2028     | FY2029          |
|----------------------|------------|------------|-----------------|
| <b>Amount</b>        |            |            |                 |
| Public Space         | \$0        | \$0        | \$12,000        |
| <b>AMOUNT</b>        | <b>\$0</b> | <b>\$0</b> | <b>\$12,000</b> |



# Wayfinding Kiosks in West Hillsborough

Budget Justification Form (FY27-FY29)

## Fund

General

## Department

Public Space

## Priority Rank

5

## Request Description

Add two wayfinding kiosks in West Hillsborough. The proposed locations include South Nash Street near the West End business district and at the Calvin Street greenway entrance to Riverwalk. Increasingly, visitors are entering town and Riverwalk from the West Hillsborough area and currently there are no kiosks in this part of town. The kiosks will have a town and trail map on one side and a corkboard to display town event and calendar information to the public on the other side. The kiosks will match the existing wayfinding kiosks located in downtown Hillsborough. This initiative is intended to expand on the popular wayfinding system to provide public information to visitors in West Hillsborough. The display of town events and calendar information out in public view helps to reach audiences that do not have access to social media or town news releases. The corkboard also provides an opportunity to post safety and emergency information. The estimated cost for each kiosk is \$12,000 for a total cost of \$24,000 but Tourism will support the project with a contribution of \$9,000 each, and a total of \$18,000.

## Link to Strategic Plan or Departmental Priorities

This request follows a recommendation in the Riverwalk Master Plan to: Add a wayfinding sign and kiosk at the Calvin Street greenway entrance. It also helps accomplish the following strategic actions in the Comprehensive Sustainability Plan: Continue to develop and implement wayfinding and interpretive signage programs and maintain and publish the community events calendar.

## Alternatives and Operational Impact if Not Funded

This item can be scheduled as funding allows.

## Additional Information

Link to Riverwalk Master Plan: <https://www.hillsboroughnc.gov/home/showpublisheddocument/1183/638968335777959090>

## Budget Justification Expenditures

Wayfinding Kiosks in West Hillsborough

| Division Description | FY2027          | FY2028     | FY2029     |
|----------------------|-----------------|------------|------------|
| <b>Amount</b>        |                 |            |            |
| Public Space         | \$24,000        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$24,000</b> | <b>\$0</b> | <b>\$0</b> |



# Safety and Risk Management

## FY2027 Operating & Capital Budget

### Key Operations

The Safety and Risk Management Division plans, develops, coordinates and manages the safety and risk management programs for the town. The division ensures that safety regulations are followed, conducts inspections of town facilities, investigates accidents with recommendations for corrective actions, implements OSHA-mandated safety training, manages the town's random drug testing program and establishes policies and procedures for compliance with federal and state OSHA regulations. The Safety and Risk Management Division also manages the town's property & liability insurance and the workers' compensation insurance policies; identifies and analyzes risks that could potentially impact employees and citizens, and/or incur financial loss; reviews renewals, updates, and adds/deletes all assets, i.e., fleet, facilities, k-9 officers; files and reviews claims and losses; classifies risks as to frequency, potential severity and financial impact.

### FY26 Major Accomplishments

- Tropical Storm Chantal damaged over \$1.9 million in town owned vehicle & equipment and over \$1.1 million in town owned property. Working with department personnel we put together a claim with the insurance company and were able to recover \$1.6 million in vehicle & equipment expenses and \$700,000 in property damage expenses.
- Experienced a decrease in workers' compensation claims and dollars spent, and a decrease overall in property, auto and liability claims. Increased safety and health training hours may have contributed to fewer claims.

### FY27 Major Budget Changes

- No major budget changes, just increases due to inflation, insurance increase and other equipment and service costs.

### FY28-29 Financial Forecast

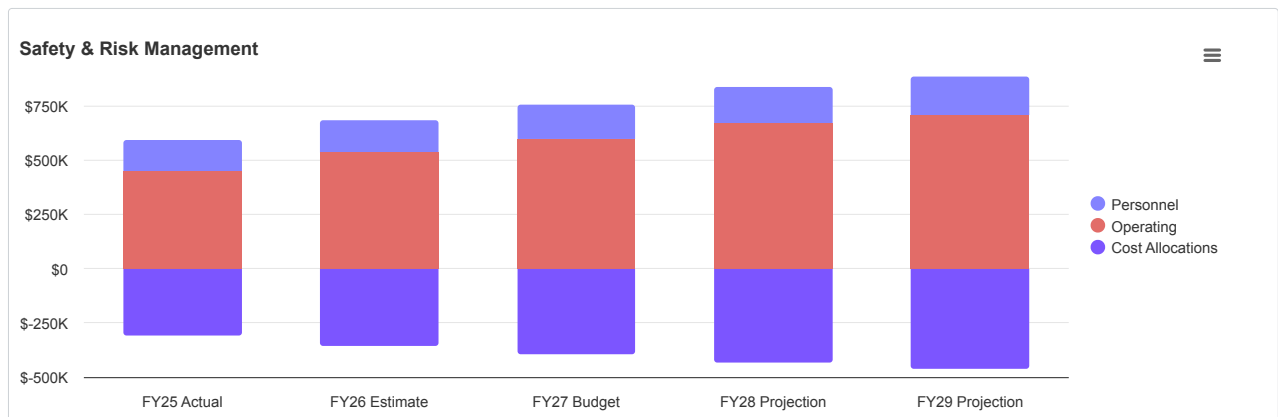
- Replace aging AEDs (life span is 8 - 10 years).

### Expenditures by Category

Safety and Risk Management

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                  |
| Personnel             | \$141,927        | \$148,427        | \$158,540        | \$167,608        | \$177,109        |
| Operating             | \$448,786        | \$536,965        | \$597,345        | \$667,345        | \$707,145        |
| Cost Allocations      | (\$307,171)      | (\$356,403)      | (\$393,059)      | (\$434,175)      | (\$459,812)      |
| <b>EXPENSES TOTAL</b> | <b>\$283,542</b> | <b>\$328,989</b> | <b>\$362,826</b> | <b>\$400,778</b> | <b>\$424,442</b> |

### Department Expenditure Summary



Data Updated: May 08, 2026, 1:43 PM

[View Report](#)

# Full-Time Equivalent Position Count

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Safety and Risk Management (FTEs)

| Job Title                  | FY2027   | FY2028   | FY2029   |
|----------------------------|----------|----------|----------|
| <b>Allocated FTE Count</b> |          |          |          |
| SAFETY AND RISK MANAGER    | 1        | 1        | 1        |
| <b>ALLOCATED FTE COUNT</b> | <b>1</b> | <b>1</b> | <b>1</b> |

# Public Safety



### Key Operations

The town contracts for fire protection services with the Orange Rural Fire Department (ORFD). Each year ORFD submits requests to the town board to cover the cost of providing fire protection within the town limits of Hillsborough and maintaining necessary upgrades to the station, which is owned by the town. The town contracts fire inspections with Orange County.

### FY26 Major Accomplishments

- Continued to set aside funds for the future N. Churton St. fire station.

### FY27 Major Budget Changes

- No major changes.

### FY28-29 Financial Forecast

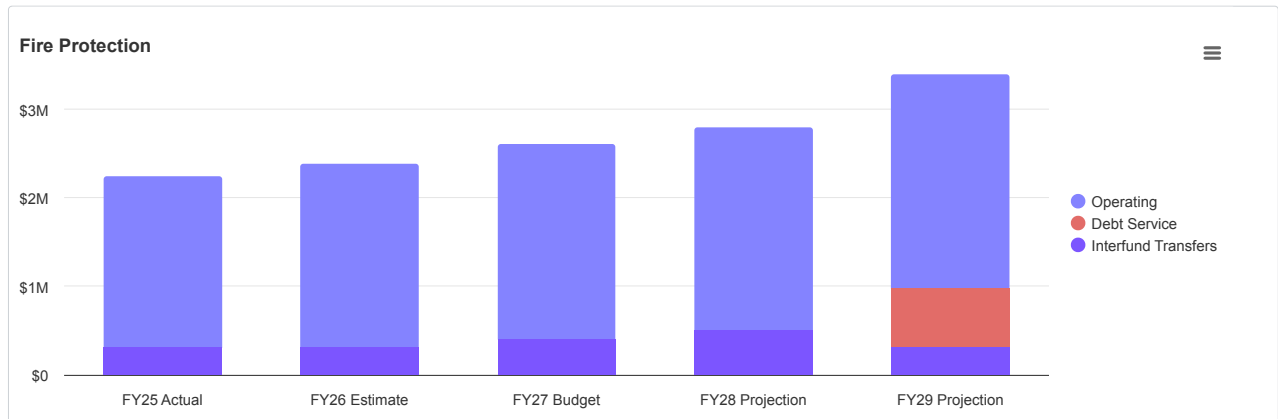
- Replace Engine Truck (FY30)
- Replace Ladder Truck (FY32)

### Expenditures by Category

Fire Protection

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                    |                    |
| Operating             | \$1,938,634        | \$2,085,755        | \$2,209,063        | \$2,297,501        | \$2,426,116        |
| Debt Service          | –                  | \$0                | \$0                | \$0                | \$670,026          |
| Interfund Transfers   | \$300,000          | \$300,000          | \$400,000          | \$500,000          | \$300,000          |
| <b>EXPENSES TOTAL</b> | <b>\$2,238,634</b> | <b>\$2,385,755</b> | <b>\$2,609,063</b> | <b>\$2,797,501</b> | <b>\$3,396,142</b> |

### Department Expenditure Summary



Data Updated: May 08, 2026, 1:43 PM

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# Fire Station at N. Churton Street Ramp-Up

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Fire Protection

## Priority Rank

2

## Request Description

Build capacity within the operating budget over several years to ensure sufficient funds are available to meet debt service requires for the N. Churton Street Fire Station.

## Link to Strategic Plan or Departmental Priorities

Taking care of what we've got.

## Alternatives and Operational Impact if Not Funded

If the ramp-up isn't funded, a tax rate increase may be needed to service the debt, or other expenses or programs would need to be cut.

## Additional Information

N/A

## Budget Justification Expenditures

Fire Station at N. Churton St. Ramp-up Expansion

| Division Description | FY2027           | FY2028           | FY2029           |
|----------------------|------------------|------------------|------------------|
| <b>Amount</b>        |                  |                  |                  |
| Fire Protection      | \$125,000        | \$250,000        | \$370,000        |
| <b>AMOUNT</b>        | <b>\$125,000</b> | <b>\$250,000</b> | <b>\$370,000</b> |



# Fire Vehicles Ramp-Up

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Fire Protection

## Priority Rank

1

## Request Description

Start an annual ramp-up to fund debt service on large fire apparatus replacements, including the engine and ladder trucks. Reserved funds will be used to reduce the amount the town will need to borrow to replace these trucks.

## Link to Strategic Plan or Departmental Priorities

N/A

## Alternatives and Operational Impact if Not Funded

If delayed, a larger annual contribution will be needed to meet the debt service payments.

## Additional Information

N/A

## Budget Justification Expenditures

Fire Vehicles Ramp-Up

| Division Description | FY2027           | FY2028           | FY2029           |
|----------------------|------------------|------------------|------------------|
| <b>Amount</b>        |                  |                  |                  |
| Fire Protection      | \$100,000        | \$200,000        | \$300,000        |
| <b>AMOUNT</b>        | <b>\$100,000</b> | <b>\$200,000</b> | <b>\$300,000</b> |

### Key Operations

The Police Department ensures that all town codes, policies, and North Carolina laws are enforced, aims to provide outstanding customer service and to have positive interactions with the residents of Hillsborough, responds to emergency and nonemergency 911 calls for service, monitors and enforces traffic laws and identifies and solves community problems. The Police Department is also responsible for conducting investigations of all major cases and carrying out a variety of outreach programs and special assignments related to public safety and crime prevention.

### FY26 Major Accomplishments

- Officially completed the North Carolina League of Municipalities (NCLM) Risk Review.
- Assumed full funding of the Diversion Social Worker, which was previously offset via grant funding.
- Successfully transitioned to a new Chief of Police, along with significant organizational changes (Asst. Chief, 2 Captains, etc.).

### FY27 Major Budget Changes

- Replace in-car and body cameras. Under our current plan, all Axon services are separate (body cameras, extended warranty, storage, etc.). Under the new contract, everything will be combined (including the additional fleet camera system). This will allow us to expand our current transparency and safety initiatives substantially through in-car camera coverage and updated hardware, giving our officers the best tools available. We will also be transitioning to unlimited video storage through Axon. We need around 15 TBs worth of storage.
- Replace officer equipment including rifle plates, ballistic helmets, and handgun lights.

### FY28-29 Financial Forecast

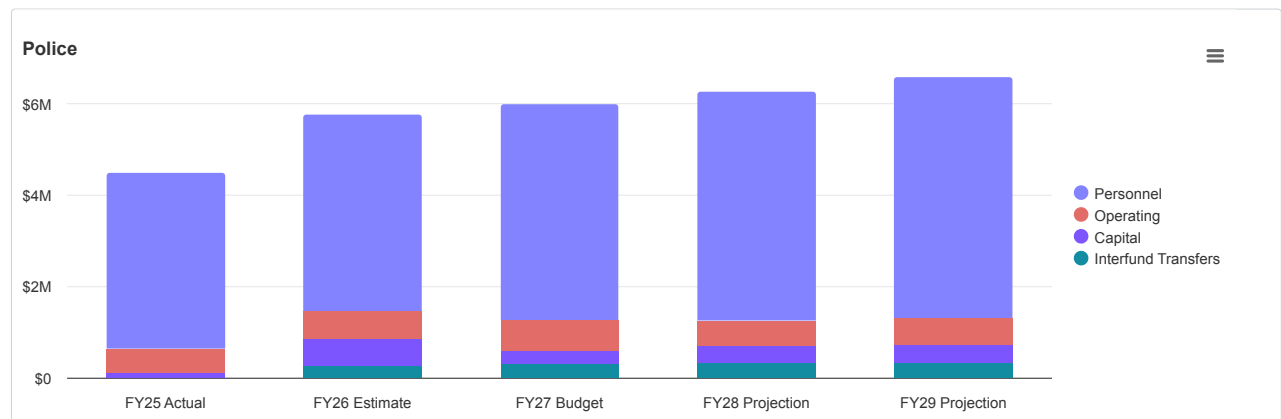
- No major changes.

### Expenditures by Category

Police

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                    |                    |
| Personnel             | \$3,844,614        | \$4,287,980        | \$4,741,368        | \$5,014,791        | \$5,288,273        |
| Operating             | \$546,972          | \$616,590          | \$672,421          | \$588,278          | \$597,657          |
| Capital               | \$99,397           | \$601,175          | \$280,000          | \$360,000          | \$370,000          |
| Interfund Transfers   | –                  | \$250,000          | \$300,000          | \$315,000          | \$330,000          |
| <b>EXPENSES TOTAL</b> | <b>\$4,490,983</b> | <b>\$5,755,745</b> | <b>\$5,993,789</b> | <b>\$6,278,069</b> | <b>\$6,585,930</b> |

### Department Expenditure Summary



Data Updated: May 08, 2026, 1:43 PM

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# Full-Time Equivalent Position Count

Police (FTEs)

| Job Title                                       | FY2027      | FY2028      | FY2029      |
|---|-------------|-------------|-------------|
| <b>Allocated FTE Count</b>                      |             |             |             |
| POLICE OFFICER 1ST CLASS                        | 10          | 10          | 10          |
| POLICE SERGEANT                                 | 6           | 6           | 6           |
| POLICE OFFICER                                  | 5           | 5           | 5           |
| POLICE LIEUTENANT                               | 4           | 4           | 4           |
| POLICE CORPORAL                                 | 3           | 3           | 3           |
| POLICE CAPTAIN                                  | 2           | 2           | 2           |
| SENIOR ADMINISTRATIVE SUPPORT SPECIALIST        | 1           | 1           | 1           |
| DIVERSION SOCIAL WORKER                         | 1           | 1           | 1           |
| POLICE MANAGEMENT AND ACCREDITATION COORDINATOR | 1           | 1           | 1           |
| ASSISTANT CHIEF OF POLICE                       | 1           | 1           | 1           |
| CHIEF OF POLICE                                 | 1           | 1           | 1           |
| EVIDENCE AND PROPERTY TECHNICIAN                | 0.4         | 0.4         | 0.4         |
| <b>ALLOCATED FTE COUNT</b>                      | <b>35.4</b> | <b>35.4</b> | <b>35.4</b> |



# Ballistic Helmets

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Police

## Priority Rank

4

## Request Description

This request funds ballistic helmets for patrol officers and members of the Emergency Response Team (ERT) to replace expired, poorly fitting protective headgear currently in service. Ballistic helmets are critical during high-risk calls, barricaded subjects, active threat incidents, crowd control, and other critical events, where officers face elevated risks from impact hazards and ballistic threats. Properly fitted helmets significantly reduce the risk of serious injury while improving comfort and stability during extended deployments.

The proposed helmets offer a 10-year service lifespan, doubling the typical replacement cycle and providing long-term cost savings through reduced replacement frequency. They are lighter and more ergonomic, improving wearability and increasing the likelihood of consistent use during rapidly evolving incidents. Improved fit and reduced weight also support officer endurance and mobility, which are essential during prolonged or physically demanding operations.

## Link to Strategic Plan or Departmental Priorities

This request supports Community Safety by protecting officers during high-risk operations and emergency responses. Enhanced protective equipment ensures officers can safely manage volatile situations. It aligns with Service Excellence by reinforcing emergency preparedness and ensuring the department is equipped to respond effectively to critical incidents.

## Alternatives and Operational Impact if Not Funded

If not funded, officers may lack adequate head protection during critical events. There is no effective substitute that offers comparable protection, increasing injury risk and liability.

## Additional Information

N/A

## Budget Justification Expenditures

Ballistic Helmets

| Division Description | FY2027          | FY2028     | FY2029     |
|----------------------|-----------------|------------|------------|
| <b>Amount</b>        |                 |            |            |
| Police               | \$12,800        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$12,800</b> | <b>\$0</b> | <b>\$0</b> |



# Crime Scene Barriers

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Police

## Priority Rank

7

## Request Description

This request funds portable crime scene barriers with blackout curtains for use during homicide investigations, aggravated assaults, fatal traffic crashes, and other critical incidents. These barriers allow officers to rapidly establish secure perimeters while shielding sensitive or graphic scenes from public view and media exposure, ensuring investigations are conducted with the highest level of professionalism, discretion, and dignity. The blackout feature is especially important when managing scenes involving fatalities or severe injuries, where visual exposure can be traumatic to families, bystanders, and first responders.

Beyond scene security and evidence preservation, these barriers support effective media management and victim advocacy by limiting unauthorized photography, reducing speculation, and protecting victims and their families from unnecessary exposure during some of the most difficult moments of their lives. Their use aligns with the department's strategic goals related to community trust, professionalism, and compassionate service, reinforcing the expectation that critical incidents

## Link to Strategic Plan or Departmental Priorities

This request directly advances Community Safety by enabling officers to safely manage incident scenes, protect the public from hazards, and preserve the integrity of criminal investigations. Effective scene control supports crime prevention and public confidence in police response. The request also aligns with Service Excellence by improving operational efficiency and ensuring reliable, standardized equipment is available for critical incidents.

## Alternatives and Operational Impact if Not Funded

If not funded, officers must rely on temporary or improvised solutions that are less effective and less visible. These alternatives increase the risk of evidence contamination, public exposure to hazards, and operational inefficiencies. There is no adequate substitute that provides the same level of safety and control.

## Additional Information

N/A

## Budget Justification Expenditures

Crime Scene Barriers

| Division Description | FY2027         | FY2028     | FY2029     |
|----------------------|----------------|------------|------------|
| <b>Amount</b>        |                |            |            |
| Police               | \$2,500        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$2,500</b> | <b>\$0</b> | <b>\$0</b> |



# Handgun Lights

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Police

## Priority Rank

5

## Request Description

The department's duty weapon-mounted lights have been in service for approximately 15 years, with only limited replacements during that time. During training and qualification this year, five flashlight failures were documented, indicating the equipment has reached the end of its service life. Replacing these aging lights is necessary to maintain reliability during training and operational use, reduce the risk of equipment failure during critical incidents, and ensure officers are equipped with dependable, department-issued safety equipment.

## Link to Strategic Plan or Departmental Priorities

This request directly supports Community Safety by improving officers' ability to positively identify threats in low-light conditions, reducing risk to both officers and civilians. Proper identification is critical to safe decision-making. The request aligns with Service Excellence by equipping officers with modern safety tools that improve performance and reduce preventable incidents.

## Alternatives and Operational Impact if Not Funded

Without funding, officers must rely on handheld lighting alone, which limits effectiveness and safety. There is no equally effective alternative that provides hands-free illumination during critical incidents.

## Additional Information

N/A

## Budget Justification Expenditures

Handgun Lights

| Division Description | FY2027         | FY2028     | FY2029     |
|----------------------|----------------|------------|------------|
| <b>Amount</b>        |                |            |            |
| Police               | \$6,200        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$6,200</b> | <b>\$0</b> | <b>\$0</b> |



# In-Car Camera Replacements

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Police

## Priority Rank

1

## Request Description

Our current system is starting to show its age, and we are starting to have issues with maintenance and cameras failing and having to be repaired. In addition, the quality of our video is behind the current technology. We put some additional money into doing some improvements on the system several years ago but are now reaching the point that we have to consider replacement. Replacing the system will be a major expense, and the contract with Axon is spread over 5 fiscal years.

In-car cameras are a critical accountability, transparency, and evidence-gathering tool. They document officer interactions, traffic stops, pursuits, and critical incidents, protecting both the public and the department. Aging systems are increasingly unreliable, experience frequent failures, and may not meet current evidentiary standards. Replacing these systems ensures consistent recording, secure data storage, and compatibility with existing body-worn camera and records systems.

The total 5-year contract will be \$348,357.79 before tax (\$365,199.35 with tax). It will be paid over the 5-year timeframe (\$71,943.47 in year one and \$69,103.58 in year 2-5). This not only provides critical equipment to our patrol officers and fleet vehicles, but it also standardizes our system, with body worn cameras and fleet cameras being on the same contract/upgrade timeline. In addition, we will be moving from a la carte storage to unlimited storage. We are currently using over 6 TBs of storage more than what we are allocated. Buying a la carte storage to the level we need (15TBs) would cost around \$73,000 while unlimited is only \$33,000.

## Link to Strategic Plan or Departmental Priorities

This request strongly advances Community Safety by promoting transparency, accountability, and public trust in police operations. Reliable in-car cameras support accurate documentation of incidents and reinforce fair and professional policing. The request also aligns with Service Excellence, specifically the goal of maintaining and protecting critical infrastructure and assets. Modern camera systems improve reliability, reduce risk, and ensure consistent service delivery while supporting legal compliance and evidentiary standards.

## Alternatives and Operational Impact if Not Funded

We can continue to defer this but may encounter problems and failures of our systems. The limitations of our current systems present themselves frequently when delays occur with sending video footage to the DA's office or in our ability to maintain oversight of our police operations. There is no operationally acceptable alternative to a reliable in-car camera system. Failure to replace this equipment poses significant legal, operational, and reputational risks.

## Additional Information

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Provides unlimited cloud storage which is backed up to allow us to carry out police operations without storage limitations. An alternative is to do away with in-car systems and rely only on the body worn cameras, but we have concerns should something happen and we do not have adequate video. Request was initially requested to start in FY25 but is being deferred two years as we have not had significant failures and the timing to make the change is not ideal. We are hoping to link the change with some new technology options.

## Budget Justification Expenditures

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### In-Car Camera Replacements

| Division Description | FY2027          | FY2028          | FY2029          |
|----------------------|-----------------|-----------------|-----------------|
| <b>Amount</b>        |                 |                 |                 |
| Police               | \$75,901        | \$72,325        | \$72,325        |
| <b>AMOUNT</b>        | <b>\$75,901</b> | <b>\$72,325</b> | <b>\$72,325</b> |



# Radio Encryption

Budget Justification Form (FY27-FY29)

| Fund         | Department | Priority Rank |
|--------------|------------|---------------|
| General Fund | Police     | 3             |

## Request Description

Implement full encryption capabilities across all Hillsborough Police Department radios. This includes enabling encryption on 42 Motorola radios (approximately \$900 per unit) and 23 Kenwood radios (approximately \$600 per unit), ensuring compatibility with the North Carolina VIPER system and neighboring Orange County agencies.

This request follows a notice from Orange County Public Safety Communications Division Chief Chris Ward requesting all neighboring agencies look into encrypting their radio communication. While radio traffic has historically been accessible via public scanners, advancements in software-defined radio (SDR) technology combined with artificial intelligence tools now allow for real-time monitoring, transcription, indexing, and long-term storage of radio communications. This creates a heightened risk that sensitive law enforcement information (such as names, addresses, and operational details) could be captured, analyzed, and potentially exploited, such as in a database where private info could be easily searchable.

Orange County Emergency Services has indicated a strong preference for county-wide encryption implementation, and several neighboring jurisdictions have already begun or completed this transition. To maintain interoperability and secure communications, Hillsborough Police Department must align with this county-wide initiative. While no official timeline has been given, they have requested all agencies encrypt their radios within the next year. We have contacted other agencies to confirm they are also encrypting their communication.

## Link to Strategic Plan or Departmental Priorities

This request directly supports the Strategic Plan, particularly within the Community Safety focus area. Ensuring secure and reliable communication systems is a fundamental component of effective law enforcement operations and officer safety.

Encryption of radio communications enhances operational security by protecting sensitive information from unauthorized access. This supports the department’s priority of safeguarding both officers and the community, while also strengthening coordinated responses with partner agencies across Orange County. Additionally, aligning with county and regional communication standards ensures continued interoperability, which is essential for multi-agency incidents and emergency response.

## Alternatives and Operational Impact if Not Funded

If this request is not funded, the Hillsborough Police Department will continue to operate using unencrypted radio communications, which presents several risks and limitations. First, unencrypted communications remain vulnerable to monitoring and recording through increasingly accessible SDR and AI technologies. This could expose sensitive law enforcement information, potentially compromising investigations, officer safety, and victim privacy. Second, failure to implement encryption may limit interoperability with other Orange County agencies as they transition to encrypted communications. This could create communication barriers during joint operations, mutual aid responses, and critical incidents, ultimately reducing operational effectiveness.

While partial encryption (such as encrypting one divisions radios at a time; CID - FY27, Patrol - FY28, etc.) is an alternative, it does not fully address the broader operational and interoperability concerns identified by Orange County Emergency Services. The cost for implementation will likely only continue to increase, meaning it would likely be more affordable and frankly easier to transition all radios at once. Also, this helps alleviate any concerns around compatibility between internal divisions.

Maintaining the current system is the lowest-cost option in the short-term but carries increasing long-term operational and security risks.

## Additional Information

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Although Orange County has expressed a strong interest in implementing county-wide encryption within the next year, a firm deadline has not yet been established. Additionally, due to the significant financial investment required, it is possible that some jurisdictions may delay implementation. To account for this uncertainty, we are proposing a strategic and measured approach. Funding is requested in the upcoming fiscal year to ensure readiness and avoid delays if county-wide implementation proceeds as anticipated. However, the department intends to delay actual implementation until approximately March or April of the fiscal year. This approach allows an estimated 6-8 month period to monitor progress across Orange County, confirm timelines, and coordinate implementation efforts with partner agencies. This allows us to see what is actually moving forward with partner agencies before spending the money ourselves. However, it also ensures we have the funds in case implementation is needed right away. This phased strategy positions Hillsborough to respond effectively to regional communication changes while maintaining flexibility in execution.

# Budget Justification Expenditures

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Radio Encryption

| Division Description | FY2027          | FY2028     | FY2029     |
|----------------------|-----------------|------------|------------|
| <b>Amount</b>        |                 |            |            |
| Police               | \$55,000        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$55,000</b> | <b>\$0</b> | <b>\$0</b> |



# Rifle Plates

## Budget Justification Form (FY27-FY29)

### Fund

General Fund

### Department

Police

### Priority Rank

2

### Request Description

This budget request seeks funding to purchase lightweight, rifle-rated armor plates for sworn personnel to be worn inside existing external body armor carriers. The recommended equipment provides enhanced ballistic protection against modern rifle threats while remaining fully integrated into officers' everyday patrol armor.

Unlike traditional rifle plate systems that require separate carriers and significant additional weight, the proposed plates are designed to be worn continuously during routine duties. This ensures officers are protected immediately during unplanned or rapidly evolving incidents without needing to retrieve additional equipment, change vests, or delay response.

The preferred option would equip 24 sworn personnel, covering all sworn staff except command-level positions. A reduced quantity alternative of 19 plates would prioritize patrol officers and Emergency Response Team personnel.

### Link to Strategic Plan or Departmental Priorities

This request directly supports the Town of Hillsborough FY2024–26 Strategic Plan, particularly Focus Area 4: Community Safety and Focus Area 5: Service Excellence.

Under Community Safety, the Strategic Plan emphasizes reinforcing resiliency in town operations and implementing emergency preparedness strategies. Equipping sworn personnel with modern, integrated protective equipment strengthens the Town's ability to respond effectively to high-risk emergencies and reduces preventable injury.

Under Service Excellence, the plan prioritizes maintaining, protecting, and optimizing assets to improve reliability and efficiency. Providing lightweight, wearable rifle protection ensures that safety equipment is practical, usable, and consistently worn, maximizing the Town's investment and operational effectiveness.

### Alternatives and Operational Impact if Not Funded

The primary alternative is continued reliance on the department's existing AR500 steel plate system worn in a separate carrier weighing approximately 20 pounds. While it provides rifle protection, it presents significant operational limitations. A lower cost plate option is also available but offers reduced performance characteristics.

Operational Impact if Not Funded:

- If not funded, sworn personnel will continue relying on heavy steel plate carriers that are impractical for routine patrol use and incompatible with existing external armor. Officers must remove their patrol vest and mounted equipment to wear the plates.
- Due to weight, bulk, and disruption, officers may choose not to don the additional armor. In rapidly evolving incidents, officers often lack time to retrieve or change equipment, leaving them reliant on standard body armor.

### Additional Information

N/A

### Budget Justification Expenditures

Rifle Plates

| Division Description | FY2027          | FY2028     | FY2029     |
|----------------------|-----------------|------------|------------|
| <b>Amount</b>        |                 |            |            |
| Police               | \$15,000        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$15,000</b> | <b>\$0</b> | <b>\$0</b> |



### Fund

General Fund

### Department

Police

### Priority Rank

6

### Request Description

This request is for a new traffic data collection device which will be utilized to monitor speeds, monitor citizen complaints, and collect data on traffic trends in a localized area. The new Stalker Traffic Data Collector 2 is easy to install, is solar powered, and data can be extracted wirelessly or with a flash drive; in some instances, the officer will not even need to exit the vehicle to do this. Although this data collector is not a visual cue, it covertly collects the needed data and analyzes it on user-friendly software. Ultimately, these signs will accomplish traffic safety tasks while reducing the person-hours required to install, recover, and analyze.

### Link to Strategic Plan or Departmental Priorities

Prioritizes employee safety and leverage technology for ongoing improvements. This forward-thinking mindset is a key value outlined in the town's strategic plan, alongside our commitment to quality public service. This request advances Community Safety by supporting data-driven traffic enforcement and speed reduction efforts. Reducing speeding improves roadway safety and community well-being. The request aligns with Service Excellence by using data and technology to guide efficient, targeted enforcement strategies.

### Alternatives and Operational Impact if Not Funded

If not funded, we can still use the visual sign that displays the motorist speed. While we won't have data for analytics, these visual signs will inform citizens that we are monitoring that area for traffic safety issues. An alternative option is to have Public Works deploy some of their traffic management equipment to help us gather data while the visual sign is in place. While these alternatives exist, they may not be the most cost-effective or efficient in terms of workforce resources.

### Additional Information

N/A

### Budget Justification Expenditures

Speed Box

| Division Description | FY2027         | FY2028     | FY2029     |
|----------------------|----------------|------------|------------|
| <b>Amount</b>        |                |            |            |
| Police               | \$2,500        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$2,500</b> | <b>\$0</b> | <b>\$0</b> |

# Public Works

### Key Operations

The Cemetery Division identifies and marks gravesites for funerals and monument installation. The town has discontinued the sale of gravesites. The division maintains the town's cemeteries located on Margaret Lane, Corbin Street, and Tryon Street. The town has also contributed funds to maintain a private, abandoned cemetery on Cedar Grove Road.

### FY26 Major Accomplishments

- Completed necessary stone wall repairs at Old Town Cemetery.

### FY27 Major Budget Changes

- The stone walls will continue to need maintenance in the future. We have addressed the most distressed areas.

### FY28-29 Financial Forecast

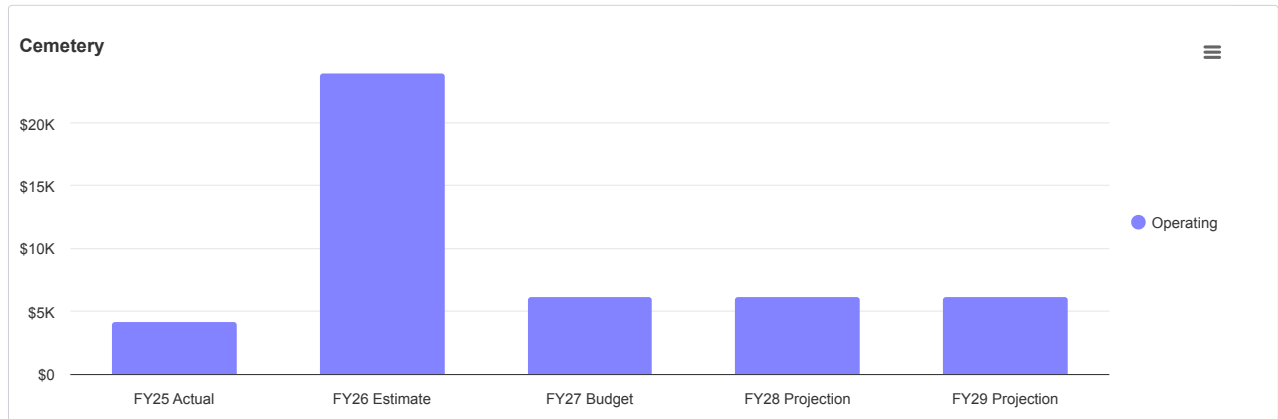
- No major changes.

### Expenditures by Category

Cemetery

|                       | FY25 Actual    | FY26 Estimate   | FY27 Budget    | FY28 Projection | FY29 Projection |
|-----------------------|----------------|-----------------|----------------|-----------------|-----------------|
| <b>Expenses</b>       |                |                 |                |                 |                 |
| Operating             | \$4,119        | \$23,940        | \$6,100        | \$6,100         | \$6,100         |
| <b>EXPENSES TOTAL</b> | <b>\$4,119</b> | <b>\$23,940</b> | <b>\$6,100</b> | <b>\$6,100</b>  | <b>\$6,100</b>  |

### Department Expenditure Summary



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### Key Operations

The Engineering Services Division reviews, approves, and inspects construction and associated permitting for the Town. This division also administers Capital Improvement Projects and provides field oversight of contractors.

### FY26 Major Accomplishments

- Engineering Services created a consolidated GIS and CAD update program, merged plan review responsibilities, and began major CIP projects for the utility system.

### FY27 Major Budget Changes

- No major changes.

### FY28-29 Financial Forecast

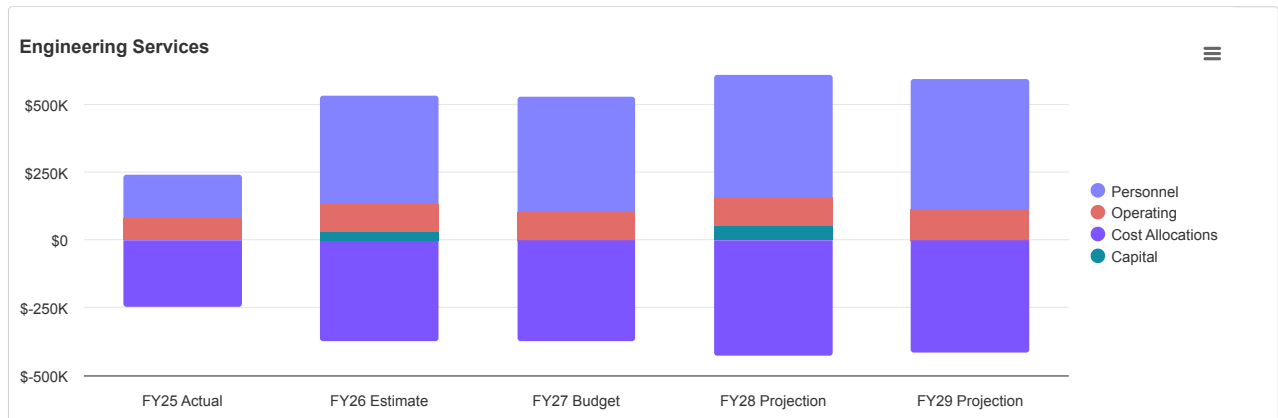
- Costs will likely increase due to price increases and increased project activity.

### Expenditures by Category

Engineering Services

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                  |
| Personnel             | \$159,104        | \$401,045        | \$425,902        | \$454,505        | \$480,469        |
| Operating             | \$81,334         | \$99,740         | \$104,780        | \$105,790        | \$115,480        |
| Cost Allocations      | (\$247,372)      | (\$372,249)      | (\$371,477)      | (\$427,206)      | (\$417,163)      |
| Capital               | –                | \$31,000         | \$0              | \$50,000         | \$0              |
| <b>EXPENSES TOTAL</b> | <b>(\$6,934)</b> | <b>\$159,536</b> | <b>\$159,205</b> | <b>\$183,089</b> | <b>\$178,786</b> |

### Department Expenditure Summary



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# Full-Time Equivalent Position Count

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Engineering Services (FTEs)

| Job Title                        | FY2027   | FY2028   | FY2029   |
|----------------------------------|----------|----------|----------|
| <b>Allocated FTE Count</b>       |          |          |          |
| CONSTRUCTION PROJECT COORDINATOR | 1        | 1        | 1        |
| ENGINEERING SERVICES MANAGER     | 1        | 1        | 1        |
| UTILITIES INSPECTOR              | 1        | 1        | 1        |
| <b>ALLOCATED FTE COUNT</b>       | <b>3</b> | <b>3</b> | <b>3</b> |



# Truck #244 Replacement

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Engineering Services

## Priority Rank

1

## Make & Model

2016 Ford F-150

## Mileage

77745

## Replacement Score

7

## Describe Request

Replace 2016 Ford F-150 with a similar vehicle.

## Link to Strategic Plan or Departmental Priorities

Taking care of what we've got.

## Alternatives & Operational Impact if Not Funded

Continue to drive existing truck, potentially experiencing increased down time or repair costs.

## Additional Information

N/A

## Budget Justification Expenditures

Truck #244 Replacement

| Division Description | FY2027     | FY2028          | FY2029     |
|----------------------|------------|-----------------|------------|
| <b>Amount</b>        |            |                 |            |
| Engineering Services | \$0        | \$51,010        | \$0        |
| <b>AMOUNT</b>        | <b>\$0</b> | <b>\$51,010</b> | <b>\$0</b> |



# Fleet Maintenance

## FY2027 Operating & Capital Budget

### Key Operations

Fleet Maintenance conducts and manages a scheduled maintenance program for all town equipment and vehicles. It also maintains a parts inventory; conducts standard and emergency repairs to vehicles and equipment; assists departments with equipment purchases; and auctions surplus equipment for all departments in the town. Fleet Maintenance provides a wash pit area for other departments.

### FY26 Major Accomplishments

- Storm Chantal recovery. Attempted to save as much equipment as possible by removing water from engines, transmissions, rear differentials, and wiring harnesses. Staff then test drove the vehicles and operated the equipment to check for failures. Failures after equipment was put back in service were identified and recorded. Worked with the Safety and Risk Management Officer to compile the list of assets that were a total loss versus those staff was able to restore.

### FY27 Major Budget Changes

- No major changes.

### FY28-29 Financial Forecast

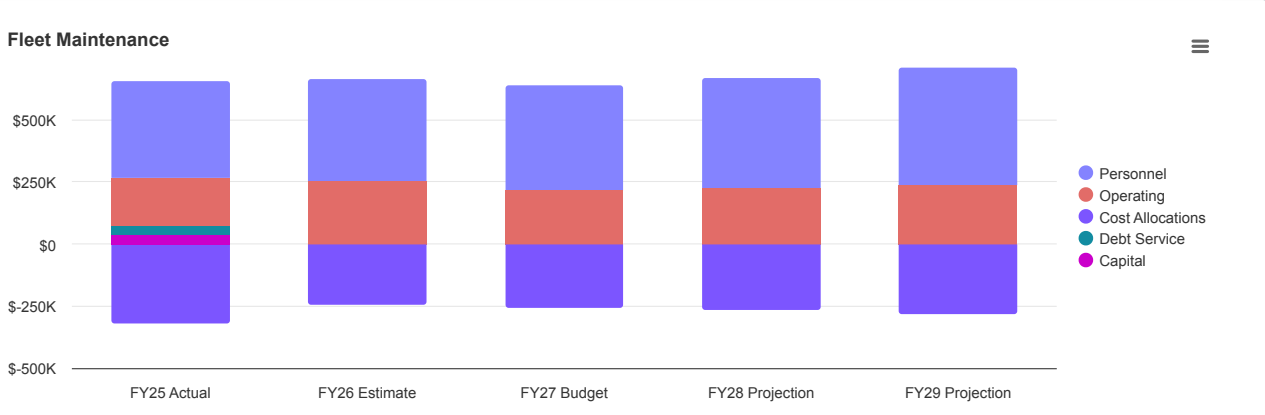
- No major changes.

### Expenditures by Category

Fleet Maintenance

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                  |
| Personnel             | \$388,128        | \$408,855        | \$422,125        | \$446,143        | \$471,310        |
| Operating             | \$194,035        | \$254,933        | \$216,377        | \$221,885        | \$238,080        |
| Cost Allocations      | (\$318,108)      | (\$243,874)      | (\$256,255)      | (\$267,284)      | (\$283,284)      |
| Debt Service          | \$36,927         | \$0              | \$0              | \$0              | \$0              |
| Capital               | \$34,115         | \$0              | \$0              | \$0              | \$0              |
| <b>EXPENSES TOTAL</b> | <b>\$335,097</b> | <b>\$419,914</b> | <b>\$382,247</b> | <b>\$400,744</b> | <b>\$426,106</b> |

# Department Expenditure Summary



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## Full-Time Equivalent Position Count

Fleet Maintenance (FTEs)

| Job Title                    | FY2027   | FY2028   | FY2029   |
|------------------------------|----------|----------|----------|
| <b>Allocated FTE Count</b>   |          |          |          |
| FLEET MECHANIC               | 2        | 2        | 2        |
| FLEET MAINTENANCE SUPERVISOR | 1        | 1        | 1        |
| <b>ALLOCATED FTE COUNT</b>   | <b>3</b> | <b>3</b> | <b>3</b> |

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### Key Operations

The Solid Waste Division provides residential garbage, yard waste, and bulk item pick-up and disposal.

### FY26 Major Accomplishments

- Collected residential solid waste on schedule, except during winter weather events.
- Distributed over 550 tons of leaves to Hillsborough residents and local farmers to use as compost.
- Continued to provide great service while handling the increase of home and the loss of several solid waste vehicles in the flooding from Topical Storm Chantal.

### FY27 Major Budget Changes

- Replace 2015 automated garbage truck.

### FY28-29 Financial Forecast

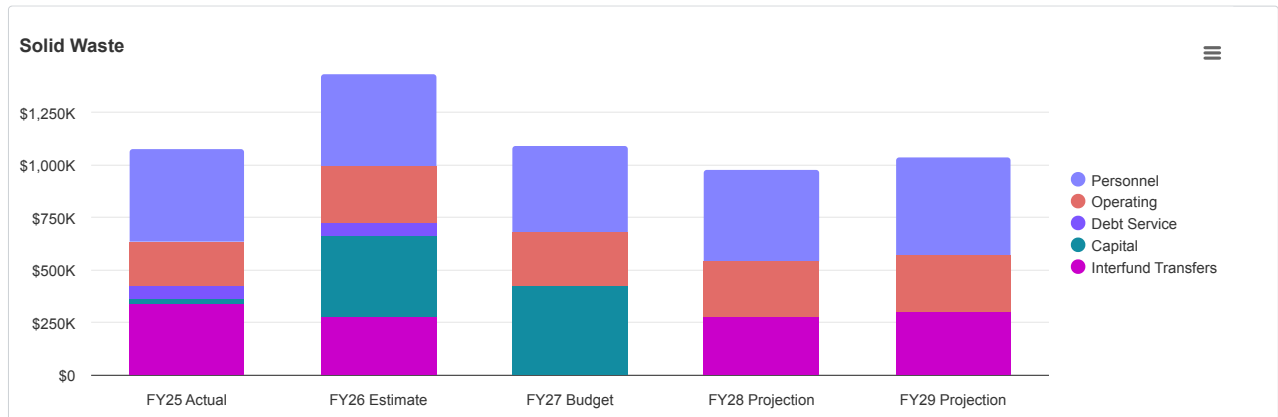
- No major changes.

### Expenditures by Category

Solid Waste

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection  | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                  |                    |
| Personnel             | \$439,308          | \$439,700          | \$411,128          | \$436,567        | \$463,251          |
| Operating             | \$215,788          | \$269,080          | \$260,720          | \$265,710        | \$272,710          |
| Debt Service          | \$62,617           | \$62,617           | \$0                | \$0              | \$0                |
| Capital               | \$23,037           | \$387,092          | \$420,000          | \$0              | \$0                |
| Interfund Transfers   | \$335,000          | \$275,000          | \$0                | \$275,000        | \$300,000          |
| <b>EXPENSES TOTAL</b> | <b>\$1,075,750</b> | <b>\$1,433,489</b> | <b>\$1,091,848</b> | <b>\$977,277</b> | <b>\$1,035,961</b> |

### Department Expenditure Summary



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# Full-Time Equivalent Position Count

Solid Waste (FTEs)

| Job Title                                | FY2027   | FY2028   | FY2029   |
|--|----------|----------|----------|
| <b>Allocated FTE Count</b>               |          |          |          |
| EQUIPMENT OPERATOR                       | 3        | 3        | 3        |
| CREW LEADER                              | 1        | 1        | 1        |
| SENIOR ADMINISTRATIVE SUPPORT SPECIALIST | 0.5      | 0.5      | 0.5      |
| PUBLIC WORKS SUPERINTENDENT              | 0.5      | 0.5      | 0.5      |
| <b>ALLOCATED FTE COUNT</b>               | <b>5</b> | <b>5</b> | <b>5</b> |

### Key Operations

The Streets Division conducts street, sidewalk, and curb-and-gutter repair, pavement resurfacing, and ice and snow removal and control. The division also repairs street cuts made by the Water & Sewer Department, maintains signs and rights-of-way, and provides services to assist the Public Space and Stormwater Divisions. Streets also utilizes restricted local use state-shared gasoline tax revenues, known as Powell Bill funds, to maintain and enhance town streets and pedestrian systems.

### FY26 Major Accomplishments

- Repaired several trip hazards along the sidewalk system and will continue annually.
- Resurfaced roughly 4.1 miles of town streets, once again exceeding our annual goal of resurfacing 5% (roughly 2 miles) of town streets annually.
- Removed unsafe and fallen trees from streets, public rights-of-way, and on town property.
- Performed several driveway, sidewalk, and utilities repair inspections for new residential homes and the commercial properties that have impacted the right-of-way.
- Performed maintenance on approximately 2,500 linear feet of stormwater ditches and closed systems.

### FY27 Major Budget Changes

- Continue the resurfacing program with an annual goal of resurfacing 5% of town streets annually.
- Continue contracting the review and inspection of developer installed infrastructure to ensure compliance.

### FY28-29 Financial Forecast

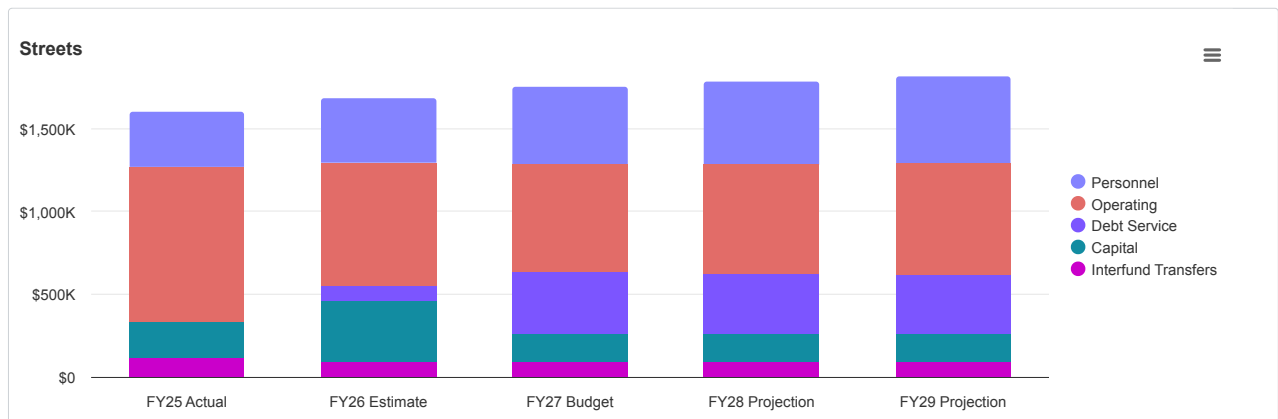
- Anticipate increased service and maintenance demand as residential development increases.
- Stormwater maintenance continues to increase, especially since tropical storm Chantal.
- Continue third party inspections for new development.

### Expenditures by Category

Streets

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                    |                    |
| Personnel             | \$333,257          | \$385,800          | \$470,784          | \$499,978          | \$530,601          |
| Operating             | \$935,776          | \$752,989          | \$649,730          | \$660,780          | \$671,830          |
| Debt Service          | –                  | \$87,790           | \$376,781          | \$367,058          | \$357,335          |
| Capital               | \$222,777          | \$371,000          | \$171,000          | \$171,000          | \$171,000          |
| Interfund Transfers   | \$110,000          | \$85,000           | \$85,000           | \$85,000           | \$85,000           |
| <b>EXPENSES TOTAL</b> | <b>\$1,601,809</b> | <b>\$1,682,579</b> | <b>\$1,753,295</b> | <b>\$1,783,816</b> | <b>\$1,815,766</b> |

### Department Expenditure Summary



# Full-Time Equivalent Position Count

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Streets (FTEs)

| Job Title                   | FY2027     | FY2028     | FY2029     |
|-----------------------------|------------|------------|------------|
| <b>Allocated FTE Count</b>  |            |            |            |
| EQUIPMENT OPERATOR          | 3          | 3          | 3          |
| PUBLIC WORKS SUPERVISOR     | 1          | 1          | 1          |
| PUBLIC WORKS SUPERINTENDENT | 0.5        | 0.5        | 0.5        |
| <b>ALLOCATED FTE COUNT</b>  | <b>4.5</b> | <b>4.5</b> | <b>4.5</b> |

## Special Appropriations



# Special Appropriations

## FY2027 Operating & Capital Budget

### Key Operations

Special Appropriations is an area where non-departmental costs are included in the annual budget. Traditionally, funding is provided for the Orange County Historical Museum since the town owns this building. The town's Community Re-Investment program is also included, providing funding to organizations that provide services to Hillsborough residents.

### FY26 Major Accomplishments

- Set aside funding for affordable housing initiatives.
- Nonprofit Partnership Program partnered with the Exchange Club, Fairview Community Watch, Hillsborough Arts Council, and Orange Congregations in Ministry.
- Implemented compensation and classification study results.

### FY27 Major Budget Changes

- Affordable housing contributions will continue to ramp up until the \$320,000 commitment is reached. FY27 is the final year of the ramp-up.

### FY28-29 Financial Forecast

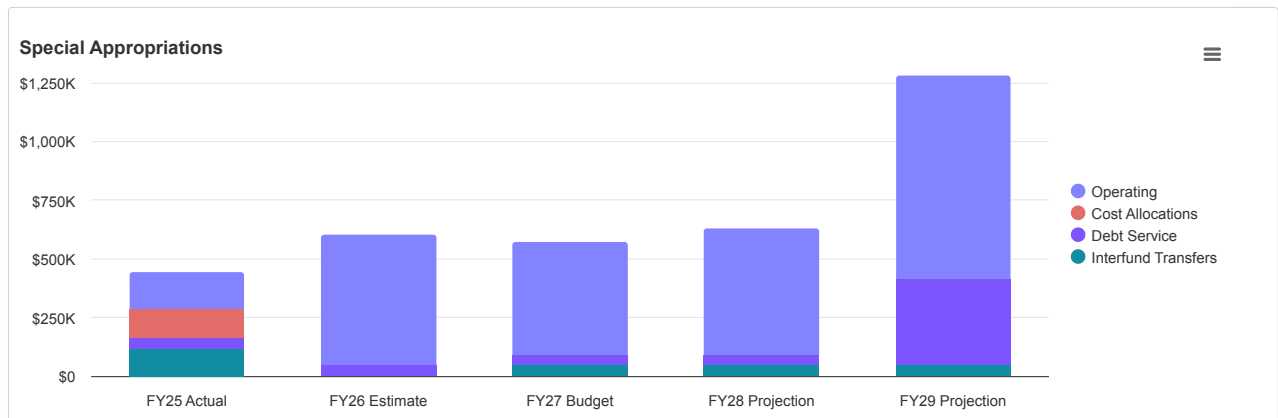
- Anticipate debt service on the Passenger Rail Station starting in FY29.

### Expenditures by Category

Special Appropriations

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection    |
|-----------------------|------------------|------------------|------------------|------------------|--------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                    |
| Operating             | \$157,308        | \$556,455        | \$484,674        | \$541,474        | \$868,874          |
| Cost Allocations      | \$124,425        | \$0              | \$0              | \$0              | \$0                |
| Debt Service          | \$47,227         | \$46,047         | \$44,865         | \$43,684         | \$368,621          |
| Interfund Transfers   | \$114,309        | \$0              | \$43,826         | \$43,826         | \$43,826           |
| <b>EXPENSES TOTAL</b> | <b>\$443,269</b> | <b>\$602,502</b> | <b>\$573,365</b> | <b>\$628,984</b> | <b>\$1,281,321</b> |

### Department Expenditure Summary



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# Affordable Housing

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Special Appropriations

## Priority Rank

None

## Request Description

The FY27 budget allocates \$320,000 toward affordable housing efforts. Investments beyond the \$320,000 are funded via housing reserve funds, which have accumulated from unspent prior year affordable housing contributions.

Additional Funding Requests:

- Community Home Trust has requested a funding increase of \$2,500 in FY27. This request is currently unfunded. This request could be funded by reducing the allocation to affordable housing creation and preservation.

## Link to Strategic Plan or Departmental Priorities

- Economic Vitality – Objective 4 – Preservation of Naturally Occurring Affordable Housing
- Initiative 4.3 – Financially support existing efforts to preserve affordable housing or support housing stability with locally identified funding.

## Additional Information

- N/A

## Affordable Housing - Funded

Affordable Housing - Funded

| Itemization Description                      | FY2026           | FY2027           | FY2028           | FY2029           |
|--|------------------|------------------|------------------|------------------|
| <b>Amount</b>                                |                  |                  |                  |                  |
| Affordable Housing Creating and Preservation | \$0              | \$43,826         | \$43,826         | \$43,826         |
| Affordable Housing Strategy Plan             | \$50,000         | \$0              | \$0              | \$0              |
| CASA Cedar Village                           | \$0              | \$100,000        | \$100,000        | \$100,000        |
| Community Home Trust                         | \$2,500          | \$2,500          | \$2,500          | \$2,500          |
| Emergency Housing Assistance Pilot           | \$50,000         | \$0              | \$0              | \$0              |
| Habitat for Humanity - Auman Village         | \$100,000        | \$100,000        | \$100,000        | \$100,000        |
| Home Funds Grant Match                       | \$6,281          | \$6,281          | \$6,281          | \$6,281          |
| Home Repair and Preservation Pilot           | \$100,000        | \$0              | \$0              | \$0              |
| Partnership to End Homelessness              | \$67,393         | \$67,393         | \$67,393         | \$67,393         |
| <b>AMOUNT</b>                                | <b>\$376,174</b> | <b>\$320,000</b> | <b>\$320,000</b> | <b>\$320,000</b> |

## Affordable Housing - Unfunded

Affordable Housing - Unfunded

| Itemization Description        | FY2026     | FY2027         | FY2028         | FY2029         |
|--------------------------------|------------|----------------|----------------|----------------|
| <b>Amount</b>                  |            |                |                |                |
| Community Home Trust Expansion | \$0        | \$2,500        | \$2,500        | \$2,500        |
| <b>AMOUNT</b>                  | <b>\$0</b> | <b>\$2,500</b> | <b>\$2,500</b> | <b>\$2,500</b> |



# Veterans' Memorial

Budget Justification Form (FY27-FY29)

## Fund

General Fund

## Department

Special Appropriation

## Priority Rank

None

## Request Description

The Orange County Veteran's Memorial Committee is requesting \$15,000 to help fund the fourth and final phase of the memorial project. The requested funds would go toward constructing a walkway.

## Link to Strategic Plan or Departmental Priorities

N/A

## Alternatives and Operational Impact if Not Funded

N/A

## Additional Information

N/A

## Budget Justification Expenditures

Veterans' Memorial

| Division Description   | FY2027          | FY2028     | FY2029     |
|------------------------|-----------------|------------|------------|
| <b>Amount</b>          |                 |            |            |
| Special Appropriations | \$15,000        | \$0        | \$0        |
| <b>AMOUNT</b>          | <b>\$15,000</b> | <b>\$0</b> | <b>\$0</b> |

## Contingency

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# Contingency - General Fund

## FY2027 Operating & Capital Budget

### Key Operations

The Contingency budget unit is designed to assist the town in covering any unanticipated expenditures. It also allows the town to take advantage of opportunities that arise during the fiscal year that may not be available later. The Contingency allocation cannot exceed 5 percent of all other appropriations in the same fund.

### FY26 Major Accomplishments

- N/A

### FY27 Major Budget Changes

- N/A

### FY28-29 Financial Forecast

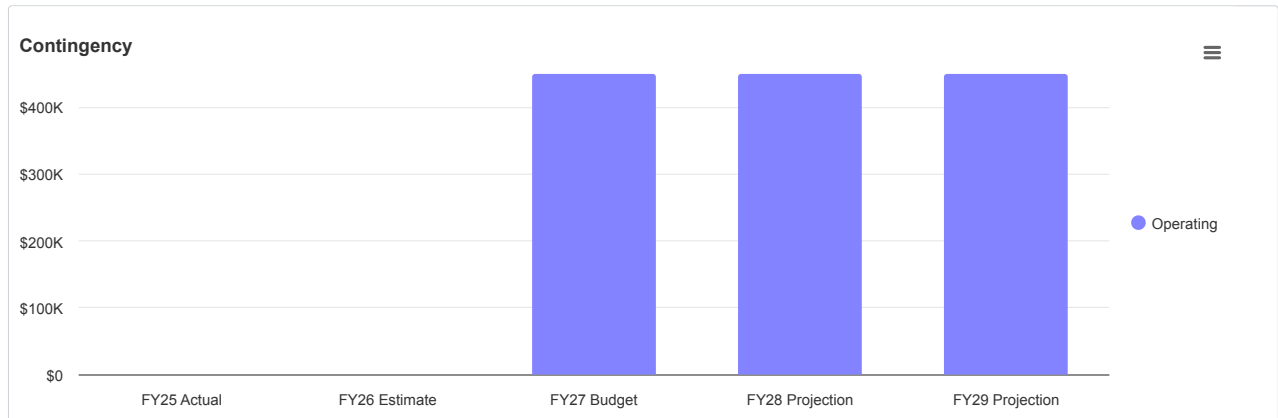
- N/A

### Expenditures by Category

Contingency - General Fund

|                       | FY25 Actual | FY26 Estimate | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|-------------|---------------|------------------|------------------|------------------|
| <b>Expenses</b>       |             |               |                  |                  |                  |
| Operating             | -           | \$0           | \$450,000        | \$450,000        | \$450,000        |
| <b>EXPENSES TOTAL</b> | <b>-</b>    | <b>\$0</b>    | <b>\$450,000</b> | <b>\$450,000</b> | <b>\$450,000</b> |

### Department Expenditure Summary



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Water & Sewer Fund



# Financial Summary: Water & Sewer Fund

FY2027 Operating & Capital Budget

## Financial Summary

Water and Sewer Fund Financial Summary

|   | FY25 Actual     | FY26 Estimate   | FY27 Budget     | FY28 Projection | FY29 Projection |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Revenues</b>   | \$14,786,295.35 | \$18,605,940.00 | \$14,757,000.00 | \$15,469,000.00 | \$16,381,000.00 |
| <b>Expenses</b>   | \$15,299,739.85 | \$18,834,649.00 | \$15,750,844.00 | \$15,478,912.00 | \$16,637,656.00 |
| <b>Surplus/(Deficit) - w/o fund balance appropriation</b> | (\$513,444.50)  | (\$228,709.00)  | (\$993,844.00)  | (\$9,912.00)    | (\$256,656.00)  |
| <b>Fund Balance</b>                                       | –               | \$9,297,800.00  | \$8,303,956.00  | \$8,294,044.00  | \$8,037,388.00  |
| <b>Fund Balance %</b>                                     | \$0.00          | \$0.49          | \$0.53          | \$0.54          | \$0.48          |

## Revenues

Water and Sewer Fund Revenue by Type

|                       | FY25 Actual         | FY26 Estimate       | FY27 Budget         | FY28 Projection     | FY29 Projection     |
|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>       |                     |                     |                     |                     |                     |
| Intergovernmental     | –                   | \$26,490            | \$0                 | \$0                 | \$0                 |
| Other                 | \$311,578           | \$472,118           | \$15,000            | \$15,000            | \$15,000            |
| Licenses/Permits/Fees | \$13,629,465        | \$15,756,092        | \$14,442,000        | \$15,354,000        | \$16,266,000        |
| Interfund Transfers   | \$213,523           | \$1,761,200         | \$0                 | \$0                 | \$0                 |
| Interest              | \$631,730           | \$590,040           | \$300,000           | \$100,000           | \$100,000           |
| <b>REVENUES TOTAL</b> | <b>\$14,786,295</b> | <b>\$18,605,940</b> | <b>\$14,757,000</b> | <b>\$15,469,000</b> | <b>\$16,381,000</b> |

## Expenditures

Water and Sewer Fund Expenditures by Type

|                       | FY25 Actual         | FY26 Estimate       | FY27 Budget         | FY28 Projection     | FY29 Projection     |
|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Expenses</b>       |                     |                     |                     |                     |                     |
| Personnel             | \$4,014,541         | \$4,218,958         | \$4,472,621         | \$4,719,655         | \$4,997,967         |
| Operating             | \$3,165,371         | \$4,365,404         | \$3,719,695         | \$3,855,245         | \$4,079,315         |
| Cost Allocations      | \$2,755,449         | \$3,365,462         | \$3,645,252         | \$3,843,784         | \$3,872,553         |
| Debt Service          | \$1,685,314         | \$2,138,782         | \$2,721,496         | \$2,865,228         | \$3,007,821         |
| Capital               | \$353,939           | \$2,878,904         | \$996,240           | \$95,000            | \$200,000           |
| Interfund Transfers   | \$3,325,126         | \$1,867,139         | \$195,540           | \$100,000           | \$480,000           |
| <b>EXPENSES TOTAL</b> | <b>\$15,299,740</b> | <b>\$18,834,649</b> | <b>\$15,750,844</b> | <b>\$15,478,912</b> | <b>\$16,637,656</b> |

## Rate Coverage

| Surplus/(Deficit) at Projected Rates                               | FY27 Budget | FY28 Projection | FY29 Projection |
|--|-------------|-----------------|-----------------|
| <b>Water</b> (FY27 - FY29 - 7.5% projected rate increase per year) | (\$797,438) | (\$358,184)     | (\$868,730)     |
| <b>Sewer</b> (FY27 - FY29 - 7.5% projected rate increase per year) | (\$216,031) | \$320,286       | \$582,877       |
| <b>Total Surplus/(Deficit)</b>                                     |             |                 |                 |



# Noteworthy Requests: Water and Sewer Fund

FY2027 Operating & Capital Budget

## Funded Noteworthy Requests

Water and Sewer Fund: Funded Noteworthy Requests

| Worksheet Name  | FY2027             | FY2028           | FY2029             |
|---|--------------------|------------------|--------------------|
| <b>Amount</b>   |                    |                  |                    |
| Additional Step Screen                                    | \$64,540           | \$0              | \$0                |
| Cameras at West Fork Eno Reservoir                        | \$0                | \$0              | \$121,000          |
| Chlorine Meter Replacements                               | \$14,500           | \$0              | \$0                |
| Dam Repairs at West Fork Eno Reservoir                    | \$195,540          | \$164,967        | \$329,933          |
| Electrical System Evaluation                              | \$45,000           | \$0              | \$0                |
| Filter Influent Actuators Replacement                     | \$49,000           | \$0              | \$0                |
| Forklift Replacement                                      | \$0                | \$50,000         | \$0                |
| Hydrant & Valve Project                                   | \$0                | \$0              | \$270,000          |
| Motor Control Center Replacement at Water Treatment Plant | \$35,000           | \$0              | \$0                |
| Process Controls Relocation to SCADA                      | \$300,000          | \$0              | \$0                |
| Pump Start Equipment Replacements                         | \$27,000           | \$0              | \$0                |
| Pumping Station Generator Replacements                    | \$45,000           | \$45,000         | \$45,000           |
| Sewer Jetter/Flush Truck                                  | \$222,010          | \$0              | \$0                |
| Solids Storage Mixing Pump Rebuild                        | \$82,000           | \$0              | \$0                |
| Spare Motors for River Pump Station                       | \$10,700           | \$0              | \$0                |
| Tertiary Filter Flocculators                              | \$0                | \$0              | \$10,000           |
| Truck #192 Replacement                                    | \$62,010           | \$0              | \$0                |
| Truck #210 Replacement                                    | \$92,010           | \$0              | \$0                |
| Vacuum Excavator  | \$0                | \$0              | \$155,000          |
| Water Distribution System Master Plan Improvements        | \$0                | \$100,000        | \$200,000          |
| <b>AMOUNT</b>   | <b>\$1,244,310</b> | <b>\$359,967</b> | <b>\$1,130,933</b> |

## Unfunded Noteworthy Requests

No unfunded requests.



# Administration of Enterprise

## FY2027 Operating & Capital Budget

### Key Operations

This budget unit is used to account for costs in the General Fund that directly benefit the Water and Sewer fund.

### FY26 Major Accomplishments

- Implemented Compensation and Classification Study for employees.

### FY27 Major Budget Changes

- No major changes.

### FY28-29 Financial Forecast

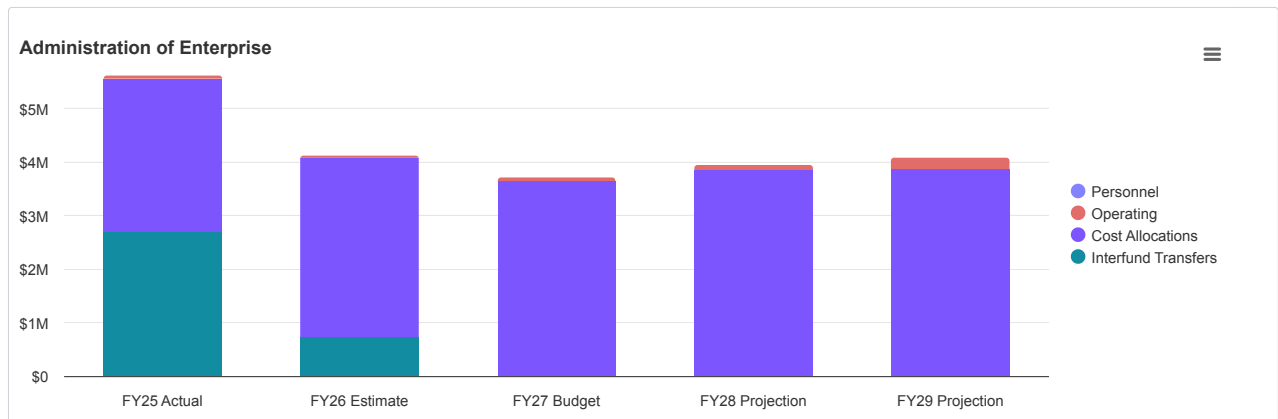
- No major changes.

### Expenditures by Category

Administration of Enterprise

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                    |                    |
| Personnel             | \$1,548            | \$0                | \$0                | \$0                | \$0                |
| Operating             | \$49,050           | \$54,225           | \$74,225           | \$94,225           | \$219,225          |
| Cost Allocations      | \$2,879,874        | \$3,365,462        | \$3,645,252        | \$3,843,784        | \$3,872,553        |
| Interfund Transfers   | \$2,688,896        | \$711,539          | \$0                | \$0                | \$0                |
| <b>EXPENSES TOTAL</b> | <b>\$5,619,367</b> | <b>\$4,131,226</b> | <b>\$3,719,477</b> | <b>\$3,938,009</b> | <b>\$4,091,778</b> |

### Department Expenditure Summary



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# Billing and Collections

## FY2027 Operating & Capital Budget

### Key Operations

Billing and Collections gathers water usage data, produces monthly water and sewer bills and collects utility bill payments as well as other revenues for town departments. The division is also responsible for service connections, leak checks and the repair/upgrade/maintenance of water meters. Billing and Collections serves as the main town facility providing one-on-one customer service to town residents and customers.

### FY26 Major Accomplishments

- Installed noise and privacy wall barrier. This improvement will provide improved privacy for customers sharing personal information with the customer service team and provide a quieter work environment for staff in the Annex building.

### FY27 Major Budget Changes

- No major changes.

### FY28-29 Financial Forecast

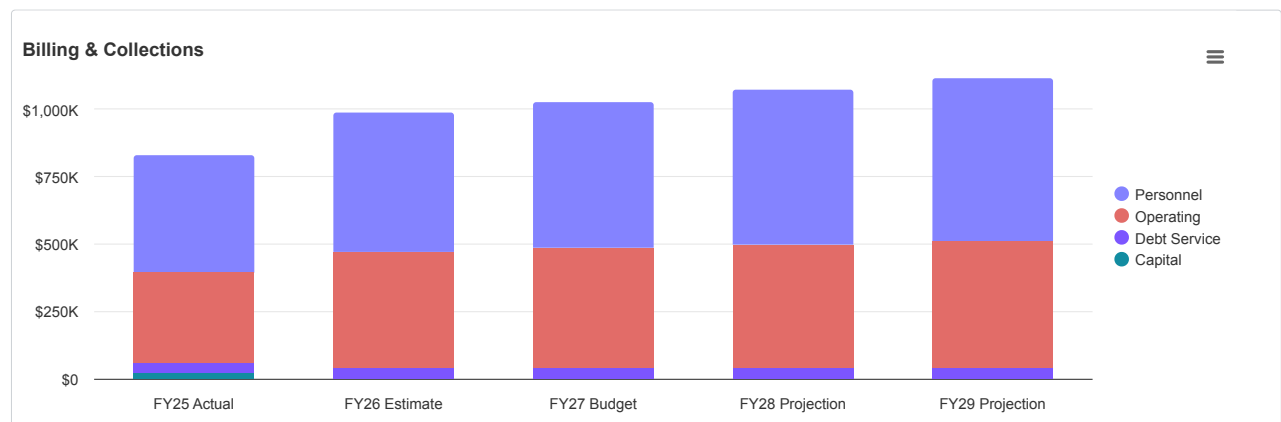
- No major changes.

### Expenditures by Category

Billing and Collections

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|------------------|------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                  |                  |                    |                    |                    |
| Personnel             | \$434,397        | \$518,740        | \$538,470          | \$573,131          | \$607,461          |
| Operating             | \$337,778        | \$430,480        | \$449,090          | \$459,090          | \$469,090          |
| Debt Service          | \$39,125         | \$39,126         | \$39,126           | \$39,126           | \$39,126           |
| Capital               | \$18,289         | \$0              | \$0                | \$0                | \$0                |
| <b>EXPENSES TOTAL</b> | <b>\$829,589</b> | <b>\$988,346</b> | <b>\$1,026,686</b> | <b>\$1,071,347</b> | <b>\$1,115,677</b> |

### Department Expenditure Summary



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# Full-Time Equivalent Position Count

Billing and Collections (FTEs)

| Job Title                               | FY2027   | FY2028   | FY2029   |
|---|----------|----------|----------|
| <b>Allocated FTE Count</b>              |          |          |          |
| METER SERVICES SUPERVISOR               | 1        | 1        | 1        |
| SENIOR CUSTOMER SERVICE REPRESENTATIVE  | 1        | 1        | 1        |
| METER SERVICES TECHNICIAN               | 1        | 1        | 1        |
| BILLING AND CUSTOMER SERVICE SPECIALIST | 1        | 1        | 1        |
| BILLING AND CUSTOMER SERVICE SUPERVISOR | 1        | 1        | 1        |
| <b>ALLOCATED FTE COUNT</b>              | <b>5</b> | <b>5</b> | <b>5</b> |



# Contingency - Water and Sewer Fund

FY2027 Operating & Capital Budget

## Key Operations

The Contingency budget unit is designed to assist the town in covering any unanticipated expenditures. It also allows the town to take advantage of opportunities that arise during the fiscal year that may not be available later. The Contingency allocation cannot exceed 5 percent of all other appropriations in the same fund.

## FY26 Major Accomplishments

- N/A

## FY27 Major Budget Changes

- N/A

## FY28-29 Financial Forecast

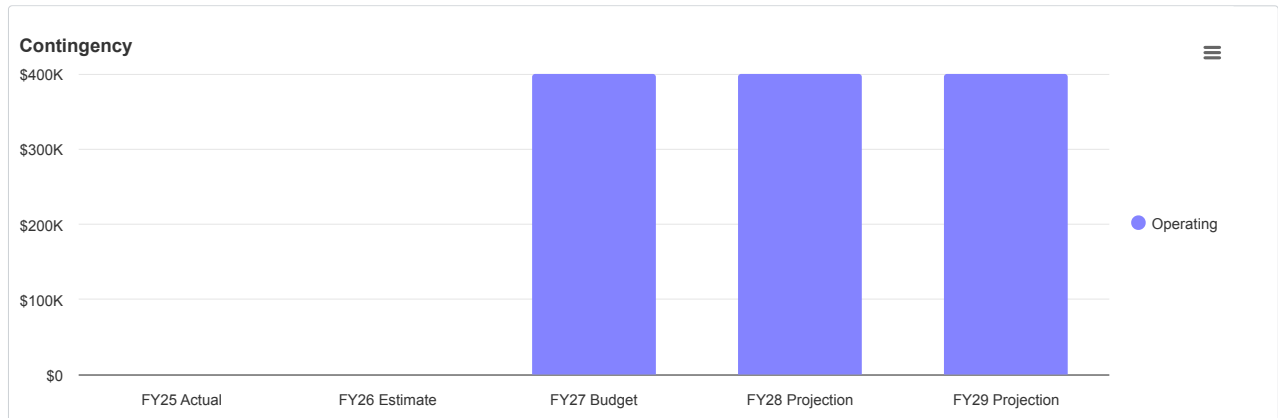
- N/A

## Expenditures by Category

Contingency

|                       | FY25 Actual | FY26 Estimate | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|-------------|---------------|------------------|------------------|------------------|
| <b>Expenses</b>       |             |               |                  |                  |                  |
| Operating             | -           | \$0           | \$400,000        | \$400,000        | \$400,000        |
| <b>EXPENSES TOTAL</b> | <b>-</b>    | <b>\$0</b>    | <b>\$400,000</b> | <b>\$400,000</b> | <b>\$400,000</b> |

## Department Expenditure Summary



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# Disaster - Water and Sewer Fund

FY2027 Operating & Capital Budget

## Key Operations

The Disaster Relief budget unit captures and records expenditures related to emergency events. Having expenses in one place is helpful when seeking reimbursement from FEMA for eligible expenses.

## FY26 Major Accomplishments

- Responded to Tropic Storm Chantal.

## FY27 Major Budget Changes

- N/A

## FY28-29 Financial Forecast

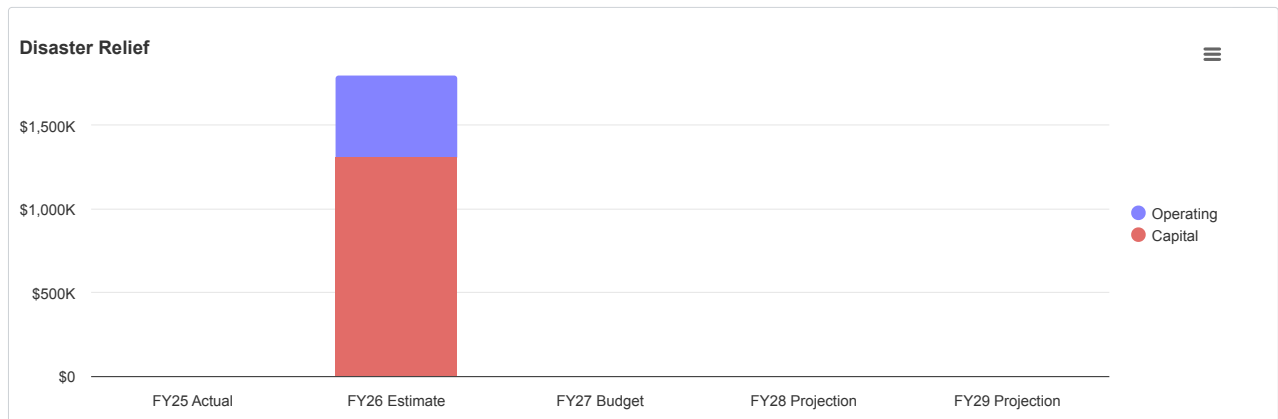
- N/A

## Expenditures by Category

Disaster Relief - Water and Sewer Fund

|                       | FY25 Actual    | FY26 Estimate      | FY27 Budget | FY28 Projection | FY29 Projection |
|-----------------------|----------------|--------------------|-------------|-----------------|-----------------|
| <b>Expenses</b>       |                |                    |             |                 |                 |
| Operating             | \$1,778        | \$488,353          | \$0         | \$0             | \$0             |
| Capital               | –              | \$1,308,603        | \$0         | \$0             | \$0             |
| <b>EXPENSES TOTAL</b> | <b>\$1,778</b> | <b>\$1,796,956</b> | <b>\$0</b>  | <b>\$0</b>      | <b>\$0</b>      |

## Department Expenditure Summary



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# Utilities Administration

## FY2027 Operating & Capital Budget

### Key Operations

Utilities Administration manages the utilities operations for the town. It monitors requirements of the North Carolina Department of Environmental Quality – Division of Water Resources – Water Quality Permitting & Public Water Supply Sections to ensure that the utility system is operating properly. The department also reviews and approves proposed expansions of the utility system in conjunction with the Engineering Services Division. The department plans and manages town-funded utilities construction projects related to water and sewer maintenance and operations, operates the West Fork Eno Reservoir, supports the other divisions of the department, helps address customer inquiries on water or sewer availability, participates in regional and professional water resources organizations and partnerships and provides engineering advice to town departments as needed. This division includes the Utilities Director which oversees the other three department divisions including personnel, policy decisions related to providing water and sewer and regulatory compliance annual reporting.

### FY26 Major Accomplishments

- Obtained state funding award for Lawndale Sewer Rehabilitation and Replacement project , bid and awarded contract and accomplished the work.
- Completed comprehensive scanning project of historic utility plans.
- Met all regulatory reporting requirements for annual lead service line customer notices, water quality (consumer confidence) report, annual water quality report, local water supply plan, and TIER II hazardous chemicals.
- Completed new funding applications for Hazard Mitigation Grant Program, State and Tribal Assistance Grant Program, congressional earmark projects, and worked with Community Services on FEMA storm reimbursements for damages from Tropical Storm Chantal.
- Completed Hasell Street Water Tank and US70A Water Main Replacement studies (funded by state grants).
- Completed Water System Master Planning project (funded by state grant).

### FY27 Major Budget Changes

- No major changes.

### FY28-29 Financial Forecast

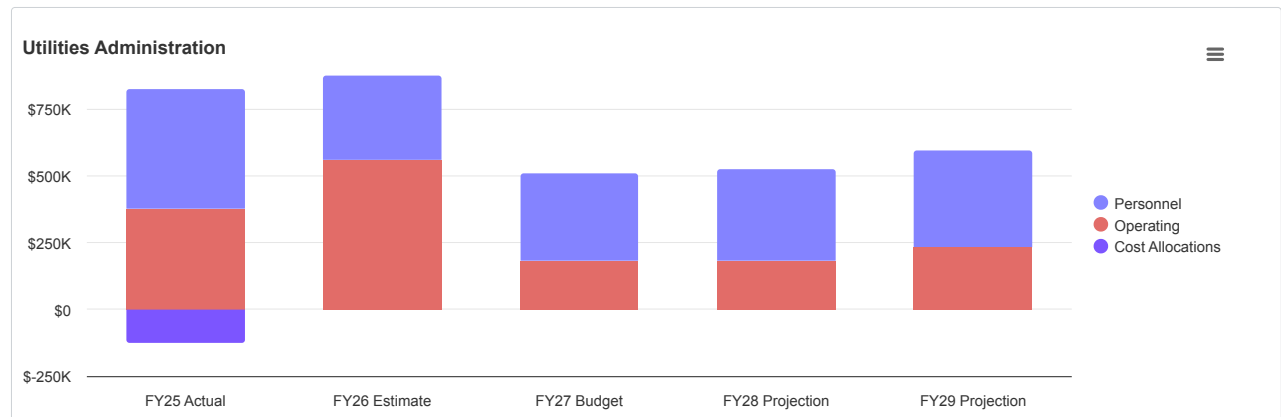
- No new major projects under Utilities Administration, but will be assisting in executing projects identified in other department divisions.

### Expenditures by Category

Utilities Administration

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>       |                  |                  |                  |                  |                  |
| Personnel             | \$445,625        | \$316,433        | \$325,135        | \$343,211        | \$361,652        |
| Operating             | \$378,790        | \$559,149        | \$183,430        | \$182,030        | \$232,030        |
| Cost Allocations      | (\$124,425)      | \$0              | \$0              | \$0              | \$0              |
| <b>EXPENSES TOTAL</b> | <b>\$699,990</b> | <b>\$875,582</b> | <b>\$508,565</b> | <b>\$525,241</b> | <b>\$593,682</b> |

### Department Expenditure Summary



# Full-Time Equivalent Position Count

---

Utilities Administration (FTEs)

| Job Title                         | FY2027   | FY2028   | FY2029   |
|-----------------------------------|----------|----------|----------|
| <b>Allocated FTE Count</b>        |          |          |          |
| ADMINISTRATIVE SUPPORT SPECIALIST | 1        | 1        | 1        |
| UTILITIES DIRECTOR                | 1        | 1        | 1        |
| <b>ALLOCATED FTE COUNT</b>        | <b>2</b> | <b>2</b> | <b>2</b> |



# Wastewater Collection

## FY2027 Operating & Capital Budget

### Key Operations

The Wastewater Collection Division operates and maintains the wastewater collection system, which includes pumps, pipes, valves and manholes, in accordance with the town's sewer collection system permit. The division is regulated by the North Carolina Department of Environmental Quality - Division of Water Resources.

### FY26 Major Accomplishments

- Tropical Storm Chantal impacted the collection system and pumping stations, including washing away one of the 8" sewer creek crossings in Churton Grove. This creek crossing was replaced and the area restored within a month.
- Installed a 6" bypass pump connection at Churton Grove pumping station and ordered the new replacement package pumping station for Churton Grove.
- Completed replacing all air release valves (ARV) in the collection system. These are critical valves to allow pressurized pipes to properly operate. These are now on a routine maintenance schedule to exercise.
- Replaced the generator at the Rencher Street pumping station.
- Replaced the guide rail top brackets and new vault hatch at Timbers and Dixie (plus support rails) pumping stations.
- Replaced top rail brackets at Woodsedge Back pumping station.
- Completed the piping, valving, fencing, vault hatch and backboard replacements at Cemetery pumping station.

### FY27 Major Budget Changes

- Replace Truck #210, a Ford F-350 with 151k miles.

### FY28-29 Financial Forecast

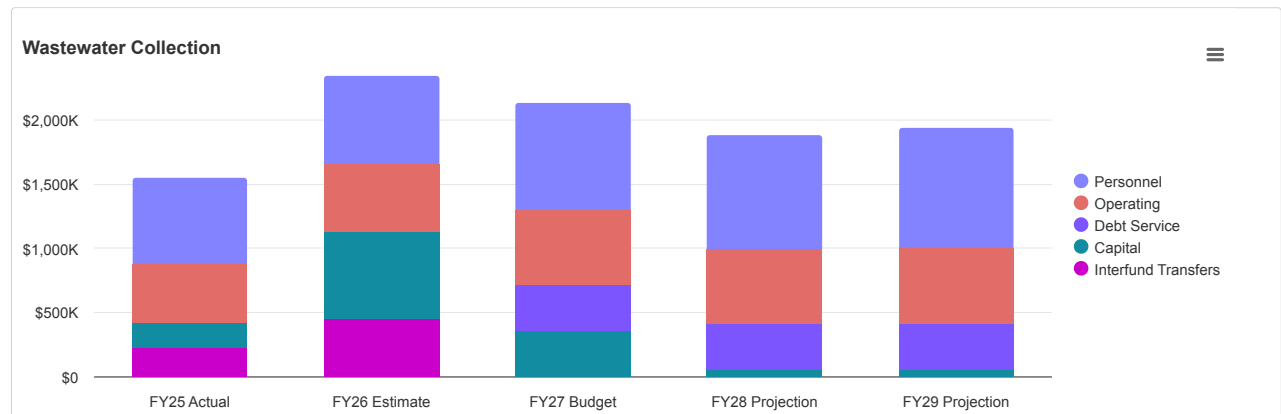
- Continue replacing generator sets and trailer mount generators with in the system.

### Expenditures by Category

Wastewater Collection

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                    |                    |
| Personnel             | \$672,043          | \$688,080          | \$835,419          | \$885,391          | \$939,732          |
| Operating             | \$457,821          | \$527,780          | \$581,060          | \$589,140          | \$591,340          |
| Debt Service          | –                  | \$0                | \$359,187          | \$359,182          | \$358,662          |
| Capital               | \$197,800          | \$682,860          | \$355,000          | \$45,000           | \$45,000           |
| Interfund Transfers   | \$218,240          | \$445,000          | \$0                | \$0                | \$0                |
| <b>EXPENSES TOTAL</b> | <b>\$1,545,904</b> | <b>\$2,343,720</b> | <b>\$2,130,666</b> | <b>\$1,878,713</b> | <b>\$1,934,734</b> |

### Department Expenditure Summary



# Full-Time Equivalent Position Count

Wastewater Collection (FTEs)

| Job Title                     | FY2027     | FY2028     | FY2029     |
|-------------------------------|------------|------------|------------|
| <b>Allocated FTE Count</b>    |            |            |            |
| UTILITY SYSTEMS MECHANIC      | 6          | 6          | 6          |
| UTILITY MECHANIC SUPERVISOR   | 0.5        | 0.5        | 0.5        |
| UTILITY SYSTEM SUPERINTENDENT | 0.5        | 0.5        | 0.5        |
| BACKFLOW/FOG SPECIALIST       | 0.5        | 0.5        | 0.5        |
| <b>ALLOCATED FTE COUNT</b>    | <b>7.5</b> | <b>7.5</b> | <b>7.5</b> |



# Pump Station Generator Replacements

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer Fund

## Department

Wastewater Collection

## Priority Rank

1

## Request Description

This request is to allow us the opportunity to begin replacing old standby generators (gensets) at our sewer pumping stations with new updated models and adding standby generators to stations that currently do not have them. Several of our generators are getting more difficult to get parts for leading to longer down times when in need of repair due to their age. This has a direct impact on our reliability in times of emergencies since our standby generators' sole purpose is to provide power during power outages to prevent Sanitary Sewer Overflows. With onsite generators, we are able to continue operations with minimal disruptions and keep our crew members out of harm's way in storms and other serious weather events. From an asset management viewpoint, the repairs that these generators need are becoming more frequent and costly which encroaches on the worth of the current genset compared to replacing with a new genset.

As of right now, all of our current standby gensets are running and in operation. We could utilize this to our advantage by selling our current gensets to assist in purchasing new, more reliable gensets for our pumping stations for continued quality service to our customers.

## Link to Strategic Plan or Departmental Priorities

Service Excellence, Objective 1: Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.

## Alternatives & Operational Impact if Not Funded

Operational impacts if not funded would be continued age and increased cost of already aged equipment. Parts are getting more difficult to obtain due to age and tends to lead to longer down times for our emergency equipment. Eventually, we would be forced in to purchasing equipment in an emergency situation rather than planning and budgeting for these generator replacements (i.e., recently had to do this for Lawndale Pumping Station).

## Additional Information

The first replacement gensets are for Cemetery, Dixie and Cedar Ridge HS pumping stations.

## Budget Justification Expenditures

Pump Station Generator Replacements

| Division Description  | FY2027          | FY2028          | FY2029          |
|-----------------------|-----------------|-----------------|-----------------|
| <b>Amount</b>         |                 |                 |                 |
| Wastewater Collection | \$45,000        | \$45,000        | \$45,000        |
| <b>AMOUNT</b>         | <b>\$45,000</b> | <b>\$45,000</b> | <b>\$45,000</b> |



# Truck #210 Replacement

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer Fund

## Department

Wastewater Collection

## Priority Rank

2

## Make & Model

2011 Ford F-350

## Mileage

151,539

## Replacement Score

12

## Describe Request

Replace Truck #210 with a new Ford F-350.

## Link to Strategic Plan or Departmental Priorities

Taking care of what we've got.

## Alternatives & Operational Impact if Not Funded

Continue to drive existing trucks, potentially experiencing increased downtime and more costly repairs.

## Additional Information

N/A

## Budget Justification Expenditures

Truck #210 Replacement

| Division Description  | FY2027          | FY2028     | FY2029     |
|-----------------------|-----------------|------------|------------|
| <b>Amount</b>         |                 |            |            |
| Wastewater Collection | \$92,010        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$92,010</b> | <b>\$0</b> | <b>\$0</b> |



# Wastewater Treatment Plant

## FY2027 Operating & Capital Budget

### Key Operations

The Wastewater Treatment Plant (WWTP) treats wastewater from the Hillsborough wastewater service area and then discharges treated effluent to the Eno River, as regulated by the NC Department of Environmental Quality-Division of Water Resources and in accordance with the town's NPDES Discharge Permit. Water quality analyses are performed by an outside laboratory and the plant's in-house state-certified laboratory.

### FY26 Major Accomplishments

- Tropical Storm Chantal caused a significant amount of damage to the largest sewage pumping station in the town's system - River Pumping Station. The pumping station took six months to restore and is now fully functional. Protections from future flooding are now in place.
- Rehabilitated the chemical containment area (\$29K).
- Resealed the asphalt roads at the wastewater treatment plant to protect from future damage (\$10K).
- Removed sludge from aeration basins. Heavy sludge and other debris can settle in the aeration basins, greatly reducing treatment volume (\$90K).
- Worked with the Upper Neuse River Basin Association, as a key stakeholder, on draft revised Falls Lake Rules. The rules, that if effective as previously adopted, would have required significant capital upgrades to the plant, with little benefit to Falls Lake water quality.
- Progressed on the wastewater system master planning study.

### FY27 Major Budget Changes

- Rebuild the spare solids storage mixing pump.

### FY28-29 Financial Forecast

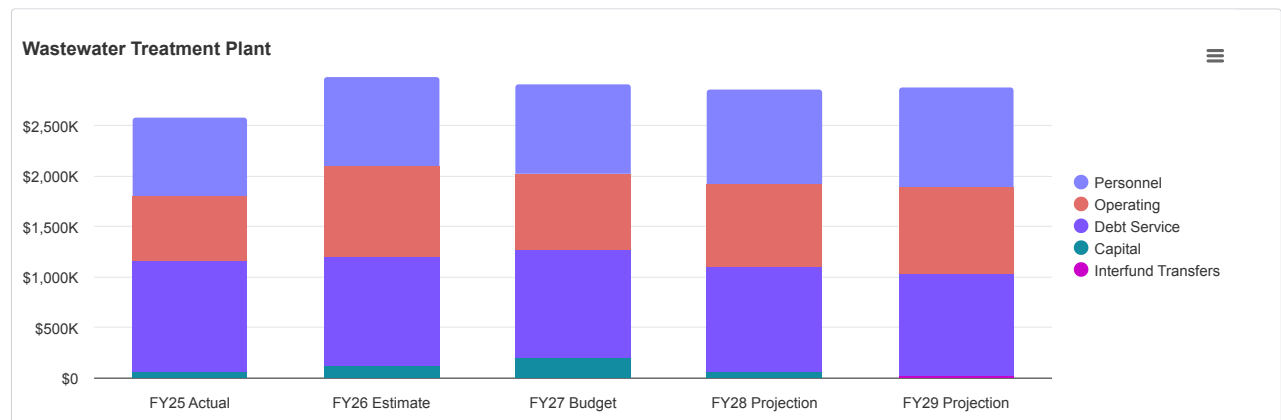
- No major changes.

### Expenditures by Category

Wastewater Treatment Plant

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                    |                    |
| Personnel             | \$786,011          | \$892,150          | \$887,091          | \$938,757          | \$994,863          |
| Operating             | \$636,753          | \$887,383          | \$758,649          | \$828,379          | \$851,369          |
| Debt Service          | \$1,109,118        | \$1,087,258        | \$1,065,397        | \$1,043,535        | \$1,021,673        |
| Capital               | \$49,430           | \$114,352          | \$197,240          | \$50,000           | \$0                |
| Interfund Transfers   | –                  | \$0                | \$0                | \$0                | \$10,000           |
| <b>EXPENSES TOTAL</b> | <b>\$2,581,313</b> | <b>\$2,981,143</b> | <b>\$2,908,377</b> | <b>\$2,860,671</b> | <b>\$2,877,905</b> |

### Department Expenditure Summary



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# Full-Time Equivalent Position Count

Wastewater Treatment Plant (FTEs)

| Job Title                                       | FY2027      | FY2028      | FY2029      |
|---|-------------|-------------|-------------|
| <b>Allocated FTE Count</b>                      |             |             |             |
| PLANT MAINTENANCE MECHANIC                      | 2           | 2           | 2           |
| WASTEWATER PLANT OPERATOR                       | 2           | 2           | 2           |
| WASTEWATER PLANT OPERATOR/LABORATORY TECHNICIAN | 1           | 1           | 1           |
| WASTEWATER LABORATORY SUPERVISOR/CHIEF OPERATOR | 1           | 1           | 1           |
| DEPUTY UTILITIES DIRECTOR                       | 0.95        | 0.95        | 0.95        |
| <b>ALLOCATED FTE COUNT</b>                      | <b>6.95</b> | <b>6.95</b> | <b>6.95</b> |



# Additional Step Screen

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer Fund

## Department

Wastewater Treatment Plant

## Priority Rank

2

## Request Description

While preparing for the step screen recondition planned in FY27, staff found out that Charles Underwood will no longer do that work onsite, and we would need to send the step screen to their shop to have the work done. Additionally, they indicated that the work will likely take approximately 3 months because the parts needed will have to come from Sweeden. Since we only have one step screen, and we would not be able to do without influent screening for more than a couple of days, we will need to purchase a new one. The idea is to purchase the new step screen in FY27 and then have the old one reconditioned in FY28. This will be very beneficial for us because we will then have a spare step screen to use in the event the one in service fails.

We will need \$64,540 to purchase a new step screen in FY27. We will also need \$17,000 in the FY28 budget to recondition the existing step screen.

## Link to Strategic Plan or Departmental Priorities

Service Excellence

- Objective 1: Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.
- Objective 2: Provide quality municipal services through operational excellence and a culture of innovation.

## Alternatives & Operational Impact if Not Funded

Without a functioning influent step screen, a large quantity of trash and debris could end up in the wastewater treatment basins. The accumulation of trash and debris in the treatment basins will negatively affect the wastewater plants treatment capabilities and reduce the quality of the treated water going to the Eno River. Having a spare step screen will ensure that the debris dose not enter the treatment basins.

## Additional Information

Staff recommends purchasing a new step screen in FY27 and reconditioning the existing step screen in FY28.

## Budget Justification Expenditures

Additional Step Screen

| Division Description       | FY2027          | FY2028     | FY2029     |
|----------------------------|-----------------|------------|------------|
| <b>Amount</b>              |                 |            |            |
| Wastewater Treatment Plant | \$64,540        | \$0        | \$0        |
| <b>AMOUNT</b>              | <b>\$64,540</b> | <b>\$0</b> | <b>\$0</b> |



# Forklift Replacement

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer Fund

## Department

Wastewater Treatment Plant

## Priority Rank

4

## Make & Model

1987 Lull Highlander

## Mileage

Unknown (hour meter broken)

## Replacement Score

9

## Describe Request

Replace almost 40 year old forklift. Current forklift if used for installation and removal of large pumps, motors, aerators, grinders and unloading chemicals such as polymer totes that can weight more than one ton.

## Link to Strategic Plan or Departmental Priorities

Taking care of what we have.

## Alternatives & Operational Impact if Not Funded

Continue to repair existing forklift.

## Additional Information

Staff will explore used equipment options.

## Budget Justification Expenditures

Forklift Replacement

| Division Description       | FY2027     | FY2028          | FY2029     |
|----------------------------|------------|-----------------|------------|
| <b>Amount</b>              |            |                 |            |
| Wastewater Treatment Plant | \$0        | \$50,000        | \$0        |
| <b>AMOUNT</b>              | <b>\$0</b> | <b>\$50,000</b> | <b>\$0</b> |



# Solids Storage Mixing Pump Rebuild

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer Fund

## Department

Wastewater Treatment Plant

## Priority Rank

3

## Request Description

The solids storage mixing pump runs 24/7/365. This pump is critical to plant operations and does not have a backup. The 10- year service/rebuild came due in FY25. While planning to perform the maintenance, staff discovered that access to the internal parts of the pump must be done by the manufacturer in their repair shop. The service/rebuild completed by the manufacturer was expected to take three to six months. Due to the extended time needed for the service/rebuild, a new pump was purchased in FY26.

Currently, there is no backup for this critical pump. Staff would like to have the old pump rebuilt in FY27. Doing this will provide a back-up pump for the event of an unexpected pump failure, eliminating the extreme equipment downtime and maintaining normal plant operations.

## Link to Strategic Plan or Departmental Priorities

Objective 1 Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.

## Alternatives & Operational Impact if Not Funded

If we need to send the new pump back to the manufacture to be repaired, the excessive time needed for the repairs will result in greatly reduced sludge quality, and a significant amount of overtime pay needed to keep the plant operating within permit limits. Additionally, staff moral will be impacted due to the increased workload. Having a spare pump will eliminate these issues.

## Additional Information

Staff recommends rebuilding the old pump in FY27. A budgetary quote was provided for replacement of all wear items. The pump rebuild will cost approximately \$82,000.

## Budget Justification Expenditures

Solids Storage Mixing Pump Rebuild

| Division Description       | FY2027          | FY2028     | FY2029     |
|----------------------------|-----------------|------------|------------|
| <b>Amount</b>              |                 |            |            |
| Wastewater Treatment Plant | \$82,000        | \$0        | \$0        |
| <b>AMOUNT</b>              | <b>\$82,000</b> | <b>\$0</b> | <b>\$0</b> |



# Spare Motor for River Pump Station

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer Fund

## Department

Wastewater Treatment Plant

## Priority Rank

1

## Request Description

After the tropical storm Chantal, the river wastewater pump station was submerged under the flood water. All the electronics inside the pump station were damaged beyond repair. To help prevent this from happening again, the new equipment controls and instrumentation electronics were installed above the flood water elevation. The only critical electrical equipment installed inside the pump station are the electric motors that power the three pumps.

To greatly reduce the downtime caused by a future catastrophic storm event, staff would like to purchase a spare electric motor to keep on hand. The spare motor is expected to cost \$10,700. Staff would like to purchase one spare motor in FY27 and then evaluate whether additional spare motors will be needed in the future.

## Link to Strategic Plan or Departmental Priorities

Service Excellence

- Objective 1: Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.
- Objective 2: Provide quality municipal services through operational excellence and a culture of innovation.

## Alternatives and Operational Impact if Not Funded

In the event of another catastrophic storm like Chantal, the three motors inside the pump station will be submerged in the flood water. Before being able to put the motors back on-line, they would need to be sent to a motor shop to be baked until no moisture remains inside the pump motors. This would likely take a month or two before the motors would be reinstalled and the pump station up and running again. If we have spare motors on hand, the flooded motors can be pulled and spare motors installed, resulting in a downtime of about two to three days.

## Additional Information

Staff recommends funding the purchase of one new river pump station spare motor in FY27.

## Budget Justification Expenditures

Spare Motor for River Pump Station

| Division Description       | FY2027          | FY2028     | FY2029     |
|----------------------------|-----------------|------------|------------|
| <b>Amount</b>              |                 |            |            |
| Wastewater Treatment Plant | \$10,700        | \$0        | \$0        |
| <b>AMOUNT</b>              | <b>\$10,700</b> | <b>\$0</b> | <b>\$0</b> |

### Key Operations

The Water Distribution Division maintains the water distribution system, booster pump stations and water storage tanks to ensure water quality for the Town of Hillsborough and its customers as well as meet or exceed all state and federal regulations and requirements.

### FY26 Major Accomplishments

- Tropical Storm Chantal had an impact on the distribution system by washing out a water line that crosses the Eno River over to Dimmocks Mill Road.
- Installed manual transfer switches for trailer mounted generators at Blair Drive booster pumping station and New Grady Brown booster pumping stations.
- Installed new motor and pumps at Mayo booster pumping station. The one that was replaced was rebuilt and put back into service and had the third set rebuilt for a spare.
- Continue to remove old galvanized water lines when found in the system.
- Replaced the South Tank control panel and backboard.
- Replaced the aluminum hatch for the altitude valve vault at the Highway 70A water tank.

### FY27 Major Budget Changes

- No major budget changes.

### FY28-29 Financial Forecast

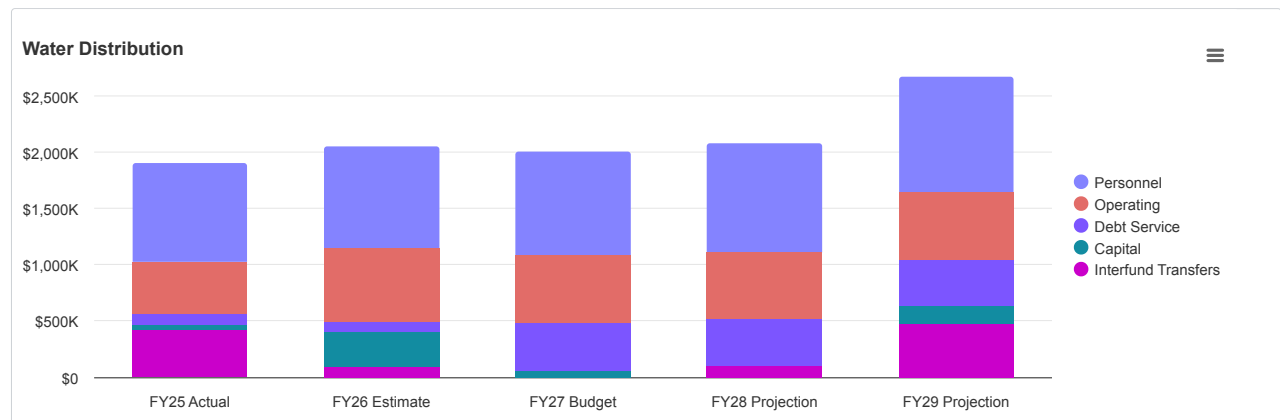
- No major changes.

### Expenditures by Category

Water Distribution

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                    |                    |
| Personnel             | \$875,728          | \$906,470          | \$925,455          | \$967,021          | \$1,026,632        |
| Operating             | \$464,042          | \$655,004          | \$600,080          | \$592,770          | \$601,670          |
| Debt Service          | \$94,122           | \$94,122           | \$417,977          | \$418,013          | \$417,727          |
| Capital               | \$48,420           | \$297,951          | \$60,000           | \$0                | \$155,000          |
| Interfund Transfers   | \$417,991          | \$95,000           | \$0                | \$100,000          | \$470,000          |
| <b>EXPENSES TOTAL</b> | <b>\$1,900,303</b> | <b>\$2,048,547</b> | <b>\$2,003,512</b> | <b>\$2,077,804</b> | <b>\$2,671,029</b> |

### Department Expenditure Summary



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# Full-Time Equivalent Position Count

Water Distribution (FTEs)

| Job Title                              | FY2027     | FY2028     | FY2029     |
|--|------------|------------|------------|
| <b>Allocated FTE Count</b>             |            |            |            |
| UTILITY MAINTENANCE TECHNICIAN         | 4          | 4          | 4          |
| UTILITY MAINTENANCE SUPERVISOR         | 1          | 1          | 1          |
| UTILITY MAINTENANCE TECHNICIAN TRAINEE | 1          | 1          | 1          |
| UTILITY SYSTEMS MECHANIC               | 1          | 1          | 1          |
| UTILITY SYSTEM SUPERINTENDENT          | 0.5        | 0.5        | 0.5        |
| BACKFLOW/FOG SPECIALIST                | 0.5        | 0.5        | 0.5        |
| UTILITY MECHANIC SUPERVISOR            | 0.5        | 0.5        | 0.5        |
| <b>ALLOCATED FTE COUNT</b>             | <b>8.5</b> | <b>8.5</b> | <b>8.5</b> |



# Truck #192 Replacement

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer Fund

## Department

Water Distribution

## Priority Rank

1

## Make & Model

2008 Toyota Tacoma

## Mileage

168,057

## Replacement Score

12

## Describe Request

Replace 2008 Toyota Tacoma with an F-150 pick-up truck with a service body.

## Link to Strategic Plan or Departmental Priorities

Taking care of what we've got.

## Alternatives & Operational Impact if Not Funded

Continue to drive current vehicle, potentially experiencing increased downtime and most costly repairs.

## Additional Information

N/A

## Budget Justification Expenditures

Truck #192 Replacement

| Division Description | FY2027          | FY2028     | FY2029     |
|----------------------|-----------------|------------|------------|
| <b>Amount</b>        |                 |            |            |
| Water Distribution   | \$62,010        | \$0        | \$0        |
| <b>AMOUNT</b>        | <b>\$62,010</b> | <b>\$0</b> | <b>\$0</b> |

### Key Operations

The Water Treatment Plant treats water from the Eno River to meet state drinking water standards, as required by the North Carolina Department of Environmental Quality - Division of Water Resources. The treatment plant also tests the drinking water at its in-house, state-certified laboratory to provide safe, quality drinking water to Hillsborough residents and customers.

### FY26 Major Accomplishments

- Tropical Storm Chantal caused a significant amount of damage to the water plant, but the plant was able to begin treating water in just a few days.
- Installed a new modern control panel to replace the old 1970s panel. All the equipment connected to the old panel is expected to be connected to the new panel in FY27.
- Installed a new ammonia feed system to replace the old antiquated system.
- Moved the raw water intake controls to the town's Mission Communications system. This was due to the telephone cables between the plant and the intake being damaged and not repairable.
- All but one of the WTP operators now has an A surface (highest level) certification.
- Completed sodium hypochlorite disinfection study. The town currently uses chlorine gas, a more dangerous method of disinfection.

### FY27 Major Budget Changes

- Replace problematic Chlorine meters.
- Replace antiquated pump start equipment.
- Add all process equipment controls to new control cabinet and SCADA.
- Evaluate existing main electrical equipment.
- Install new filter influent actuators.
- Construct new Sodium Hypochlorite disinfection processes.

### FY28-29 Financial Forecast

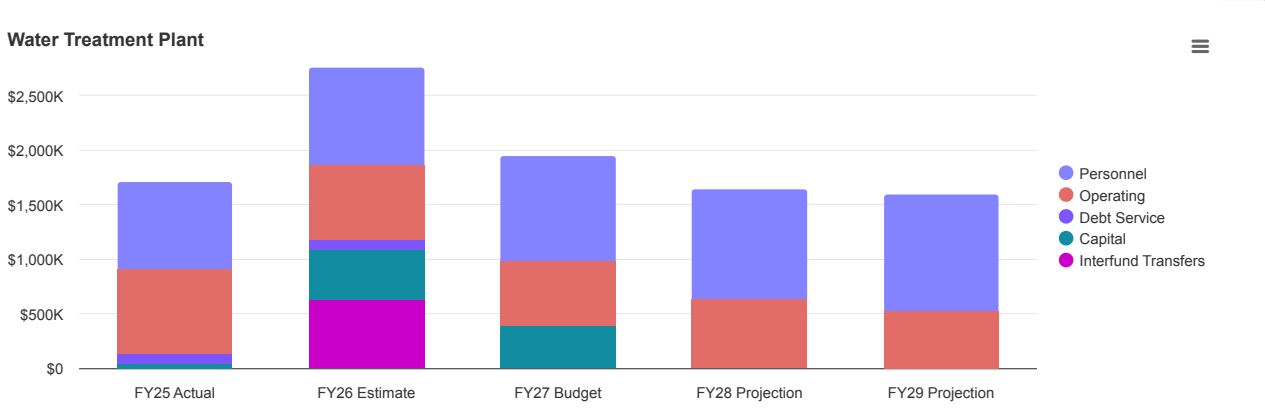
- No major changes.

### Expenditures by Category

Water Treatment Plant

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                    |                    |
| Personnel             | \$799,190          | \$897,085          | \$961,051          | \$1,012,144        | \$1,067,627        |
| Operating             | \$786,948          | \$691,531          | \$601,211          | \$629,661          | \$521,641          |
| Debt Service          | \$80,277           | \$78,251           | \$0                | \$0                | \$0                |
| Capital               | \$40,000           | \$475,138          | \$384,000          | \$0                | \$0                |
| Interfund Transfers   | –                  | \$615,600          | \$0                | \$0                | \$0                |
| <b>EXPENSES TOTAL</b> | <b>\$1,706,415</b> | <b>\$2,757,605</b> | <b>\$1,946,262</b> | <b>\$1,641,805</b> | <b>\$1,589,268</b> |

# Department Expenditure Summary



Data Updated: May 08, 2026, 1:43 PM

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## Full-Time Equivalent Position Count

Water Treatment Plant (FTEs)

| Job Title                      | FY2027      | FY2028      | FY2029      |
|--------------------------------|-------------|-------------|-------------|
| <b>Allocated FTE Count</b>     |             |             |             |
| WATER PLANT OPERATOR           | 4           | 4           | 4           |
| PLANT MAINTENANCE MECHANIC     | 1           | 1           | 1           |
| OPERATOR IN RESPONSIBLE CHARGE | 1           | 1           | 1           |
| WATER PLANT SUPERINTENDENT     | 1           | 1           | 1           |
| DEPUTY UTILITIES DIRECTOR      | 0.05        | 0.05        | 0.05        |
| <b>ALLOCATED FTE COUNT</b>     | <b>7.05</b> | <b>7.05</b> | <b>7.05</b> |



# Chlorine Meter Replacements

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer

## Department

Water Treatment Plant

## Priority Rank

5

## Request Description

The water plant uses multiple Chlorine meters. They run 24/7 and are used to make sure the water is disinfected properly before leaving the water plant.

Three of those meters are amperometric Chlorine analyzers that are reagentless, which means they do not use reagents to react with the Chlorine and change the color of the sample. These reagentless meters have proven to be less reliable, accurate and much more maintenance intensive. The reagent-based meters now in operation substantially outperform the reagentless meters.

Staff would like to replace the three reagentless Chlorine meters with reagent-based meters.

## Link to Strategic Plan or Departmental Priorities

- Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.
- Provide quality municipal services through operational excellence and a culture of innovation.

## Alternatives & Operational Impact if Not Funded

If we do not replace the reagentless Chlorine meters, staff will continue having issues with the accuracy and reliability of the old meters, which could result in feeding too much or too little Chlorine into our drinking water.

## Additional Information

N/A

## Budget Justification Expenditures

Chlorine Meter Replacements

| Division Description  | FY2027          | FY2028     | FY2029     |
|-----------------------|-----------------|------------|------------|
| <b>Amount</b>         |                 |            |            |
| Water Treatment Plant | \$14,500        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$14,500</b> | <b>\$0</b> | <b>\$0</b> |



# Electrical System Evaluation

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer

## Department

Water Treatment Plant

## Priority Rank

3

## Request Description

This project is to help us prepare a scope and schedule for a future electrical upgrade project. Much of the electrical equipment at the water treatment plant has been in service since the early 1970s. Staff would like to have an engineer evaluate the electrical system to identify what equipment needs to be replaced and do a high-level look at possible options of the type of future equipment needed and the best locations to put the new equipment.

## Link to Strategic Plan or Departmental Priorities

Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.

Provide quality municipal services through operational excellence and a culture of innovation.

## Alternatives & Operational Impact if Not Funded

Much of the electrical system in the water plant is prone to failure, expensive to repair, and dangerous to work on. A reliable electrical system is key in sustaining continuous and uninterrupted service to our water customers. Postponing the evaluation will only delay the needed system update.

## Additional Information

N/A

## Budget Justification Expenditures

Electrical System Evaluation

| Division Description  | FY2027          | FY2028     | FY2029     |
|-----------------------|-----------------|------------|------------|
| <b>Amount</b>         |                 |            |            |
| Water Treatment Plant | \$45,000        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$45,000</b> | <b>\$0</b> | <b>\$0</b> |



# Filter Influent Actuators Replacement

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer

## Department

Water Treatment Plant

## Priority Rank

4

## Request Description

A filter influent actuator allows or disallows water from the sedimentation basins to enter the filter. A metal shaft attaches a mechanically operated valve to the automated valve actuator. The three influent actuators are due to be rebuilt. However, the actuators are so old that they are now obsolete and cannot be rebuilt. New modern actuators are needed.

The metal shafts are very worn and rusted.

They all need to be replaced. Staff would like to have all three actuators replaced and new metal shafts installed in FY27.

## Link to Strategic Plan or Departmental Priorities

Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.

## Alternatives & Operational Impact if Not Funded

Routine maintenance is necessary to ensure proper operation of automatically controlled equipment. We can no longer do the necessary maintenance on the actuators because of their age. Replacement is our only option.

Additionally, we have had shafts with similar damage break without warning. That caused additional costs due to it needing emergency repair. Replacing the shafts before they break would be more cost effective.

## Additional Information

N/A

## Budget Justification Expenditures

Filter Influent Actuators Replacement

| Division Description  | FY2027          | FY2028     | FY2029     |
|-----------------------|-----------------|------------|------------|
| <b>Amount</b>         |                 |            |            |
| Water Treatment Plant | \$49,000        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$49,000</b> | <b>\$0</b> | <b>\$0</b> |



# Motor Control Center Replacement

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer

## Department

Water Treatment Plant

## Priority Rank

1

## Request Description

The existing main motor control center (MCC) located in the basement of the Water Treatment Plant was originally installed in the 1970s. The metal structure is failing from rust, and the now obsolete equipment is very difficult to replace and extremely dangerous to work on. Staff would like to replace the MCC with new modern technology. A new MCC will provide the water plant with more reliability, efficiency and a safer working environment.

## Link to Strategic Plan or Departmental Priorities

- Service Excellence
- Objective 1: Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.

## Alternatives & Operational Impact if Not Funded

Last year, one of the large breakers failed. We were very lucky to have been able to locate one that was rebuilt. If another breaker fails, we may not be so lucky. Additionally, working on that replacement was very scary. The existing panel does not meet modern OSHA regulations for safety. If we do not replace the MCC, the town will not realize the benefits of improved efficiency and staff safety.

## Additional Information

Staff recommends funding \$35,000 for the installation of a new Motor Control Center in FY27.



## Budget Justification Expenditures

Motor Control Center Replacement

| Division Description  | FY2027          | FY2028     | FY2029     |
|-----------------------|-----------------|------------|------------|
| <b>Amount</b>         |                 |            |            |
| Water Treatment Plant | \$35,000        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$35,000</b> | <b>\$0</b> | <b>\$0</b> |



# Pump Start Equipment Replacements

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer

## Department

Water Treatment Plant

## Priority Rank

2

## Request Description

In FY26, one of the backwash blower's starter failed. The starter was 1970s style and was so antiquated that finding parts to fix it was nearly impossible. The electrician indicated that it would likely cost the same or less to simply install a new soft start with modern technology and the repair would take significantly less time. The new soft start was installed for slightly over \$8,000.

As of now, there are still three antiquated starters in use. Staff would like to replace the antiquated electrical equipment with modern soft start technology.

## Link to Strategic Plan or Departmental Priorities

Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.

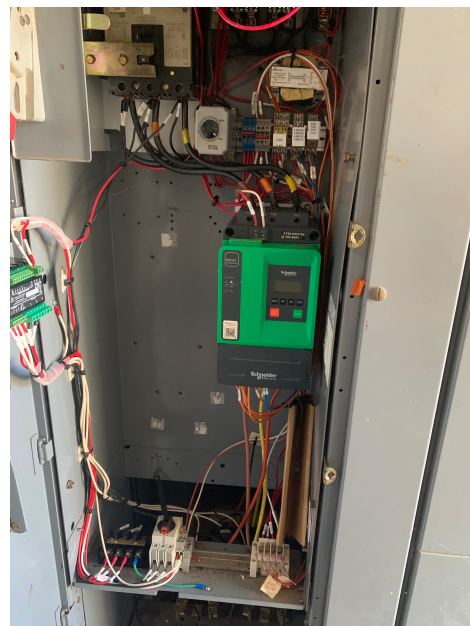
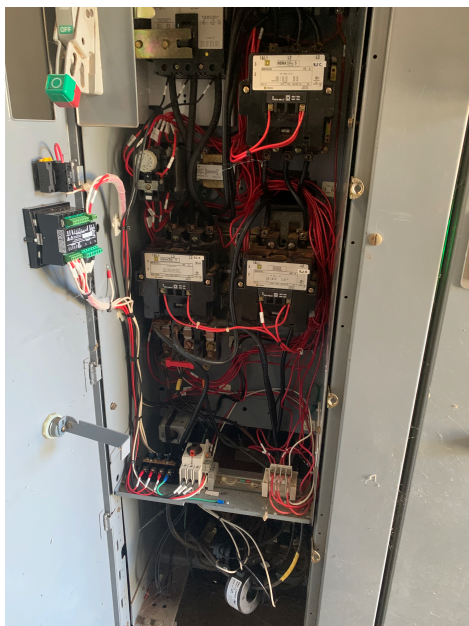
## Alternatives & Operational Impact if Not Funded

Modern soft start technology is much better at protecting the equipment motors and preventing extreme high pressure in the water line. Additionally, the new soft start technology is more reliable and much safer to work on or around. None of these benefits would be realized by continuing to use the old technology.

When the starter failed in FY26, the blower was not available for approximately two weeks. If the other blower had failed during that time, the water plant would not have been able to produce potable water. Having reliable equipment and access to replacement parts that are readily available is critical to making sure service to our customers remains uninterrupted.

## Additional Information

N/A



# Budget Justification Expenditures

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Pump Start Equipment Replacements

| Division Description  | FY2027          | FY2028     | FY2029     |
|-----------------------|-----------------|------------|------------|
| <b>Amount</b>         |                 |            |            |
| Water Treatment Plant | \$27,000        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$27,000</b> | <b>\$0</b> | <b>\$0</b> |



# West Fork Eno Reservoir

FY2027 Operating & Capital Budget

## Key Operations

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The West Fork Eno Reservoir (WFER) provides a supply of water for treatment and distribution by the town. The WFER supplements stream flow in the Eno River and boosts water availability during dry periods, typically June through November. The WFER is located in Cedar Grove, NC about 20 minutes from the town and is classified as a high hazard dam by the state. The town is also required to maintain the surrounding water quality ponds which requires brush removal and wildlife control. The town has been a longstanding member of the Triangle Area Water Supply Monitoring Plan, which includes USGS who samples the reservoir and the Eno River for certain water quality parameters to determine the health of the water. It has also been an active participant for decades in the Triangle Water Partnership (formerly the Jordan Lake Partnership), a collective of regional utilities, engineering consultants and water quality experts focused on ensuring adequate future water supply and resiliency through utility system interconnections in our area. Operations and maintenance include managing and recording rainfall and the water releases when the water level is below the dam height, frequent mowing and dam inspections, aquatic weed control, and observation/exercising/calibration of features critical to dam operation like gates, slope drains, piezometers and level/flow gauges. The properties owned by the town surrounding the WFER are under a restrictive deed which prohibits any public access or development. Unfortunately, staff often find evidence of trespass, or damaged access gates which requires additional monitoring and security needs due to risk management and regulatory compliance.

## FY26 Major Accomplishments

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- Completed annual inspection, mowing and additional evaluations per recommendations in the annual inspection report.

## FY27 Major Budget Changes

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- Addition of several million dollars for newly discovered Tropical Storm Chantal related damage to the West Fork Eno Reservoir dam spillway has been added. Town hopes that damages related to the storm will be reimbursed by FEMA.
- Installation of cameras at access points and at the dam tower and spillway for remote monitoring.

## FY28-29 Financial Forecast

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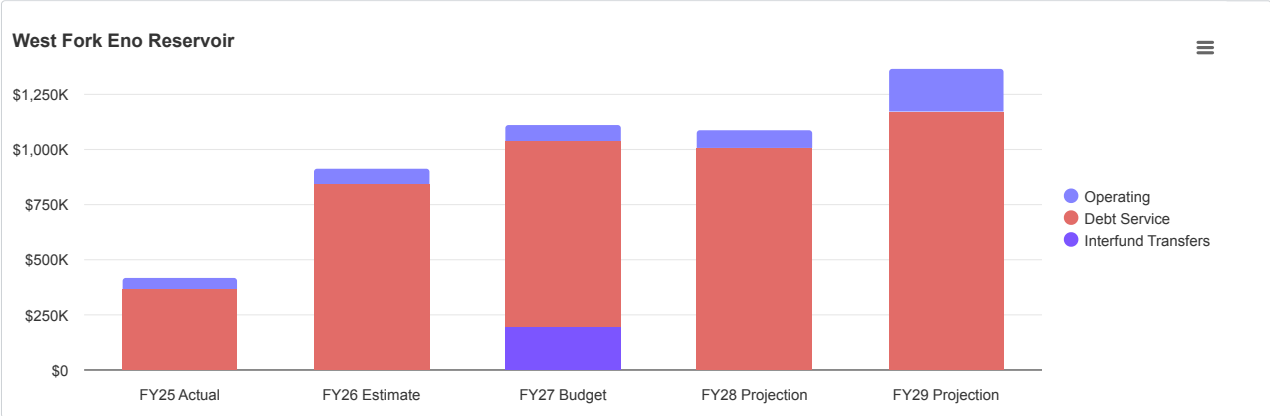
- More routine mowing and wildlife control by third party vendors.
- Repairs to the dam spillway due to Tropical Storm Chantal will require extended capital costs, which hopefully will be reimbursed by FEMA.
- Installation of cameras and associated power, solar and communications software.

# Expenditures by Category

West Fork Eno Reservoir

|                       | FY25 Actual      | FY26 Estimate    | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|------------------|------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                  |                  |                    |                    |                    |
| Operating             | \$52,410         | \$71,499         | \$71,950           | \$79,950           | \$192,950          |
| Debt Service          | \$362,672        | \$840,025        | \$839,809          | \$1,005,372        | \$1,170,633        |
| Interfund Transfers   | -                | \$0              | \$195,540          | \$0                | \$0                |
| <b>EXPENSES TOTAL</b> | <b>\$415,082</b> | <b>\$911,524</b> | <b>\$1,107,299</b> | <b>\$1,085,322</b> | <b>\$1,363,583</b> |

# Department Expenditure Summary



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# Cameras at West Fork Eno Reservoir

Budget Justification Form (FY27-FY29)

## Fund

Water and Sewer

## Department

West Fork Eno Reservoir

## Priority Rank

1

## Request Description

Installation of security/surveillance cameras at the West Fork Eno Reservoir (WFER).

## Link to Strategic Plan or Departmental Priorities

- Service Excellence and Community Safety - Because the WFER and surrounding town-owned properties are under restrictive deed and it is a water supply for the town, protection from trespass and vandalism is necessary, and required by regulation. We also do not want anyone getting hurt on our property. Citizens are also curious about the WFER and how our water supply is doing, especially in drought and after storms. As such, having a remote monitoring system can help the town respond faster to trespass, can monitor the spillway during storm events and perhaps even link data and cameras to the town website for citizen interests.

## Alternatives & Operational Impact if Not Funded

- Town staff will continue to make frequent trips to the reservoir to note and correct trespass and vandalism.
- During storm events visual observation will be inaccessible until town staff can safely physically observe the dam's performance.

## Additional Information

- Cameras were recommended by the consultant who performed the 2025 annual inspection of the WFER.

## Budget Justification Expenditures

Cameras at West Fork Eno Reservoir

| Division Description    | FY2027     | FY2028     | FY2029           |
|-------------------------|------------|------------|------------------|
| <b>Amount</b>           |            |            |                  |
| West Fork Eno Reservoir | \$0        | \$0        | \$121,000        |
| <b>AMOUNT</b>           | <b>\$0</b> | <b>\$0</b> | <b>\$121,000</b> |

# Stormwater Fund



# Financial Summary: Stormwater Fund

FY2027 Operating & Capital Budget

## Financial Summary

Stormwater Fund Financial Summary

|   | FY25 Actual  | FY26 Estimate  | FY27 Budget    | FY28 Projection | FY29 Projection |
|---|--------------|----------------|----------------|-----------------|-----------------|
| <b>Revenues</b>   | \$930,756.40 | \$1,060,300.00 | \$1,158,100.00 | \$1,158,100.00  | \$1,158,100.00  |
| <b>Expenses</b>   | \$897,193.55 | \$1,179,603.00 | \$1,193,064.00 | \$1,220,191.00  | \$1,250,513.00  |
| <b>Surplus/(Deficit) - w/o fund balance appropriation</b> | \$33,562.85  | (\$119,303.00) | (\$34,964.00)  | (\$62,091.00)   | (\$92,413.00)   |
| <b>Fund Balance</b>                                       | –            | \$878,987.00   | \$844,023.00   | \$781,932.00    | \$689,519.00    |
| <b>Fund Balance %</b>                                     | \$0.00       | \$0.75         | \$0.71         | \$0.64          | \$0.55          |

## Revenues

Stormwater Revenue (by type)

|                       | FY25 Actual      | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Revenues</b>       |                  |                    |                    |                    |                    |
| Licenses/Permits/Fees | \$879,386        | \$1,012,800        | \$1,133,100        | \$1,133,100        | \$1,133,100        |
| Interest              | \$51,371         | \$47,500           | \$25,000           | \$25,000           | \$25,000           |
| <b>REVENUES TOTAL</b> | <b>\$930,756</b> | <b>\$1,060,300</b> | <b>\$1,158,100</b> | <b>\$1,158,100</b> | <b>\$1,158,100</b> |

## Expenditures

Stormwater Expenditures (by type)

|                       | FY25 Actual      | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                  |                    |                    |                    |                    |
| Personnel             | \$461,221        | \$485,955          | \$506,332          | \$537,830          | \$568,830          |
| Operating             | \$101,820        | \$298,862          | \$338,220          | \$339,220          | \$340,220          |
| Cost Allocations      | \$259,153        | \$237,586          | \$248,512          | \$268,141          | \$266,463          |
| Capital               | –                | \$12,200           | \$0                | \$0                | \$0                |
| Interfund Transfers   | \$75,000         | \$145,000          | \$100,000          | \$75,000           | \$75,000           |
| <b>EXPENSES TOTAL</b> | <b>\$897,194</b> | <b>\$1,179,603</b> | <b>\$1,193,064</b> | <b>\$1,220,191</b> | <b>\$1,250,513</b> |



# Noteworthy Requests: Stormwater Fund

FY2027 Operating & Capital Budget

## Funded Noteworthy Requests

Stormwater Fund: Funded Noteworthy Requests

| Worksheet Name                              | FY2027          | FY2028          | FY2029          |
|---|-----------------|-----------------|-----------------|
| <b>Amount</b>                               |                 |                 |                 |
| Elizabeth Brady Road Culvert Rehabilitation | \$75,000        | \$50,000        | \$50,000        |
| <b>AMOUNT</b>                               | <b>\$75,000</b> | <b>\$50,000</b> | <b>\$50,000</b> |

## Unfunded Noteworthy Requests

Stormwater Fund: Unfunded Noteworthy Requests

| Worksheet Name | Empty Values |
|----------------|--------------|
| <b>Amount</b>  |              |
| <b>AMOUNT</b>  | <b>\$0</b>   |



# Disaster - Stormwater Fund

## FY2027 Operating & Capital Budget

### Key Operations

The Disaster Relief budget unit captures and records expenditures related to emergency events. Having expenses in one place is helpful when seeking reimbursement from FEMA for eligible expenses.

### FY26 Major Accomplishments

### FY27 Major Budget Changes

- N/A

### FY28-29 Financial Forecast

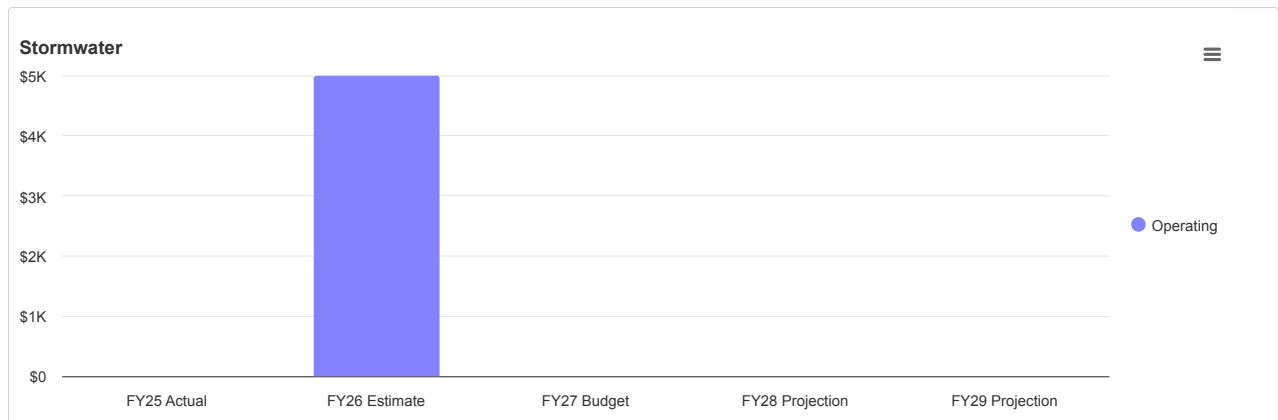
- N/A

### Expenditures by Category

Disaster Relief - Stormwater Fund

|                       | FY25 Actual | FY26 Estimate  | FY27 Budget | FY28 Projection | FY29 Projection |
|-----------------------|-------------|----------------|-------------|-----------------|-----------------|
| <b>Expenses</b>       |             |                |             |                 |                 |
| Operating             | –           | \$5,000        | \$0         | \$0             | \$0             |
| <b>EXPENSES TOTAL</b> | <b>–</b>    | <b>\$5,000</b> | <b>\$0</b>  | <b>\$0</b>      | <b>\$0</b>      |

### Department Expenditure Summary



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### Key Operations

The Stormwater and Environmental Services Division implements the Phase II Stormwater Permit requirements of the National Pollutant Discharge Elimination System (NPDES) to reduce the amount of pollutants entering local streams and lakes and ensures that new development meets or exceeds development standards to reduce potential adverse impacts to property owners from stormwater runoff. This division is entirely funded by the town's stormwater fee and other proprietary revenue unique to stormwater management functions.

### FY26 Major Accomplishments

- Completed multiple post-storm assessments of town-owned stormwater infrastructure and stormwater control measures in the wake of record flooding due to TS Chantal.
- Responded to multiple public assistance requests as a result of flooding due to TS Chantal
- Completed development of three virtual stormwater training modules for town employees and incorporated the training into the on-boarding process for new hires
- Investigated and helped facilitate clean-up of a high profile illicit discharge incident that impacted the creek flowing through the town cemetery which made local news. Efforts also included working with the financially responsible party to minimize risk of future incidents.

### FY27 Major Budget Changes

- Increase stormwater utility fees to meet operating costs and fund capital projects.
- FY27 marks the third annual increase in fees as previously approved by the Town Board of Commissioners.
- Continue setting aside funds for Elizabeth Brady Road Culvert Rehabilitation project.
- Continue setting aside funds for miscellaneous future capital projects (\$25,000/year).

### FY28-29 Financial Forecast

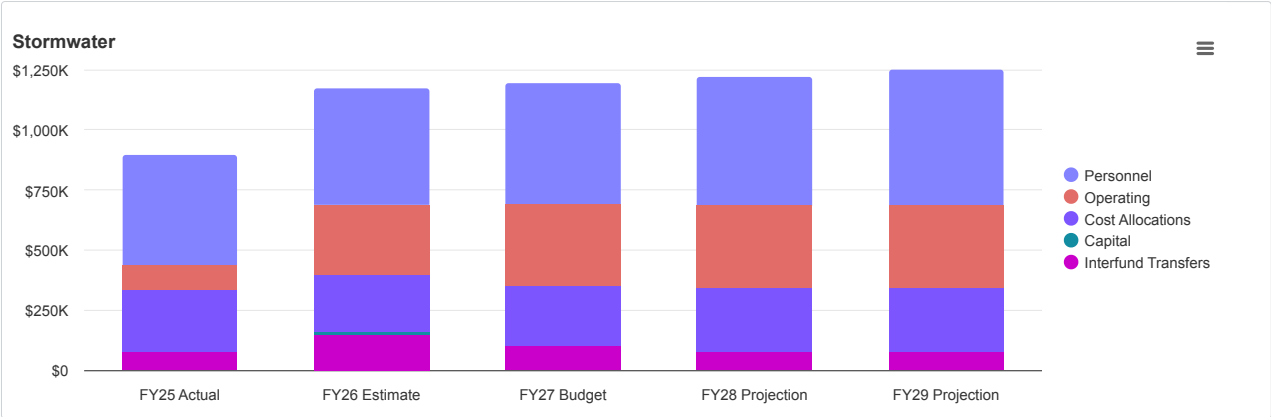
- The stormwater fund balance will continue to be monitored to determine if recently increased rates are sufficient.
- It is anticipated that another stormwater fee analysis will be completed during this time period to direct future fee increase if necessary.

### Expenditures by Category

Stormwater

|                       | FY25 Actual      | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                  |                    |                    |                    |                    |
| Personnel             | \$461,221        | \$485,955          | \$506,332          | \$537,830          | \$568,830          |
| Operating             | \$101,820        | \$293,862          | \$338,220          | \$339,220          | \$340,220          |
| Cost Allocations      | \$259,153        | \$237,586          | \$248,512          | \$268,141          | \$266,463          |
| Capital               | –                | \$12,200           | \$0                | \$0                | \$0                |
| Interfund Transfers   | \$75,000         | \$145,000          | \$100,000          | \$75,000           | \$75,000           |
| <b>EXPENSES TOTAL</b> | <b>\$897,194</b> | <b>\$1,174,603</b> | <b>\$1,193,064</b> | <b>\$1,220,191</b> | <b>\$1,250,513</b> |

# Department Expenditure Summary



Data Updated: May 08, 2026, 1:43 PM

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# Full-Time Equivalent Position Count

Stormwater (FTEs)

| Job Title                                     | FY2027   | FY2028   | FY2029   |
|---|----------|----------|----------|
| <b>Allocated FTE Count</b>                    |          |          |          |
| STORMWATER PROGRAM COORDINATOR                | 1        | 1        | 1        |
| EQUIPMENT OPERATOR                            | 1        | 1        | 1        |
| STORMWATER AND ENVIRONMENTAL SERVICES MANAGER | 1        | 1        | 1        |
| STORMWATER TECHNICIAN                         | 1        | 1        | 1        |
| <b>ALLOCATED FTE COUNT</b>                    | <b>4</b> | <b>4</b> | <b>4</b> |

# Capital Improvement Plan



# Capital Improvement Plan Guide

## FY2027 Operating & Capital Budget

### Purpose and Definitions:

---

The purpose of the capital improvement plan (CIP) is to forecast and match projected revenues and major capital needs over a seven-year period. Capital planning is an important management tool that strengthens the linkages between community infrastructure needs and the financial capacity of the town.

The town defines CIP capital expenditures as any expenditure of major value that recurs irregularly, results in the acquisition of a fixed asset, and has a useful life greater than one (1) year. As a rule of thumb, items included in the CIP include those which:

- Involve acquisition, renovation, and/or construction of a single fixed asset greater than \$100,000.
- Involve any land purchases greater than \$100,000 not associated with or included in another CIP project.

### Capital Improvement Plan Development

---

The CIP is updated annually as part of the town's regular budget process. Projects are reviewed and evaluated based on Mayor and Board of Commissioners' service desires, other town infrastructure needs, the financial capacity of the town and the impact the projects will create on the town's operating budget. Once the projects are evaluated, a recommended CIP is developed that identifies the selection and timing of capital projects into future fiscal years. First-year projects are incorporated into the Town Manager's recommended annual operating budget. The Mayor and Board of Commissioners are also presented the future, unappropriated planning years for their consideration, review and endorsement so staff can proceed with planning and evaluation of potential capital projects.

### Capital Improvement Plan Development

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The capital improvement plan is simply that – a plan. As such, projects are subject to change based on new or shifting service needs, special financing opportunities, emergency needs, or other directives or priorities established by the Mayor or Board of Commissioners. Because priorities can change, projects included in outward planning years are not guaranteed for funding.

The Hillsborough CIP achieves five major objectives as a component of the town's budget and financial planning process:

1. Helps the town rationally and intelligently plan for the repair, replacement, and acquisition of capital items that are necessary in providing high quality services to the residents of Hillsborough.
2. Assists in fiscal planning by forecasting capital demands together with future revenues and expenditures (as part of the financial plan).
3. Ensures better coordination, evaluation and planning of projects to serve the community and its needs.
4. The CIP, together with the Financial Plan, serves as a guide to decision-making for the Board, Town Manager, and employees.
5. The systematic and comprehensive analysis of capital needs increases the probability of making rational (and correct) budgetary judgments since improvements are identified, prioritized, and matched to the projected fiscal resources of the town.

# General Capital Improvement Plan



# General Capital Improvement Plan Summary

## Capital Improvement Plan (FY27-FY33)

### General Capital Improvements Expenditures by Project

General CIP Expenditure Summary by Project

| Worksheet Name                               | Current Project Budget | FY27               | FY28                | FY29               | FY30               | FY31            | FY32               |
|--|------------------------|--------------------|---------------------|--------------------|--------------------|-----------------|--------------------|
| <b>Amount</b>                                |                        |                    |                     |                    |                    |                 |                    |
| Cates Creek Park Basketball Court            | \$0                    | \$0                | \$0                 | \$0                | \$0                | \$30,000        | \$0                |
| Engine Truck                                 | \$0                    | \$0                | \$0                 | \$0                | \$1,302,010        | \$0             | \$0                |
| Garbage Truck Replacements                   | \$0                    | \$422,010          | \$0                 | \$0                | \$0                | \$0             | \$0                |
| Knuckleboom Truck Replacements               | \$0                    | \$0                | \$0                 | \$0                | \$0                | \$0             | \$0                |
| Ladder Truck                                 | \$0                    | \$0                | \$0                 | \$0                | \$0                | \$0             | \$2,627,010        |
| Leaf Truck Replacements                      | \$0                    | \$0                | \$0                 | \$0                | \$0                | \$0             | \$437,010          |
| North Churton Street Fire Station            | \$1,050,000            | \$300,000          | \$8,650,000         | \$15,000           | \$15,000           | \$15,000        | \$15,000           |
| Parks Play Equipment Replacement             | \$0                    | \$0                | \$75,000            | \$0                | \$40,000           | \$0             | \$125,000          |
| Passenger Rail/Multi-Modal Station           | \$10,439,000           | \$0                | \$1,275,000         | \$35,000           | \$35,000           | \$35,000        | \$35,000           |
| Rainey Avenue Sidewalk                       | \$0                    | \$30,000           | \$0                 | \$125,000          | \$0                | \$0             | \$0                |
| Ridgewalk Greenway - North Segment           | \$791,003              | \$333,000          | \$333,000           | \$5,501,000        | \$0                | \$0             | \$0                |
| Ridgewalk Greenway - South Segment           | \$0                    | \$0                | \$0                 | \$0                | \$800,000          | \$0             | \$6,000,000        |
| South Churton Street Improvements Cost Share | \$0                    | \$0                | \$0                 | \$0                | \$0                | \$0             | \$0                |
| <b>AMOUNT</b>                                | <b>\$12,280,003</b>    | <b>\$1,085,010</b> | <b>\$10,333,000</b> | <b>\$5,676,000</b> | <b>\$2,192,010</b> | <b>\$80,000</b> | <b>\$9,239,020</b> |

| Worksheet Name                               | FY33             |
|--|------------------|
| <b>Amount</b>                                |                  |
| Cates Creek Park Basketball Court            | \$300,000        |
| Engine Truck                                 | \$0              |
| Garbage Truck Replacements                   | \$497,010        |
| Knuckleboom Truck Replacements               | \$0              |
| Ladder Truck                                 | \$0              |
| Leaf Truck Replacements                      | \$0              |
| North Churton Street Fire Station            | \$15,000         |
| Parks Play Equipment Replacement             | \$0              |
| Passenger Rail/Multi-Modal Station           | \$35,000         |
| Rainey Avenue Sidewalk                       | \$0              |
| Ridgewalk Greenway - North Segment           | \$0              |
| Ridgewalk Greenway - South Segment           | \$0              |
| South Churton Street Improvements Cost Share | \$100,000        |
| <b>AMOUNT</b>                                | <b>\$947,010</b> |

## General Capital Improvements Revenues by Type

General CIP Revenue Summary by Category

| Itemization Description                 | Current Project Budget | FY27               | FY28                | FY29               | FY30               | FY31            | FY32               |
|---|------------------------|--------------------|---------------------|--------------------|--------------------|-----------------|--------------------|
| <b>Amount</b>                           |                        |                    |                     |                    |                    |                 |                    |
| DEBT ISSUANCE PROCEEDS                  | \$2,110,000            | \$0                | \$9,625,000         | \$5,168,000        | \$0                | \$0             | \$8,430,000        |
| NCDOT RAIL (TIP)                        | \$870,000              | \$0                | \$0                 | \$0                | \$0                | \$0             | \$0                |
| OPERATING REVENUE                       | \$0                    | \$2,010            | \$75,000            | \$50,000           | \$92,010           | \$50,000        | \$179,020          |
| STATE TIP                               | \$6,914,000            | \$0                | \$0                 | \$0                | \$0                | \$0             | \$0                |
| TRANSFER FROM COMMITTED FUNDS           | \$0                    | \$420,000          | \$0                 | \$0                | \$1,300,000        | \$0             | \$630,000          |
| TRANSFER FROM GENERAL FUND              | \$1,914,713            | \$663,000          | \$633,000           | \$458,000          | \$800,000          | \$30,000        | \$0                |
| TRANSFER FROM RAIL STATION PROJECT FUND | \$19,290               | \$0                | \$0                 | \$0                | \$0                | \$0             | \$0                |
| TRANSIT TAX                             | \$452,000              | \$0                | \$0                 | \$0                | \$0                | \$0             | \$0                |
| <b>AMOUNT</b>                           | <b>\$12,280,003</b>    | <b>\$1,085,010</b> | <b>\$10,333,000</b> | <b>\$5,676,000</b> | <b>\$2,192,010</b> | <b>\$80,000</b> | <b>\$9,239,020</b> |

| Itemization Description                 | FY33             |
|---|------------------|
| <b>Amount</b>                           |                  |
| DEBT ISSUANCE PROCEEDS                  | \$0              |
| NCDOT RAIL (TIP)                        | \$0              |
| OPERATING REVENUE                       | \$52,010         |
| STATE TIP                               | \$0              |
| TRANSFER FROM COMMITTED FUNDS           | \$495,000        |
| TRANSFER FROM GENERAL FUND              | \$400,000        |
| TRANSFER FROM RAIL STATION PROJECT FUND | \$0              |
| TRANSIT TAX                             | \$0              |
| <b>AMOUNT</b>                           | <b>\$947,010</b> |

## General Capital Improvements: Operating Budget Impact

General CIP Operating Impact by Project

| Worksheet Name                       | FY2027             | FY2028           | FY2029             |
|--------------------------------------|--------------------|------------------|--------------------|
| <b>Amount</b>                        |                    |                  |                    |
| Fire Station at North Churton Street | \$300,000          | \$300,000        | \$685,026          |
| Garbage Truck Replacements           | \$422,010          | \$0              | \$0                |
| Parks Play Equipment Replacement     | \$0                | \$75,000         | \$0                |
| Passenger Rail Multi-Modal Station   | \$0                | \$0              | \$361,119          |
| Ridgewalk Greenway - North Segment   | \$333,000          | \$333,000        | \$333,000          |
| Sidewalk at Rainey Avenue            | \$30,000           | \$0              | \$125,000          |
| <b>AMOUNT</b>                        | <b>\$1,085,010</b> | <b>\$708,000</b> | <b>\$1,504,145</b> |



# Engine Truck

## Capital Improvement Project (FY27-FY33)

### Fund

General Fund

### Department

Fire Protection

### Priority Rank

2

### Project Description

Replace the 2015 engine truck used by Orange Rural Fire Department (ORFD).

### Project Justification

The truck is expected to run for 15 years as a front-line vehicle, followed by an additional 5 years as a backup.

### Project Highlights

- Lead times on trucks can often be extensive and may necessitate ordering earlier than anticipated. The town will monitor lead times as truck nears replacement.
- The town plans to issue debt in the amount of \$800,000 in Fiscal Year 2030 to finance this vehicle.

### Project Expenditures

Engine Truck

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29       | FY30               | FY31       | FY32       |
|-------------------------|------------------------|------------|------------|------------|--------------------|------------|------------|
| <b>Amount</b>           |                        |            |            |            |                    |            |            |
| CAPITAL - VEHICLES      | \$0                    | \$0        | \$0        | \$0        | \$1,300,000        | \$0        | \$0        |
| MISC - TAX, TAGS, ETC   | \$0                    | \$0        | \$0        | \$0        | \$2,010            | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$1,302,010</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| CAPITAL - VEHICLES      | \$0        |
| MISC - TAX, TAGS, ETC   | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Engine Truck

| Itemization Description       | Current Project Budget | FY27       | FY28       | FY29       | FY30               | FY31       | FY32       |
|-------------------------------|------------------------|------------|------------|------------|--------------------|------------|------------|
| <b>Amount</b>                 |                        |            |            |            |                    |            |            |
| OPERATING REVENUE             | \$0                    | \$0        | \$0        | \$0        | \$2,010            | \$0        | \$0        |
| TRANSFER FROM COMMITTED FUNDS | \$0                    | \$0        | \$0        | \$0        | \$1,300,000        | \$0        | \$0        |
| <b>AMOUNT</b>                 | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$1,302,010</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description       | FY33       |
|-------------------------------|------------|
| <b>Amount</b>                 |            |
| OPERATING REVENUE             | \$0        |
| TRANSFER FROM COMMITTED FUNDS | \$0        |
| <b>AMOUNT</b>                 | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Fire Station at North Churton Street

## Capital Improvement Project (FY27-FY33)

| Fund         | Department      | Priority Rank |
|--------------|-----------------|---------------|
| General Fund | Fire Protection | 1             |

### Project Description

Build a new station north of town to replace the downtown station.

### Project Justification

The current station lacks sufficient space for staff and modern fire vehicles. The new station will serve as the Orange Rural Fire Department's (ORFD) headquarters. The new station will be located at 604 N. Churton St, near the intersection of N. Churton Street and Corbin St.

### Project Highlights

The town began setting aside funds in FY22 to fund design and offset construction costs.

Anticipated Station Timeline:

- FY26 - Feasibility Study
- FY27 - Design
- FY28 - Construction
- FY29 - First Debt Payment (\$8.3M @ 5.0% for 20 years = \$670k/yr)

### Project Expenditures

Fire Station at North Churton Street

| Object Code Description | Current Project Budget | FY27             | FY28               | FY29            | FY30            | FY31            | FY32            |
|-------------------------|------------------------|------------------|--------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Amount</b>           |                        |                  |                    |                 |                 |                 |                 |
| DESIGN                  | \$750,000              | \$0              | \$0                | \$0             | \$0             | \$0             | \$0             |
| CONSTRUCTION            | \$225,000              | \$300,000        | \$8,650,000        | \$0             | \$0             | \$0             | \$0             |
| PROFESSIONAL SERVICES   | \$75,000               | \$0              | \$0                | \$0             | \$0             | \$0             | \$0             |
| UTILITIES               | \$0                    | \$0              | \$0                | \$15,000        | \$15,000        | \$15,000        | \$15,000        |
| <b>AMOUNT</b>           | <b>\$1,050,000</b>     | <b>\$300,000</b> | <b>\$8,650,000</b> | <b>\$15,000</b> | <b>\$15,000</b> | <b>\$15,000</b> | <b>\$15,000</b> |

| Object Code Description | FY33            |
|-------------------------|-----------------|
| <b>Amount</b>           |                 |
| DESIGN                  | \$0             |
| CONSTRUCTION            | \$0             |
| PROFESSIONAL SERVICES   | \$0             |
| UTILITIES               | \$15,000        |
| <b>AMOUNT</b>           | <b>\$15,000</b> |

# Project Funding

Fire Station at North Churton Street

| Itemization Description    | Current Project Budget | FY27             | FY28               | FY29            | FY30            | FY31            | FY32            |
|----------------------------|------------------------|------------------|--------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Amount</b>              |                        |                  |                    |                 |                 |                 |                 |
| DEBT ISSUANCE PROCEEDS     | \$0                    | \$0              | \$8,350,000        | \$0             | \$0             | \$0             | \$0             |
| TRANSFER FROM GENERAL FUND | \$1,050,000            | \$300,000        | \$300,000          | \$0             | \$0             | \$0             | \$0             |
| OPERATING REVENUE          | \$0                    | \$0              | \$0                | \$15,000        | \$15,000        | \$15,000        | \$15,000        |
| <b>AMOUNT</b>              | <b>\$1,050,000</b>     | <b>\$300,000</b> | <b>\$8,650,000</b> | <b>\$15,000</b> | <b>\$15,000</b> | <b>\$15,000</b> | <b>\$15,000</b> |

| Itemization Description    | FY33            |
|----------------------------|-----------------|
| <b>Amount</b>              |                 |
| DEBT ISSUANCE PROCEEDS     | \$0             |
| TRANSFER FROM GENERAL FUND | \$0             |
| OPERATING REVENUE          | \$15,000        |
| <b>AMOUNT</b>              | <b>\$15,000</b> |

# Operating Budget Impact

Fire Station at North Churton Street

| Object Code Description                      | FY2027           | FY2028           | FY2029           |
|--|------------------|------------------|------------------|
| <b>Amount</b>                                |                  |                  |                  |
| DEBT SERVICE - INTEREST                      | \$0              | \$0              | \$404,874        |
| DEBT SERVICE - PRINCIPAL                     | \$0              | \$0              | \$265,152        |
| TRANSFER TO GENERAL CAPITAL IMPROVEMENT FUND | \$300,000        | \$300,000        | \$0              |
| UTILITIES                                    | \$0              | \$0              | \$15,000         |
| <b>AMOUNT</b>                                | <b>\$300,000</b> | <b>\$300,000</b> | <b>\$685,026</b> |



# Ladder Truck

## Capital Improvement Project (FY27-FY33)

### Fund

General Fund

### Department

Fire Protection

### Priority Rank

3

### Project Description

Replace the 2012 ladder truck used by Orange Rural Fire Department (ORFD).

### Project Justification

The truck is expected to run for 20 years as a front-line vehicle, followed by an additional 5 years as a backup.

### Project Highlights

- Lead times on trucks can often be extensive and may necessitate ordering earlier than anticipated. The town will monitor lead times as truck nears replacement.
- The town plans to issue debt in the amount of \$2,000,000 in Fiscal Year 2032 to finance this vehicle.

### Project Expenditures

Ladder Truck

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29       | FY30       | FY31       | FY32               |
|-------------------------|------------------------|------------|------------|------------|------------|------------|--------------------|
| <b>Amount</b>           |                        |            |            |            |            |            |                    |
| MISC - TAX, TAGS, ETC   | \$0                    | \$0        | \$0        | \$0        | \$0        | \$0        | \$2,010            |
| CAPITAL - VEHICLES      | \$0                    | \$0        | \$0        | \$0        | \$0        | \$0        | \$2,625,000        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$2,627,010</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| MISC - TAX, TAGS, ETC   | \$0        |
| CAPITAL - VEHICLES      | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Ladder Truck

| Line Item Description | Current Project Budget | FY27       | FY28       | FY29       | FY30       | FY31       | FY32               |
|-----------------------|------------------------|------------|------------|------------|------------|------------|--------------------|
| <b>Amount</b>         |                        |            |            |            |            |            |                    |
| Empty Values          | \$0                    | \$0        | \$0        | \$0        | \$0        | \$0        | \$2,627,010        |
| <b>AMOUNT</b>         | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$2,627,010</b> |

| Line Item Description | FY33       |
|-----------------------|------------|
| <b>Amount</b>         |            |
| Empty Values          | \$0        |
| <b>AMOUNT</b>         | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Cates Creek Basketball Courts

## Capital Improvement Project (FY27-FY33)

| Fund         | Department   | Priority Rank |
|--------------|--------------|---------------|
| General Fund | Public Space | 5             |

### Project Description

Basketball courts at Cates Creek Park.

### Project Justification

The Parks and Recreation Board adopted an update to the Cates Creek Park Master Plan in August 2024. The update includes a recommendation for the construction of basketball courts on one end of the existing multi-use field. The Parks and Recreation Board recognizes the field is over-sized for the type of play the town allows and, as a result, is underutilized recreation space. There are very few public outdoor basketball courts in Hillsborough and none in town-owned parks. The Parks and Recreation Board has identified basketball courts as a priority for many years, trying to incentivize the construction of courts as part of new developments by increasing the value of points allotted for courts in the Unified Development Ordinance. Recent developments have not included basketball courts as a recreation resource. There is a lack of available basketball courts in town.

The addition of the Hillsborough Skate Spot has brought a lot of welcome activity to Cates Creek Park. The skatepark appeals to all ages of skaters but was built with teenagers in mind. Teens are an underserved population in Hillsborough parks. The Cates Creek Park Master Plan recommends additional investment in teen resources. The Parks and Recreation Board believes the addition of basketball courts will further attract teenagers to the park, providing valuable outdoor recreational opportunities for underserved population.

### Project Highlights

- Construction cost estimates are likely to change once design and engineering is completed.
- There is no specific project timeline identified in the Cates Creek Park Master Plan but it is recommended as a top priority.

### Project Expenditures

Cates Creek Basketball Court

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29       | FY30       | FY31            | FY32       |
|-------------------------|------------------------|------------|------------|------------|------------|-----------------|------------|
| <b>Amount</b>           |                        |            |            |            |            |                 |            |
| DESIGN                  | \$0                    | \$0        | \$0        | \$0        | \$0        | \$30,000        | \$0        |
| CONSTRUCTION            | \$0                    | \$0        | \$0        | \$0        | \$0        | \$0             | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$30,000</b> | <b>\$0</b> |

| Object Code Description | FY33             |
|-------------------------|------------------|
| <b>Amount</b>           |                  |
| DESIGN                  | \$0              |
| CONSTRUCTION            | \$300,000        |
| <b>AMOUNT</b>           | <b>\$300,000</b> |

# Project Funding

Cates Creek Basketball Court

| Object Code Description    | Current Project Budget | FY27       | FY28       | FY29       | FY30       | FY31            | FY32       |
|----------------------------|------------------------|------------|------------|------------|------------|-----------------|------------|
| <b>Amount</b>              |                        |            |            |            |            |                 |            |
| TRANSFER FROM GENERAL FUND | \$0                    | \$0        | \$0        | \$0        | \$0        | \$30,000        | \$0        |
| <b>AMOUNT</b>              | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$30,000</b> | <b>\$0</b> |

| Object Code Description    | FY33             |
|----------------------------|------------------|
| <b>Amount</b>              |                  |
| TRANSFER FROM GENERAL FUND | \$300,000        |
| <b>AMOUNT</b>              | <b>\$300,000</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Parks Play Equipment Replacement

## Capital Improvement Project (FY27-FY33)

### Fund

General Fund

### Department

Public Space

### Priority Rank

4

## Project Description

This project includes the design, acquisition, and installation of new play equipment at Murray Street Park, Hillsborough Heights Park, and Turnip Patch Park

## Project Justification

The Parks and Recreation Board adopted master plans for each of the town's parks. The master plans recommend maintaining the existing playground equipment and park amenities in safe and working order. The play equipment at Murray Street Park, Hillsborough Heights Park, and Turnip Patch Park is more than 15 years old. Though the equipment is being maintained, it is starting to deteriorate and will need to be replaced in the coming years. Also, older equipment does not meet current safety standards. There is no specific project timeline identified in the park's master plans, but equipment needs to be replaced before it presents a safety hazard.

## Project Highlights

Initial estimates for play equipment:

- Murray Street Park: \$75,000
- Hillsborough Heights Park: \$40,000
- Turnip Patch Park: \$125,000

## Project Expenditures

Parks Play Equipment Replacements

| Object Code Description  | Current Project Budget | FY27       | FY28            | FY29       | FY30            | FY31       | FY32             |
|--------------------------|------------------------|------------|-----------------|------------|-----------------|------------|------------------|
| <b>Amount</b>            |                        |            |                 |            |                 |            |                  |
| CAPITAL - INFRASTRUCTURE | \$0                    | \$0        | \$75,000        | \$0        | \$40,000        | \$0        | \$125,000        |
| <b>AMOUNT</b>            | <b>\$0</b>             | <b>\$0</b> | <b>\$75,000</b> | <b>\$0</b> | <b>\$40,000</b> | <b>\$0</b> | <b>\$125,000</b> |

| Object Code Description  | FY33       |
|--------------------------|------------|
| <b>Amount</b>            |            |
| CAPITAL - INFRASTRUCTURE | \$0        |
| <b>AMOUNT</b>            | <b>\$0</b> |

# Project Funding

Parks Play Equipment Replacements

| Line Item Description | Current Project Budget | FY27       | FY28            | FY29       | FY30            | FY31       | FY32             |
|-----------------------|------------------------|------------|-----------------|------------|-----------------|------------|------------------|
| <b>Amount</b>         |                        |            |                 |            |                 |            |                  |
| Empty Values          | \$0                    | \$0        | \$75,000        | \$0        | \$40,000        | \$0        | \$125,000        |
| <b>AMOUNT</b>         | <b>\$0</b>             | <b>\$0</b> | <b>\$75,000</b> | <b>\$0</b> | <b>\$40,000</b> | <b>\$0</b> | <b>\$125,000</b> |

| Line Item Description | FY33       |
|-----------------------|------------|
| <b>Amount</b>         |            |
| Empty Values          | \$0        |
| <b>AMOUNT</b>         | <b>\$0</b> |

# Operating Budget Impact

Parks Play Equipment Replacement

| Object Code Description  | FY2027     | FY2028          | FY2029     |
|--------------------------|------------|-----------------|------------|
| <b>Amount</b>            |            |                 |            |
| CAPITAL - INFRASTRUCTURE | \$0        | \$75,000        | \$0        |
| <b>AMOUNT</b>            | <b>\$0</b> | <b>\$75,000</b> | <b>\$0</b> |



# Rainey Avenue Sidewalk

## Capital Improvement Project (FY27-FY33)

| Fund         | Department   | Priority Rank |
|--------------|--------------|---------------|
| General Fund | Public Space | 3             |

### Project Description

Sidewalk along Rainey Avenue between Torain Street and the Dorothy N. Johnson Community Center.

### Project Justification

This project has been identified in the Comprehensive Sustainability Plan as a connectivity recommendation. It has also been recommended in the Fairview Activate Plan, endorsed by the Fairview Community Watch.

### Project Highlights

Rainey Avenue is a primary corridor for vehicular and pedestrian traffic in Fairview. There has been increasing activity on this corridor over the past few years, especially since the Dorothy N. Johnson Community Center opened. The roadway is narrow and pedestrians have no place to walk safely. The town has invested in traffic-calming devices (speed humps) along this stretch of road after it was deemed warranted by traffic studies. Fairview Community Watch has requested additional safety measures including a sidewalk along the route. The Comprehensive Sustainability Plan also recommends this pedestrian improvement. This project aligns with the town's Vision Zero and Complete Streets policies. It may be possible to leverage funds from the Orange County Transit Tax for this project because there are existing transit stations in Fairview Community Park and at the community center and this project improves accessibility, connectivity, and safety for transit riders.

### Project Expenditures

Rainey Avenue Sidewalk

| Object Code Description | Current Project Budget | FY27            | FY28       | FY29             | FY30       | FY31       | FY32       |
|-------------------------|------------------------|-----------------|------------|------------------|------------|------------|------------|
| <b>Amount</b>           |                        |                 |            |                  |            |            |            |
| DESIGN                  | \$0                    | \$30,000        | \$0        | \$0              | \$0        | \$0        | \$0        |
| CONSTRUCTION            | \$0                    | \$0             | \$0        | \$125,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$30,000</b> | <b>\$0</b> | <b>\$125,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| DESIGN                  | \$0        |
| CONSTRUCTION            | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Rainey Avenue Sidewalk

| Object Code Description    | Current Project Budget | FY27            | FY28       | FY29             | FY30       | FY31       | FY32       |
|----------------------------|------------------------|-----------------|------------|------------------|------------|------------|------------|
| <b>Amount</b>              |                        |                 |            |                  |            |            |            |
| TRANSFER FROM GENERAL FUND | \$0                    | \$30,000        | \$0        | \$125,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>              | <b>\$0</b>             | <b>\$30,000</b> | <b>\$0</b> | <b>\$125,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description    | FY33       |
|----------------------------|------------|
| <b>Amount</b>              |            |
| TRANSFER FROM GENERAL FUND | \$0        |
| <b>AMOUNT</b>              | <b>\$0</b> |

# Operating Budget Impact

Rainey Avenue Sidewalk

| Itemization Description                      | FY2027          | FY2028     | FY2029           |
|--|-----------------|------------|------------------|
| <b>Amount</b>                                |                 |            |                  |
| TRANSFER TO GENERAL CAPITAL IMPROVEMENT FUND | \$30,000        | \$0        | \$125,000        |
| <b>AMOUNT</b>                                | <b>\$30,000</b> | <b>\$0</b> | <b>\$125,000</b> |



# Ridgewalk Greenway - North Segment

## Capital Improvement Project (FY27-FY33)

### Fund

General Fund

### Department

Public Space

### Priority Rank

1

## Project Description

Greenway connecting downtown to the new train station and the Collins Ridge Greenway.

## Project Justification

The Ridgewalk greenway is included in the Comprehensive Sustainability Plan as a transportation priority. It is a paved, urban, accessible greenway that provides pedestrian and bicycle access between downtown Hillsborough to Cates Creek Park. Ridgewalk may be implemented in phases. The north segment of Ridgewalk connects downtown Hillsborough and Riverwalk to the Collins Ridge greenway via the future train station site. The alignment is shown as Alternative 1 in the Ridgewalk Feasibility Study Phase II. The conditions of the approval for Collins Ridge require the developer to build and dedicate to the town a segment of greenway and to work with the town to determine the location and specific design details for pedestrian and bicycle connectivity between the parcel south of I-85 and the public rights-of-way, sidewalks, greenways, and trails in Collins Ridge. The Collins Ridge greenway is required to be complete by December 2027.

The train station is scheduled for completion in February 2027 but permitting delays may cause the schedule to shift.

## Project Highlights

- Ridgewalk was identified by the Board of Commissioners as a transportation priority in September 2021 and included as a priority in the Comprehensive Sustainability Plan.
- An initial feasibility study and schematic design of the greenway system between downtown Hillsborough and Cates Creek Park was completed in FY24. The engineer cost estimates were higher than anticipated, so additional feasibility work was completed in FY25. A Benefits Analysis was also developed. The Ridgewalk Feasibility Study Phase II shows alternative alignments for the trails which result in cost savings. The Benefits Analysis shows great support for the greenway by community groups and members. The initial feasibility study was funded via a Surface Transportation Block Grant through the Metropolitan Planning Organization and 20% local match. It is uncertain though if Ridgewalk will compete well for funding through the Transportation Improvement Plan. Additional funding options, including grants, will be pursued once the feasibility of the project is determined.
- North Segment: Downtown to Collins Ridge Greenway (via train station site)
- South Segment: Collins Ridge Greenway to Cates Creek Park
- This project will be funded with cash transfers from the General Fund for design/engineering work and installment financing for the construction portion estimated in Fiscal Year 2029.

## Project Expenditures

Ridgewalk Greenway - North Segment

| Object Code Description | Current Project Budget | FY27             | FY28             | FY29               | FY30       | FY31       | FY32       |
|-------------------------|------------------------|------------------|------------------|--------------------|------------|------------|------------|
| <b>Amount</b>           |                        |                  |                  |                    |            |            |            |
| DESIGN                  | \$458,003              | \$0              | \$0              | \$0                | \$0        | \$0        | \$0        |
| CONSTRUCTION            | \$333,000              | \$333,000        | \$333,000        | \$5,501,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$791,003</b>       | <b>\$333,000</b> | <b>\$333,000</b> | <b>\$5,501,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| DESIGN                  | \$0        |
| CONSTRUCTION            | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Ridgewalk Greenway - North Segment

| Itemization Description    | Current Project Budget | FY27             | FY28             | FY29               | FY30       | FY31       | FY32       |
|----------------------------|------------------------|------------------|------------------|--------------------|------------|------------|------------|
| <b>Amount</b>              |                        |                  |                  |                    |            |            |            |
| TRANSFER FROM GENERAL FUND | \$791,003              | \$333,000        | \$333,000        | \$333,000          | \$0        | \$0        | \$0        |
| DEBT ISSUANCE PROCEEDS     | \$0                    | \$0              | \$0              | \$5,168,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>              | <b>\$791,003</b>       | <b>\$333,000</b> | <b>\$333,000</b> | <b>\$5,501,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description    | FY33       |
|----------------------------|------------|
| <b>Amount</b>              |            |
| TRANSFER FROM GENERAL FUND | \$0        |
| DEBT ISSUANCE PROCEEDS     | \$0        |
| <b>AMOUNT</b>              | <b>\$0</b> |

# Operating Budget Impact

Ridgewalk Greenway - North Segment

| Itemization Description                      | FY2027           | FY2028           | FY2029           |
|--|------------------|------------------|------------------|
| <b>Amount</b>                                |                  |                  |                  |
| TRANSFER TO GENERAL CAPITAL IMPROVEMENT FUND | \$333,000        | \$333,000        | \$333,000        |
| <b>AMOUNT</b>                                | <b>\$333,000</b> | <b>\$333,000</b> | <b>\$333,000</b> |



# Ridgewalk Greenway - South Segment

## Capital Improvement Project (FY27-FY33)

| Fund         | Department   | Priority Rank |
|--------------|--------------|---------------|
| General Fund | Public Space | 2             |

### Project Description

Greenway connecting the Collins Ridge Greenway to Cates Creek Park.

### Project Justification

The Ridgewalk greenway is included in the Comprehensive Sustainability Plan as a transportation priority. It is a paved, urban, accessible greenway that provides pedestrian and bicycle access between downtown Hillsborough to Cates Creek Park. Ridgewalk may be implemented in phases. The south segment of Ridgewalk connects the Collins Ridge greenway to Cates Creek Park. The alignment is shown as Alternative 4 in the Ridgewalk Feasibility Study Phase II. The conditions of the approval for Collins Ridge require the developer to build and dedicate to the town a segment of greenway and to work with the town to determine the location and specific design details for pedestrian and bicycle connectivity between the parcel south of I-85 and the public rights-of-way, sidewalks, greenways, and trails in Collins Ridge. The Collins Ridge greenway is required to be complete by December 2027.

The train station is scheduled for completion in February 2027 but permitting delays may cause the schedule to shift.

North Segment: Downtown to Collins Ridge Greenway (via train station site)

South Segment: Collins Ridge Greenway to Cates Creek Park

### Project Highlights

- Ridgewalk was identified by the Board of Commissioners as a transportation priority in September 2021 and included as a priority in the Comprehensive Sustainability Plan.
- Initial feasibility study and schematic design of the greenway system between downtown Hillsborough and Cates Creek Park was completed in FY24. The engineer cost estimates were higher than anticipated, so additional feasibility work was completed in FY25. A Benefits Analysis was also developed.
- Feasibility Study Phase II shows alternative alignments for the trails which result in cost savings.
- Benefits Analysis shows great support for the greenway by community groups and members.
- It is uncertain if Ridgewalk will compete well for funding through the Transportation Improvement Plan. Additional funding options, including grants, will be pursued once the feasibility of the project is determined.

### Project Expenditures

Ridgewalk Greenway - South Segment

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31       | FY32               |
|-------------------------|------------------------|------------|------------|------------|------------------|------------|--------------------|
| <b>Amount</b>           |                        |            |            |            |                  |            |                    |
| CONSTRUCTION            | \$0                    | \$0        | \$0        | \$0        | \$0              | \$0        | \$6,000,000        |
| DESIGN                  | \$0                    | \$0        | \$0        | \$0        | \$800,000        | \$0        | \$0                |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$800,000</b> | <b>\$0</b> | <b>\$6,000,000</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| CONSTRUCTION            | \$0        |
| DESIGN                  | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Ridgewalk Greenway - South Segment

| Itemization Description    | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31       | FY32               |
|----------------------------|------------------------|------------|------------|------------|------------------|------------|--------------------|
| <b>Amount</b>              |                        |            |            |            |                  |            |                    |
| DEBT ISSUANCE PROCEEDS     | \$0                    | \$0        | \$0        | \$0        | \$0              | \$0        | \$6,000,000        |
| TRANSFER FROM GENERAL FUND | \$0                    | \$0        | \$0        | \$0        | \$800,000        | \$0        | \$0                |
| <b>AMOUNT</b>              | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$800,000</b> | <b>\$0</b> | <b>\$6,000,000</b> |

| Itemization Description    | FY33       |
|----------------------------|------------|
| <b>Amount</b>              |            |
| DEBT ISSUANCE PROCEEDS     | \$0        |
| TRANSFER FROM GENERAL FUND | \$0        |
| <b>AMOUNT</b>              | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Garbage Truck Replacements

## Capital Improvement Project (FY27-FY33)

### Fund

General Fund

### Department

Solid Waste

### Priority Rank

1

### Project Description

Replace garbage trucks on a 7-year replacement cycle.

### Project Justification

Solid Waste vehicles are replaced on a 7-year replacement cycle to ensure reliability, and reduce downtime and maintenance costs. Replaced trucks move into reserve status for several years before being retired.

#229, a 2015 Mack automated garbage truck - The truck is already 9 years old with 56k+ miles, and is now being used as a backup.

#437

### Project Highlights

Truck replacements will be paid for with set-aside funding committed for solid waste vehicles.

#229: Order in FY27

#437: Order in FY33

### Project Expenditures

Garbage Truck Replacements

| Object Code Description | Current Project Budget | FY27             | FY28       | FY29       | FY30       | FY31       | FY32       |
|-------------------------|------------------------|------------------|------------|------------|------------|------------|------------|
| <b>Amount</b>           |                        |                  |            |            |            |            |            |
| MISC - TAX, TAGS, ETC   | \$0                    | \$2,010          | \$0        | \$0        | \$0        | \$0        | \$0        |
| CAPITAL - VEHICLES      | \$0                    | \$420,000        | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$422,010</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33             |
|-------------------------|------------------|
| <b>Amount</b>           |                  |
| MISC - TAX, TAGS, ETC   | \$2,010          |
| CAPITAL - VEHICLES      | \$495,000        |
| <b>AMOUNT</b>           | <b>\$497,010</b> |

# Project Funding

Garbage Truck Replacements

| Line Item Description | Current Project Budget | FY27             | FY28       | FY29       | FY30       | FY31       | FY32       |
|-----------------------|------------------------|------------------|------------|------------|------------|------------|------------|
| <b>Amount</b>         |                        |                  |            |            |            |            |            |
| Empty Values          | \$0                    | \$422,010        | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>         | <b>\$0</b>             | <b>\$422,010</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Line Item Description | FY33             |
|-----------------------|------------------|
| <b>Amount</b>         |                  |
| Empty Values          | \$497,010        |
| <b>AMOUNT</b>         | <b>\$497,010</b> |

# Operating Budget Impact

Garbage Truck Replacements

| Object Code Description | FY2027           | FY2028     | FY2029     |
|-------------------------|------------------|------------|------------|
| <b>Amount</b>           |                  |            |            |
| CAPITAL - VEHICLES      | \$420,000        | \$0        | \$0        |
| MISC - TAX, TAGS, ETC   | \$2,010          | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$422,010</b> | <b>\$0</b> | <b>\$0</b> |



# Leaf Truck Replacements

## Capital Improvement Project (FY27-FY33)

### Fund

General Fund

### Department

Solid Waste

### Priority Rank

3

### Project Description

Replace leaf trucks on a 7-year replacement cycle.

### Project Justification

Solid Waste vehicles are replaced on a 7-year replacement cycle to ensure reliability, and reduce downtime and maintenance costs. Replaced trucks move into reserve status for several years before being retired.

- #833, a 2022 Freightliner.

### Project Highlights

The purchase of these trucks will be paid for with set-aside funding committed for solid waste vehicles.

- #833 - Order in FY32 for delivery in FY33.

### Project Expenditures

Leaf Truck Replacements

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29       | FY30       | FY31       | FY32             |
|-------------------------|------------------------|------------|------------|------------|------------|------------|------------------|
| <b>Amount</b>           |                        |            |            |            |            |            |                  |
| MISC - TAX, TAGS, ETC   | \$0                    | \$0        | \$0        | \$0        | \$0        | \$0        | \$2,010          |
| CAPITAL - VEHICLES      | \$0                    | \$0        | \$0        | \$0        | \$0        | \$0        | \$435,000        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$437,010</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| MISC - TAX, TAGS, ETC   | \$0        |
| CAPITAL - VEHICLES      | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Leaf Truck Replacements

| Itemization Description       | Current Project Budget | FY27       | FY28       | FY29       | FY30       | FY31       | FY32             |
|-------------------------------|------------------------|------------|------------|------------|------------|------------|------------------|
| <b>Amount</b>                 |                        |            |            |            |            |            |                  |
| OPERATING REVENUE             | \$0                    | \$0        | \$0        | \$0        | \$0        | \$0        | \$2,010          |
| TRANSFER FROM COMMITTED FUNDS | \$0                    | \$0        | \$0        | \$0        | \$0        | \$0        | \$435,000        |
| <b>AMOUNT</b>                 | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$437,010</b> |

| Itemization Description       | FY33       |
|-------------------------------|------------|
| <b>Amount</b>                 |            |
| OPERATING REVENUE             | \$0        |
| TRANSFER FROM COMMITTED FUNDS | \$0        |
| <b>AMOUNT</b>                 | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Passenger Rail and Multi-Modal Station

## Capital Improvement Project (FY27-FY33)

### Fund

General Fund

### Department

Special Appropriations

### Priority Rank

1

## Project Description

Train station building and parking to facilitate passenger rail service in Hillsborough.

## Project Justification

The station will include a ticket office and waiting room, as well as a town board meeting room and a few permanent town offices (approximately 18% of the overall building). This facility is largely funded by the state and regional transit partners, excluding the cost of town offices, up-fitting the facility, and any expense that exceeds the allotted allocation. The town will accept long-term maintenance and ownership responsibility for the building.

Site improvements will include an access road from Orange Grove Street, two parking lots with a combined 100 parking spaces, some of which could be used as a local transit park-and-ride facility, stormwater treatment and bringing utilities to the site. Regional transit partners will be asked to modify routes to provide connected service from the Hillsborough Circulator, 420 route and other bus service to the train station. Feasibility of pedestrian connectivity to the station from downtown Hillsborough was included in the design of this project, but the construction of those improvements is considered outside the scope of this project and will be requested separately.

Station design includes several sustainability initiatives with the goal of eventually providing a net zero building, including a green roof, green stormwater infrastructure, and photo-voltaic rooftop solar arrays. The project also advances the town's sustainability goals by providing a transit connection for regular commuting and travel not currently available to town residents. The station and expected surrounding development will also provide enhanced connectivity and walkability to a new area of town and is expected to serve as a bridge to connect downtown to activity areas south of the river. The creation of a station that serves as a transit hub and public gathering place represents a significant investment in the town's physical and social infrastructure.

## Project Highlights

The town, NCDOT and Go Triangle have approved an interlocal agreement for the project, committing the state and local tax funding to the project. The project must be completed within 7 years of the funding agreement date, or the town will be expected to reimburse the outside funding to the partners. Project costs will be run through the town's budget and reimbursed later.

- FY15 - Conceptual station plan was completed
- FY23 - Station design completed
- FY24 - Design submitted to NC Railroad for approval
- FY26 & FY27 - Design
- FY28 - Construction (spring '28 is earliest possible date)

NOTE: Budget does not currently include \$600k for solar panels or EV charging infrastructure.

## Project Expenditures

Passenger Rail and Multi-Modal Station

| Object Code Description | Current Project Budget | FY27       | FY28               | FY29            | FY30            | FY31            | FY32            |
|-------------------------|------------------------|------------|--------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Amount</b>           |                        |            |                    |                 |                 |                 |                 |
| CONSTRUCTION            | \$9,360,000            | \$0        | \$1,175,000        | \$0             | \$0             | \$0             | \$0             |
| DESIGN                  | \$891,000              | \$0        | \$0                | \$0             | \$0             | \$0             | \$0             |
| MISCELLANEOUS           | \$145,500              | \$0        | \$100,000          | \$0             | \$0             | \$0             | \$0             |
| LEGAL                   | \$42,500               | \$0        | \$0                | \$0             | \$0             | \$0             | \$0             |
| UTILITIES               | \$0                    | \$0        | \$0                | \$2,500         | \$2,500         | \$2,500         | \$2,500         |
| MAINTENANCE - GROUNDS   | \$0                    | \$0        | \$0                | \$2,500         | \$2,500         | \$2,500         | \$2,500         |
| MAINTENANCE - BUILDINGS | \$0                    | \$0        | \$0                | \$30,000        | \$30,000        | \$30,000        | \$30,000        |
| <b>AMOUNT</b>           | <b>\$10,439,000</b>    | <b>\$0</b> | <b>\$1,275,000</b> | <b>\$35,000</b> | <b>\$35,000</b> | <b>\$35,000</b> | <b>\$35,000</b> |

| Object Code Description | FY33            |
|-------------------------|-----------------|
| <b>Amount</b>           |                 |
| CONSTRUCTION            | \$0             |
| DESIGN                  | \$0             |
| MISCELLANEOUS           | \$0             |
| LEGAL                   | \$0             |
| UTILITIES               | \$2,500         |
| MAINTENANCE - GROUNDS   | \$2,500         |
| MAINTENANCE - BUILDINGS | \$30,000        |
| <b>AMOUNT</b>           | <b>\$35,000</b> |

## Project Funding

Passenger Rail and Multi-Modal Station

| Line Item Description | Current Project Budget | FY27       | FY28               | FY29            | FY30            | FY31            | FY32            |
|-----------------------|------------------------|------------|--------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Amount</b>         |                        |            |                    |                 |                 |                 |                 |
| Empty Values          | \$10,439,000           | \$0        | \$1,275,000        | \$35,000        | \$35,000        | \$35,000        | \$35,000        |
| <b>AMOUNT</b>         | <b>\$10,439,000</b>    | <b>\$0</b> | <b>\$1,275,000</b> | <b>\$35,000</b> | <b>\$35,000</b> | <b>\$35,000</b> | <b>\$35,000</b> |

| Line Item Description | FY33            |
|-----------------------|-----------------|
| <b>Amount</b>         |                 |
| Empty Values          | \$35,000        |
| <b>AMOUNT</b>         | <b>\$35,000</b> |

## Operating Budget Impact

Passenger Rail and Multi-Modal Station

| Object Code Description  | FY2027     | FY2028     | FY2029           |
|--------------------------|------------|------------|------------------|
| <b>Amount</b>            |            |            |                  |
| DEBT SERVICE - INTEREST  | \$0        | \$0        | \$169,250        |
| DEBT SERVICE - PRINCIPAL | \$0        | \$0        | \$156,869        |
| MAINTENANCE - BUILDINGS  | \$0        | \$0        | \$30,000         |
| MAINTENANCE - GROUNDS    | \$0        | \$0        | \$2,500          |
| UTILITIES                | \$0        | \$0        | \$2,500          |
| <b>AMOUNT</b>            | <b>\$0</b> | <b>\$0</b> | <b>\$361,119</b> |



# South Churton Street Improvements Cost Share

## Capital Improvement Project (FY27-FY33)

| Fund         | Department | Priority Rank |
|--------------|------------|---------------|
| General Fund | Streets    | 1             |

### Project Description

Pedestrian improvements in the S. Churton Street corridor, from the Eno River to the Interstate 40 interchange.

### Project Justification

This project is funded in the NCDOT Transportation Improvement Plan and is listed as a widening, but will also allow for the construction of bicycle and pedestrian improvements in the entire corridor.

Current NCDOT policy would require the town to financially participate in the provision of pedestrian improvements where they do not already exist in the corridor. In FY19, the town's participation was estimated at \$68,000 (20% of actual sidewalk construction cost). Given the passage of time and escalation of prices, staff is estimating the town's participation at \$100,000. Changes in design and NCDOT policy may impact whether and how much the town must participate in this project. The FY29 funds are placeholder funds.

It is possible the town will not have to participate in this project if NCDOT amends their policies to robustly implement their Complete Streets policy. At this time, the town should plan on participating. Missing this opportunity to install pedestrian improvements in this corridor would commit the town to fully funding any future sidewalk improvements in the corridor. Such a project would be in the millions of dollars rather than the modest amount estimated by participating at the time of widening.

### Project Highlights

- FY23 & FY24 - The town is funding a feasibility study with Surface Transportation Block Grant funds passed through from the Metropolitan Planning Organization. The town approved a \$50,000 contribution of local funds in FY23 to pair with \$150,000 of block grant funding to complete the feasibility study. This effort will include detailed outreach to ensure the final design is fully acceptable to the community as a whole and matches the town's long-term interests.
- FY26 - NCDOT is anticipated to start right-of-way acquisition.
- FY29 - NCDOT is anticipated to start construction, but this is subject to adjustment as the schedules of other state projects becomes clearer. The town's funding portion is planned as a cash transfer from the General Fund in Fiscal Year 2029.

### Project Expenditures

South Churton Street Improvements Cost Share

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29       | FY30       | FY31       | FY32       |
|-------------------------|------------------------|------------|------------|------------|------------|------------|------------|
| <b>Amount</b>           |                        |            |            |            |            |            |            |
| CONSTRUCTION            | \$0                    | \$0        | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33             |
|-------------------------|------------------|
| <b>Amount</b>           |                  |
| CONSTRUCTION            | \$100,000        |
| <b>AMOUNT</b>           | <b>\$100,000</b> |

# Project Funding

South Churton Street Improvements Cost Share

| Object Code Description    | Current Project Budget | FY27       | FY28       | FY29       | FY30       | FY31       | FY32       |
|----------------------------|------------------------|------------|------------|------------|------------|------------|------------|
| <b>Amount</b>              |                        |            |            |            |            |            |            |
| TRANSFER FROM GENERAL FUND | \$0                    | \$0        | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>              | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description    | FY33             |
|----------------------------|------------------|
| <b>Amount</b>              |                  |
| TRANSFER FROM GENERAL FUND | \$100,000        |
| <b>AMOUNT</b>              | <b>\$100,000</b> |

# Operating Budget Impact

South Churton Street Improvements Cost Share

| Itemization Description                      | FY2027     | FY2028     | FY2029     |
|--|------------|------------|------------|
| <b>Amount</b>                                |            |            |            |
| TRANSFER TO GENERAL CAPITAL IMPROVEMENT FUND | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>                                | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

# Water & Sewer Capital Improvement Plan



# Water & Sewer Capital Improvement Plan Summary

Capital Improvement Plan (FY27-FY33)

## Water & Sewer Capital Improvements Expenditures by Project

Water and Sewer CIP Expenditure Summary by Project

| Worksheet Name   | Current Project Budget | FY27                | FY28             | FY29               | FY30                | FY31               | FY32               |
|--|------------------------|---------------------|------------------|--------------------|---------------------|--------------------|--------------------|
| <b>Amount</b>  |                        |                     |                  |                    |                     |                    |                    |
| Bellevue Mill Interceptor Upgrade                              | \$0                    | \$0                 | \$0              | \$0                | \$140,000           | \$40,000           | \$1,320,000        |
| Cates Creek Outfall Upgrade                                    | \$195,000              | \$2,705,000         | \$0              | \$0                | \$0                 | \$225,000          | \$5,175,000        |
| Dam Repairs at West Fork Eno Reservoir                         | \$115,840              | \$2,800,000         | \$0              | \$0                | \$0                 | \$0                | \$0                |
| Electrical System Upgrade at Water Treatment Plant             | \$0                    | \$0                 | \$0              | \$0                | \$100,000           | \$0                | \$0                |
| Elizabeth Brady Pump Station and Force Main Upgrade            | \$1,000,000            | \$800,000           | \$0              | \$3,500,000        | \$0                 | \$0                | \$0                |
| Eno River Interceptor Upgrade - East                           | \$750,000              | \$2,080,000         | \$0              | \$3,120,000        | \$0                 | \$0                | \$0                |
| Eno River Interceptor Upgrade - West                           | \$0                    | \$0                 | \$0              | \$0                | \$350,000           | \$1,790,000        | \$0                |
| Exchange Club Interceptors                                     | \$380,000              | \$0                 | \$0              | \$0                | \$2,500,000         | \$0                | \$0                |
| Galvanized Water Main and Lead/Galvanized Service Replacements | \$160,000              | \$0                 | \$300,000        | \$0                | \$200,000           | \$200,000          | \$0                |
| Hasell Water Tank Replacement                                  | \$210,000              | \$0                 | \$0              | \$0                | \$395,000           | \$5,240,000        | \$0                |
| Hydrant and Valve Project                                      | \$487,647              | \$0                 | \$0              | \$270,000          | \$275,000           | \$0                | \$0                |
| Process Controls Relocation to SCADA                           | \$0                    | \$300,000           | \$0              | \$0                | \$0                 | \$0                | \$0                |
| Sewer Equalization Basin                                       | \$0                    | \$0                 | \$0              | \$0                | \$2,200,000         | \$0                | \$0                |
| Sewer Jetter/Flush Truck                                       | \$0                    | \$222,010           | \$0              | \$0                | \$0                 | \$0                | \$0                |
| Tertiary Filter Flocculators                                   | \$0                    | \$0                 | \$0              | \$10,000           | \$180,000           | \$0                | \$0                |
| Undersized Sewer Main Replacements                             | \$0                    | \$500,000           | \$0              | \$0                | \$500,000           | \$0                | \$0                |
| US-70 Business Water Improvements                              | \$305,000              | \$0                 | \$0              | \$50,000           | \$5,320,000         | \$0                | \$0                |
| Vacuum Excavator   | \$0                    | \$0                 | \$0              | \$155,000          | \$0                 | \$0                | \$0                |
| Water Distribution System Master Plan Improvements             | \$0                    | \$0                 | \$100,000        | \$200,000          | \$500,000           | \$500,000          | \$500,000          |
| Water Treatment Plant Sodium Hypochlorite Conversion           | \$615,600              | \$1,350,000         | \$0              | \$0                | \$0                 | \$0                | \$0                |
| <b>AMOUNT</b>  | <b>\$4,219,087</b>     | <b>\$10,757,010</b> | <b>\$400,000</b> | <b>\$7,305,000</b> | <b>\$12,660,000</b> | <b>\$7,995,000</b> | <b>\$6,995,000</b> |

| Worksheet Name                                      | FY33      |
|---|-----------|
| <b>Amount</b>                                       |           |
| Bellevue Mill Interceptor Upgrade                   | \$0       |
| Cates Creek Outfall Upgrade                         | \$100,000 |
| Dam Repairs at West Fork Eno Reservoir              | \$0       |
| Electrical System Upgrade at Water Treatment Plant  | \$0       |
| Elizabeth Brady Pump Station and Force Main Upgrade | \$0       |
| Eno River Interceptor Upgrade - East                | \$0       |
| Eno River Interceptor Upgrade - West                | \$0       |

| Worksheet Name   | FY33             |
|--|------------------|
| Exchange Club Interceptors                                     | \$0              |
| Galvanized Water Main and Lead/Galvanized Service Replacements | \$0              |
| Hasell Water Tank Replacement                                  | \$0              |
| Hydrant and Valve Project                                      | \$0              |
| Process Controls Relocation to SCADA                           | \$0              |
| Sewer Equalization Basin                                       | \$0              |
| Sewer Jetter/Flush Truck                                       | \$0              |
| Tertiary Filter Flocculators                                   | \$0              |
| Undersized Sewer Main Replacements                             | \$0              |
| US-70 Business Water Improvements                              | \$0              |
| Vacuum Excavator   | \$0              |
| Water Distribution System Master Plan Improvements             | \$0              |
| Water Treatment Plant Sodium Hypochlorite Conversion           | \$0              |
| <b>AMOUNT</b>  | <b>\$100,000</b> |

## Water & Sewer Capital Improvements Revenues by Type

Water and Sewer CIP Revenue Summary by Category

| Object Type (Re)       | Current Project Budget | FY27                | FY28             | FY29               | FY30                | FY31               | FY32               |
|------------------------|------------------------|---------------------|------------------|--------------------|---------------------|--------------------|--------------------|
| <b>Amount</b>          |                        |                     |                  |                    |                     |                    |                    |
| Debt Issuance Proceeds | \$0                    | \$2,547,660         | \$0              | \$6,620,000        | \$6,436,426         | \$7,030,000        | \$5,720,000        |
| Grants                 | \$70,000               | \$0                 | \$0              | \$0                | \$0                 | \$0                | \$0                |
| Interfund Transfers    | \$4,056,537            | \$995,540           | \$100,000        | \$530,000          | \$6,223,574         | \$740,000          | \$1,017,538        |
| Intergovernmental      | \$92,550               | \$56,800            | \$0              | \$0                | \$0                 | \$0                | \$0                |
| Licenses/Permits/Fees  | \$0                    | \$2,430,000         | \$0              | \$0                | \$0                 | \$0                | \$0                |
| Other                  | \$0                    | \$4,727,010         | \$300,000        | \$155,000          | \$0                 | \$225,000          | \$257,462          |
| <b>AMOUNT</b>          | <b>\$4,219,087</b>     | <b>\$10,757,010</b> | <b>\$400,000</b> | <b>\$7,305,000</b> | <b>\$12,660,000</b> | <b>\$7,995,000</b> | <b>\$6,995,000</b> |

| Object Type (Re)       | FY33             |
|------------------------|------------------|
| <b>Amount</b>          |                  |
| Debt Issuance Proceeds | \$0              |
| Grants                 | \$0              |
| Interfund Transfers    | \$100,000        |
| Intergovernmental      | \$0              |
| Licenses/Permits/Fees  | \$0              |
| Other                  | \$0              |
| <b>AMOUNT</b>          | <b>\$100,000</b> |

# Water & Sewer Capital Improvements: Operating Budget Impact

Water and Sewer CIP Operating Impact by Project

| Worksheet Name                                     | FY2027           | FY2028           | FY2029           |
|--|------------------|------------------|------------------|
| <b>Amount</b>                                      |                  |                  |                  |
| Dam Repairs at West Fork Eno Reservoir             | \$195,540        | \$164,967        | \$329,933        |
| Hydrant & Valve Project                            | \$0              | \$0              | \$270,000        |
| Process Controls Relocation to SCADA               | \$300,000        | \$0              | \$0              |
| Sewer Jetter/Flush Truck                           | \$222,010        | \$0              | \$0              |
| Tertiary Filter Flocculators                       | \$0              | \$0              | \$10,000         |
| Vacuum Excavator                                   | \$0              | \$0              | \$155,000        |
| Water Distribution System Master Plan Improvements | \$0              | \$100,000        | \$200,000        |
| <b>AMOUNT</b>                                      | <b>\$717,550</b> | <b>\$264,967</b> | <b>\$964,933</b> |



# Bellevue Mill Interceptor Upgrade

## Capital Improvement Project (FY27-FY33)

| Fund                 | Department            | Priority Rank |
|----------------------|-----------------------|---------------|
| Water and Sewer Fund | Wastewater Collection | 8             |

### Project Description

Replace 2,700 linear feet of 8" sewers with 12" sewers and 15 manholes, from near the end of Forrest Street southward to Eno Street. Abandon the currently unused branch.

### Project Justification

This Bellevue Mill interceptor was in existence prior to the town having a wastewater treatment plant, and possibly as early as the 1920s per mill maps. Portions of the are located in brownfield sites, so additional costs will be incurred for extra permitting and to identify and properly dispose of contaminated soils. Hydraulic modeling has shown this interceptor is undersized for 2040 growth scenarios and is significant contributor of inflow/infiltration. Regardless, it is well beyond its useful life and likely contributing to inflow and infiltration in the basin.

This interceptor is also paralleled by a 12" sewer. The parallel 12" interceptor was constructed to take flow from the Efland force main, which has since been abandoned. CCTV footage collected by Town staff indicates it is possible to reconfigure existing connections to this line to allow its abandonment. Abandonment of this line is recommended in the first phase to reduce inflow/infiltration, the upsizing of this line is proposed only after the Eno Outfall projects are complete (seperate project).

### Project Highlights

Upgrading this main is required to enable higher density redevelopment and development in the western part of Hillsborough.

\$1.2M - Construction (FY32)  
 \$120k - Construction Administration (FY32)

### Project Expenditures

Bellevue Mill Interceptor Upgrade

| Object Code Description   | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31            | FY32               |
|---------------------------|------------------------|------------|------------|------------|------------------|-----------------|--------------------|
| <b>Amount</b>             |                        |            |            |            |                  |                 |                    |
| DESIGN                    | \$0                    | \$0        | \$0        | \$0        | \$100,000        | \$0             | \$0                |
| LAND ACQUISITION PROJECTS | \$0                    | \$0        | \$0        | \$0        | \$20,000         | \$20,000        | \$0                |
| PROFESSIONAL SERVICES     | \$0                    | \$0        | \$0        | \$0        | \$20,000         | \$0             | \$0                |
| CONSTRUCTION              | \$0                    | \$0        | \$0        | \$0        | \$0              | \$20,000        | \$1,320,000        |
| <b>AMOUNT</b>             | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$140,000</b> | <b>\$40,000</b> | <b>\$1,320,000</b> |

| Object Code Description   | FY33       |
|---------------------------|------------|
| <b>Amount</b>             |            |
| DESIGN                    | \$0        |
| LAND ACQUISITION PROJECTS | \$0        |
| PROFESSIONAL SERVICES     | \$0        |
| CONSTRUCTION              | \$0        |
| <b>AMOUNT</b>             | <b>\$0</b> |

# Project Funding

Bellevue Mill Interceptor Upgrade

| Itemization Description            | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31            | FY32               |
|------------------------------------|------------------------|------------|------------|------------|------------------|-----------------|--------------------|
| <b>Amount</b>                      |                        |            |            |            |                  |                 |                    |
| TRANSFER FROM WATER AND SEWER FUND | \$0                    | \$0        | \$0        | \$0        | \$140,000        | \$40,000        | \$0                |
| DEBT ISSUANCE PROCEEDS             | \$0                    | \$0        | \$0        | \$0        | \$0              | \$0             | \$1,320,000        |
| <b>AMOUNT</b>                      | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$140,000</b> | <b>\$40,000</b> | <b>\$1,320,000</b> |

| Itemization Description            | FY33       |
|------------------------------------|------------|
| <b>Amount</b>                      |            |
| TRANSFER FROM WATER AND SEWER FUND | \$0        |
| DEBT ISSUANCE PROCEEDS             | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Cates Creek Outfall Upgrade

## Capital Improvement Project (FY27-FY33)

| Fund                 | Department            | Priority Rank |
|----------------------|-----------------------|---------------|
| Water and Sewer Fund | Wastewater Collection | 4             |

### Project Description

Upsize the Cates Creek Outfall to address anticipated demand from current and anticipated growth.

### Project Justification

The Cates Creek Outfall is 3.4 miles long and was built in two phases. The upper reach, which discharges into the Elizabeth Brady Pumping Station was built in the mid-1990s. The lower portion, which is called Phase 2, was built in the early to mid-2000s when Waterstone began to develop. The entire line is the main pipeline in the Elizabeth Brady sewer basin.

Collection system modeling shows in the next ten years that the outfall will need to be monitored and upsized appropriately. While much newer than the River Pumping Station Eno River Interceptors, there is evidence of a wet weather response in the system. This schedule may need to be escalated however due to a recent inquiry about a significant development south of Waterstone Drive that was not accounted for in modeling, as well as the underestimation of demand proposals of sites that were accounted for. The scope and extent of the upsizing is currently unknown, but the proposed development, if it proceeds, would exceed the pipe capacity in some areas. Developers will be expected to cost share in necessary upgrades.

### Project Highlights

This request relates to the Elizabeth Brady Pumping Station and Force Main project as both will need to be investigated and upsized accordingly, either sooner or later depending on development pacing. If the project is not approved, development will be limited, and sanitary sewer overflows may occur as the system ages and starts to leak more.

#### Funding Timeline:

Preliminary Engineering: FY27 - \$200k & FY28 - \$200k  
Design/Permitting/Bidding: FY27 - \$800k & FY29 - \$800k  
Construction Administration: FY-27 - \$1.9 million, FY29 - \$400k & FY31 - \$320k  
Construction: FY29 - \$4.0M & FY31 - \$4.2M

\*\*\*Project is development driven and must be completed per the budgeted timeline. Developer proffers to be applied directly to design and construction costs.

# Project Expenditures

Cates Creek Outfall Upgrade

| Object Code Description | Current Project Budget | FY27               | FY28       | FY29       | FY30       | FY31             | FY32               |
|-------------------------|------------------------|--------------------|------------|------------|------------|------------------|--------------------|
| <b>Amount</b>           |                        |                    |            |            |            |                  |                    |
| DESIGN                  | \$120,000              | \$680,000          | \$0        | \$0        | \$0        | \$25,000         | \$775,000          |
| PROFESSIONAL SERVICES   | \$75,000               | \$125,000          | \$0        | \$0        | \$0        | \$200,000        | \$0                |
| CONSTRUCTION            | \$0                    | \$1,900,000        | \$0        | \$0        | \$0        | \$0              | \$4,400,000        |
| <b>AMOUNT</b>           | <b>\$195,000</b>       | <b>\$2,705,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$225,000</b> | <b>\$5,175,000</b> |

| Object Code Description | FY33             |
|-------------------------|------------------|
| <b>Amount</b>           |                  |
| DESIGN                  | \$0              |
| PROFESSIONAL SERVICES   | \$0              |
| CONSTRUCTION            | \$100,000        |
| <b>AMOUNT</b>           | <b>\$100,000</b> |

# Project Funding

Cates Creek Outfall Upgrade

| Itemization Description             | Current Project Budget | FY27               | FY28       | FY29       | FY30       | FY31             | FY32               |
|-------------------------------------|------------------------|--------------------|------------|------------|------------|------------------|--------------------|
| <b>Amount</b>                       |                        |                    |            |            |            |                  |                    |
| TRANSFER FROM WATER AND SEWER FUND  | \$195,000              | \$0                | \$0        | \$0        | \$0        | \$0              | \$517,538          |
| DEBT ISSUANCE PROCEEDS              | \$0                    | \$0                | \$0        | \$0        | \$0        | \$0              | \$4,400,000        |
| DEVELOPERS CONTRIBUTION             | \$0                    | \$1,708,498        | \$0        | \$0        | \$0        | \$0              | \$0                |
| SPECIAL ASSESSMENT DISTRICT REVENUE | \$0                    | \$996,502          | \$0        | \$0        | \$0        | \$225,000        | \$257,462          |
| <b>AMOUNT</b>                       | <b>\$195,000</b>       | <b>\$2,705,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$225,000</b> | <b>\$5,175,000</b> |

| Itemization Description             | FY33             |
|-------------------------------------|------------------|
| <b>Amount</b>                       |                  |
| TRANSFER FROM WATER AND SEWER FUND  | \$100,000        |
| DEBT ISSUANCE PROCEEDS              | \$0              |
| DEVELOPERS CONTRIBUTION             | \$0              |
| SPECIAL ASSESSMENT DISTRICT REVENUE | \$0              |
| <b>AMOUNT</b>                       | <b>\$100,000</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Elizabeth Brady Pump Station and Force Main Upgrade

Capital Improvement Project (FY27-FY33)

## Fund

Water and Sewer Fund

## Department

Wastewater Collection

## Priority Rank

3

## Project Description

Design, bid and construct a public sanitary sewer pumping station upgrade at the existing Elizabeth Brady Pumping Station site. DEVELOPMENT RELATED - DO NOT MOVE

## Project Justification

The station upgrades would enable new development in the Elizabeth Brady basin, as well as denser redevelopment of existing sites. The station was rebuilt in 2012 and sized for a quick upgrade of pump capacity, which is currently being implemented. Unfortunately, the level of development discharging to this station is much greater than this quick upgrade option can handle, extending the useful life only a few years at best.

A developer is proposing consolidation of two to three existing sanitary sewer pumping stations (Woods Edge Front, Woods Edge Back, and Nazarene) into a new, larger pumping station. The larger pumping station would be sized to handle the three existing station that would be abandoned, as well future buildout within the basin, including the new, proposed development. The new station would likely discharge into the existing Cates Creek interceptor that drains to the Elizabeth Brady station.

The new, larger pumping station's operating point is significant when compared to Elizabeth Brady's operating point, and even a phased approach to the buildout of the basin served by the new pumping station would require upgrades at Elizabeth Brady. The developer is working with town staff to provide funding, either with an advance of system development fees or a proffer of future funds, to enable this upgrade to serve the proposed development. The developer would also be required to build the new station and force main that enables the future abandonment of Wood Edge Front, Woods Edge Back, and Nazarene Pumping Stations to town standards with no cost participation by the town. The upgrade to the Elizabeth Brady station will require an upgrade of the existing force main to the wastewater treatment plant to ensure efficient pumping station operations.

## Project Highlights

This project relates to the Cates Creek interceptor. If the decision is made to control the amount of development discharging to this station, then this project and the related Cates Creek outfall project scope can be minimized.

## Project Expenditures

Elizabeth Brady Pump Station and Force Main Upgrade

| Object Code Description | Current Project Budget | FY27             | FY28       | FY29               | FY30       | FY31       | FY32       |
|-------------------------|------------------------|------------------|------------|--------------------|------------|------------|------------|
| <b>Amount</b>           |                        |                  |            |                    |            |            |            |
| DESIGN                  | \$750,000              | \$0              | \$0        | \$0                | \$0        | \$0        | \$0        |
| CONSTRUCTION            | \$250,000              | \$800,000        | \$0        | \$3,500,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$1,000,000</b>     | <b>\$800,000</b> | <b>\$0</b> | <b>\$3,500,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| DESIGN                  | \$0        |
| CONSTRUCTION            | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Elizabeth Brady Pump Station and Force Main Upgrade

| Itemization Description            | Current Project Budget | FY27             | FY28       | FY29               | FY30       | FY31       | FY32       |
|------------------------------------|------------------------|------------------|------------|--------------------|------------|------------|------------|
| <b>Amount</b>                      |                        |                  |            |                    |            |            |            |
| SEWER SYSTEM DEVELOPMENT FEES      | \$450,000              | \$800,000        | \$0        | \$0                | \$0        | \$0        | \$0        |
| CAPITAL FACILITIES FEES            | \$300,000              | \$0              | \$0        | \$0                | \$0        | \$0        | \$0        |
| TRANSFER FROM WATER AND SEWER FUND | \$250,000              | \$0              | \$0        | \$0                | \$0        | \$0        | \$0        |
| DEBT ISSUANCE PROCEEDS             | \$0                    | \$0              | \$0        | \$3,500,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>                      | <b>\$1,000,000</b>     | <b>\$800,000</b> | <b>\$0</b> | <b>\$3,500,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description            | FY33       |
|------------------------------------|------------|
| <b>Amount</b>                      |            |
| SEWER SYSTEM DEVELOPMENT FEES      | \$0        |
| CAPITAL FACILITIES FEES            | \$0        |
| TRANSFER FROM WATER AND SEWER FUND | \$0        |
| DEBT ISSUANCE PROCEEDS             | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b> |

## Operating Budget Impact

No FY27-29 operating impact.



# Eno River Interceptor Upgrade - East

Capital Improvement Project (FY27-FY33)

| Fund                 | Department            | Priority Rank |
|----------------------|-----------------------|---------------|
| Water and Sewer Fund | Wastewater Collection | 1             |

## Project Description

Replace approximately 1 mile of 18" and 21" pipes with at least 30" and 36" pipes from the current River Pumping Station location to Churton Street, along with several manholes.

## Project Justification

The Eno River Interceptors were constructed with the wastewater plant in the mid-70s, thus they are over 40 years old. They are concrete and subject to corrosion from hydrogen sulfide. The original interceptors were installed very shallow – in places less than 4 feet deep, making them susceptible to damage by excavation or directional drilling of communications lines. There is also corrosion from hydrogen sulfide.

No significant rehabilitation or replacement of the collection system in this area has ever occurred. Over the years, the interceptor manholes were raised to prevent sanitary sewer overflows due to wet weather surcharging (water other than wastewater entering the system) and because they were not protected from the floodplain and some lining has been performed. The original manholes are constructed of brick material and subject to groundwater intrusion. Hydraulic modeling shows that due to the shallowness and some flat sloped pipes, the pipes are exceeding their capacity during wet weather events and TS Debby verified this concern with multiple sanitary sewer overflows along this portion of pipe. The town has committed and projected growth. These and other similar projects will exacerbate the collection system's hydraulic capacity which is already restricted in wet weather, resulting in sanitary sewer overflows and violations, and possibly even a moratorium on growth until upsizing can occur. To support current needs and future growth through 2040, these pipes need to be upsized.

Since these interceptor pipes carry flow from areas that are the focus of growth, the Board has already agreed to defer large projects contributing wastewater into the River pumping station basin due to wet weather concerns as we investigate our most leaky basin, Lawndale, and secure funding for this replacement. These pipes are some of the oldest in town. This project intertwines with the River Pump Station project for which a federal grant award was received.

## Project Highlights

Further development, as planned for the town, will exacerbate any hydraulically limited sewer pipes and cause overflows that result in noncompliance. This request supports the growth the town has worked hard to attract and approve. The money budgeted is what was submitted for funding to the state revolving fund (but not selected to date) and is reflective of 2040 projected flows. The current construction climate may result in an increase in costs. Much of the pipe need to be upsized to handle the projected 2025 growth. This cannot be deferred much longer.

The town currently plans to pursue the State of North Carolina's revolving loan program to finance the \$5.2M construction portion of this project. However, the loan program is based upon priority points for various categories. As such, an award is NOT guaranteed. However, recent sanitary sewer overflows in this interceptor will add priority to future applications.

# Project Expenditures

Eno River Interceptor Upgrade - East

| Object Code Description   | Current Project Budget | FY27               | FY28       | FY29               | FY30       | FY31       | FY32       |
|---------------------------|------------------------|--------------------|------------|--------------------|------------|------------|------------|
| <b>Amount</b>             |                        |                    |            |                    |            |            |            |
| DESIGN                    | \$500,000              | \$0                | \$0        | \$0                | \$0        | \$0        | \$0        |
| LAND ACQUISITION PROJECTS | \$200,000              | \$0                | \$0        | \$0                | \$0        | \$0        | \$0        |
| PROFESSIONAL SERVICES     | \$50,000               | \$0                | \$0        | \$0                | \$0        | \$0        | \$0        |
| CONSTRUCTION              | \$0                    | \$2,080,000        | \$0        | \$3,120,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>             | <b>\$750,000</b>       | <b>\$2,080,000</b> | <b>\$0</b> | <b>\$3,120,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description   | FY33       |
|---------------------------|------------|
| <b>Amount</b>             |            |
| DESIGN                    | \$0        |
| LAND ACQUISITION PROJECTS | \$0        |
| PROFESSIONAL SERVICES     | \$0        |
| CONSTRUCTION              | \$0        |
| <b>AMOUNT</b>             | <b>\$0</b> |

# Project Funding

Eno River Interceptor Upgrade - East

| Itemization Description       | Current Project Budget | FY27               | FY28       | FY29               | FY30       | FY31       | FY32       |
|-------------------------------|------------------------|--------------------|------------|--------------------|------------|------------|------------|
| <b>Amount</b>                 |                        |                    |            |                    |            |            |            |
| CAPITAL FACILITIES FEES       | \$750,000              | \$0                | \$0        | \$0                | \$0        | \$0        | \$0        |
| SEWER SYSTEM DEVELOPMENT FEES | \$0                    | \$2,080,000        | \$0        | \$0                | \$0        | \$0        | \$0        |
| DEBT ISSUANCE PROCEEDS        | \$0                    | \$0                | \$0        | \$3,120,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>                 | <b>\$750,000</b>       | <b>\$2,080,000</b> | <b>\$0</b> | <b>\$3,120,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description       | FY33       |
|-------------------------------|------------|
| <b>Amount</b>                 |            |
| CAPITAL FACILITIES FEES       | \$0        |
| SEWER SYSTEM DEVELOPMENT FEES | \$0        |
| DEBT ISSUANCE PROCEEDS        | \$0        |
| <b>AMOUNT</b>                 | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Eno River Interceptor Upgrade - West

## Capital Improvement Project (FY27-FY33)

| Fund                 | Department            | Priority Rank |
|----------------------|-----------------------|---------------|
| Water and Sewer Fund | Wastewater Collection | 6             |

### Project Description

Replace approximately 2,900 linear feet of 18" sewers with 24" sewers and 12 manholes.

### Project Justification

This sewer interceptor is one of the oldest in town, built in the 1970s. The modeling report recommendation has shown that the sewer experiences wet weather capacity issues (leaks) and is undersized for potential 2040 growth. It will need to be upsized to meet future demands and due to general condition deterioration. The general vicinity of the work is west of Churton Street to Occoneechee Street on the south side of the river.

### Project Highlights

With the high-density redevelopment and new development expected in the downtown and west Hillsborough area west of Churton Street, it is recommended to upsize this interceptor.

### Project Expenditures

Eno River Interceptor - West

| Object Code Description   | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31               | FY32       |
|---------------------------|------------------------|------------|------------|------------|------------------|--------------------|------------|
| <b>Amount</b>             |                        |            |            |            |                  |                    |            |
| LAND ACQUISITION PROJECTS | \$0                    | \$0        | \$0        | \$0        | \$100,000        | \$0                | \$0        |
| CONSTRUCTION              | \$0                    | \$0        | \$0        | \$0        | \$0              | \$1,790,000        | \$0        |
| DESIGN                    | \$0                    | \$0        | \$0        | \$0        | \$250,000        | \$0                | \$0        |
| <b>AMOUNT</b>             | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$350,000</b> | <b>\$1,790,000</b> | <b>\$0</b> |

| Object Code Description   | FY33       |
|---------------------------|------------|
| <b>Amount</b>             |            |
| LAND ACQUISITION PROJECTS | \$0        |
| CONSTRUCTION              | \$0        |
| DESIGN                    | \$0        |
| <b>AMOUNT</b>             | <b>\$0</b> |

# Project Funding

Eno River Interceptor - West

| Itemization Description            | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31               | FY32       |
|------------------------------------|------------------------|------------|------------|------------|------------------|--------------------|------------|
| <b>Amount</b>                      |                        |            |            |            |                  |                    |            |
| TRANSFER FROM WATER AND SEWER FUND | \$0                    | \$0        | \$0        | \$0        | \$350,000        | \$0                | \$0        |
| STATE REVOLVING LOAN               | \$0                    | \$0        | \$0        | \$0        | \$0              | \$1,790,000        | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$350,000</b> | <b>\$1,790,000</b> | <b>\$0</b> |

| Itemization Description            | FY33       |
|------------------------------------|------------|
| <b>Amount</b>                      |            |
| TRANSFER FROM WATER AND SEWER FUND | \$0        |
| STATE REVOLVING LOAN               | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Exchange Club Interceptors

## Capital Improvement Project (FY27-FY33)

### Fund

Water and Sewer Fund

### Department

Wastewater Collection

### Priority Rank

2

### Project Description

Replace 2,250 linear feet of gravity sewer with 15-inch (2040 committed) or 18-inch diameter (2040 committed + potential flows) between Orange Grove Road and Riverwalk.

### Project Justification

This gravity sewer was installed in the early 1970s. Recent hydraulic modeling of the collection system revealed a capacity deficiency for existing and proposed growth conditions. There is also some configuration of the mains that may contribute to hydraulic flow restrictions (i.e., there are zig zags that do not provide smooth transitions and allow buildup of corrosive gases). The current brick manholes along this segment are in disrepair. The town has paid to rehabilitate the manholes to keep them from crumbling, leaking or allowing infiltration. This segment of sewers goes through Exchange Club Park and is generally between Orange Grove Road and the Riverwalk.

### Project Highlights

Upsize this infrastructure with possible realignments to address current and future growth, and to improve its condition.

### Project Expenditures

Exchange Club Interceptors

| Object Code Description   | Current Project Budget | FY27       | FY28       | FY29       | FY30               | FY31       | FY32       |
|---------------------------|------------------------|------------|------------|------------|--------------------|------------|------------|
| <b>Amount</b>             |                        |            |            |            |                    |            |            |
| CONSTRUCTION              | \$170,000              | \$0        | \$0        | \$0        | \$2,500,000        | \$0        | \$0        |
| DESIGN                    | \$140,000              | \$0        | \$0        | \$0        | \$0                | \$0        | \$0        |
| LAND ACQUISITION PROJECTS | \$50,000               | \$0        | \$0        | \$0        | \$0                | \$0        | \$0        |
| PROFESSIONAL SERVICES     | \$20,000               | \$0        | \$0        | \$0        | \$0                | \$0        | \$0        |
| <b>AMOUNT</b>             | <b>\$380,000</b>       | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$2,500,000</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description   | FY33       |
|---------------------------|------------|
| <b>Amount</b>             |            |
| CONSTRUCTION              | \$0        |
| DESIGN                    | \$0        |
| LAND ACQUISITION PROJECTS | \$0        |
| PROFESSIONAL SERVICES     | \$0        |
| <b>AMOUNT</b>             | <b>\$0</b> |

# Project Funding

Exchange Club Interceptors

| Itemization Description            | Current Project Budget | FY27       | FY28       | FY29       | FY30               | FY31       | FY32       |
|------------------------------------|------------------------|------------|------------|------------|--------------------|------------|------------|
| <b>Amount</b>                      |                        |            |            |            |                    |            |            |
| TRANSFER FROM WATER AND SEWER FUND | \$360,000              | \$0        | \$0        | \$0        | \$0                | \$0        | \$0        |
| SEWER SYSTEM DEVELOPMENT FEES      | \$20,000               | \$0        | \$0        | \$0        | \$0                | \$0        | \$0        |
| DEBT ISSUANCE PROCEEDS             | \$0                    | \$0        | \$0        | \$0        | \$2,500,000        | \$0        | \$0        |
| <b>AMOUNT</b>                      | <b>\$380,000</b>       | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$2,500,000</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description            | FY33       |
|------------------------------------|------------|
| <b>Amount</b>                      |            |
| TRANSFER FROM WATER AND SEWER FUND | \$0        |
| SEWER SYSTEM DEVELOPMENT FEES      | \$0        |
| DEBT ISSUANCE PROCEEDS             | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Sewer Equalization Basin

## Capital Improvement Project (FY27-FY33)

### Fund

Water and Sewer Fund

### Department

Wastewater Collection

### Priority Rank

9

### Project Description

Construct a 1,000,000 gallon above-ground concrete storage tank. This tank will receive flow from the sewer system during wet weather events to reduce the total volume of sewage that must be processed by the wastewater treatment plant. The flow discharged into this basin will be drained back into the plant once the wet weather event passes and the flow into the plant drops to more treatable levels.

### Project Justification

The proposed tank would either be installed adjacent to the existing Elizabeth Brady Pump Station on property already owned by the Town, or at the wastewater treatment plant at a location determined at a later date. A final location for the basin will be established once a master plan for the wastewater treatment plant is complete, the cost estimate provided for this project is associated with a site adjacent to the Elizabeth Brady pump station and is subject to revision if the tank is moved to the wastewater treatment plant site.

### Project Highlights

N/A

### Project Expenditures

Sewer Equalization Basin

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29       | FY30               | FY31       | FY32       |
|-------------------------|------------------------|------------|------------|------------|--------------------|------------|------------|
| <b>Amount</b>           |                        |            |            |            |                    |            |            |
| CONSTRUCTION            | \$0                    | \$0        | \$0        | \$0        | \$2,200,000        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$2,200,000</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| CONSTRUCTION            | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Sewer Equalization Basin

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29       | FY30               | FY31       | FY32       |
|-------------------------|------------------------|------------|------------|------------|--------------------|------------|------------|
| <b>Amount</b>           |                        |            |            |            |                    |            |            |
| DEBT ISSUANCE PROCEEDS  | \$0                    | \$0        | \$0        | \$0        | \$2,200,000        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$2,200,000</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| DEBT ISSUANCE PROCEEDS  | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Sewer Jetter/Flush Truck

## Capital Improvement Project (FY27-FY33)

### Fund

Water and Sewer Fund

### Department

Wastewater Collection

### Priority Rank

7

## Project Description

Sewer Jetter/Flush Truck - This truck incorporates a jet machine mounted to the chassis of a single axle truck, providing easy maneuverability for use in sewer line cleaning and flushing, clearing sewer blockages, and pressure washing. This truck would be an upgrade to our trailer mounted jet machine for everyday jetting/cleaning needs.

## Project Justification

Our current jet machine is a trailer mounted unit that has to be pulled by a larger utility truck in order to be used. It was purchased in 2008 (16 yrs old) and has been a vital asset to provide quality service to our customers in cleaning sewer lines, customers sewer laterals, and keeping the river walk clean by our Public Works Department. With our current machine, not all of our Collections crew staff is able to pull it due to vehicle size needed to tow. Having a truck mounted jet machine would allow all staff to respond to emergencies during and after operating hours, allow for quicker response times since trailer hookup is not needed and its size is more compact than the utility truck and trailer allowing for easier maneuverability around the narrower streets in Hillsborough and tighter sewer outfall easements.

Due to the age of our current jet machine and the amount of use it receives, this jet/flush truck would become a dependable and highly utilized piece of equipment with everyday tasks including sewer blockages and sewer line maintenance. Our state permit for the Collections system requires that we clean 10% of our sewer system each year which is growing exponentially. Having this truck would allow our team to operate 2 crews and 2 pieces of equipment to be more efficient with our state mandated cleaning which would free up the rest of the year to focus on other tasks/maintenance.

## Project Highlights

- More compact for easier accessibility and maneuverability around town.
- A vehicle that every crew member can operate.
- Decrease trailer related incidents.
- Provides redundancy to improve sewer line cleaning efficiency and a backup for emergency response situations if a machine is down for repair/maintenance.

## Project Expenditures

Sewer/Jetter Flush Truck

| Object Code Description | Current Project Budget | FY27             | FY28       | FY29       | FY30       | FY31       | FY32       |
|-------------------------|------------------------|------------------|------------|------------|------------|------------|------------|
| <b>Amount</b>           |                        |                  |            |            |            |            |            |
| CAPITAL - VEHICLES      | \$0                    | \$220,000        | \$0        | \$0        | \$0        | \$0        | \$0        |
| MISC - TAX, TAGS, ETC   | \$0                    | \$2,010          | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$222,010</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| CAPITAL - VEHICLES      | \$0        |
| MISC - TAX, TAGS, ETC   | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Sewer/Jetter Flush Truck

| Itemization Description | Current Project Budget | FY27             | FY28       | FY29       | FY30       | FY31       | FY32       |
|-------------------------|------------------------|------------------|------------|------------|------------|------------|------------|
| <b>Amount</b>           |                        |                  |            |            |            |            |            |
| OPERATING REVENUE       | \$0                    | \$222,010        | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$222,010</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| OPERATING REVENUE       | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Operating Budget Impact

Sewer Jetter/Flush Truck

| Object Code Description | FY2027           | FY2028     | FY2029     |
|-------------------------|------------------|------------|------------|
| <b>Amount</b>           |                  |            |            |
| CAPITAL - VEHICLES      | \$220,000        | \$0        | \$0        |
| MISC - TAX, TAGS, ETC   | \$2,010          | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$222,010</b> | <b>\$0</b> | <b>\$0</b> |



# Undersized Sewer Main Replacements

## Capital Improvement Project (FY27-FY33)

### Fund

Water and Sewer Fund

### Department

Wastewater Collection

### Priority Rank

5

### Project Description

Replace 4" & 6" sewer mains.

### Project Justification

The town installed or allowed to be installed sewer mains less than the state minimum design criteria of 8" diameter. Several parcels are served by 4" and 6" sewer mains where normally, one residential home or low demand non-residential home has its own dedicated 4" sewer main. Some of the undersized mains installed were extended without a permit, and have already demonstrated to be clogged and have several sags. These undersized sewer mains cause extra staff time to clean, have multiple sags which holds sewage and debris, cross properties without established easements, and are not serving customers to the level of service the town wants to provide. This project would replace such sewers with a proper design and established right of entry (easement) for future accessibility and maintenance.

### Project Highlights

- Phase I: Mollies Ct., Hill St., and W. Corbin St.
- Phase II: Lawndale Ave, Sherwood Ave and Waddell St.

### Project Expenditures

Undersized Sewer Main Replacements

| Object Code Description   | Current Project Budget | FY27             | FY28       | FY29       | FY30             | FY31       | FY32       |
|---------------------------|------------------------|------------------|------------|------------|------------------|------------|------------|
| <b>Amount</b>             |                        |                  |            |            |                  |            |            |
| LAND ACQUISITION PROJECTS | \$0                    | \$20,000         | \$0        | \$0        | \$0              | \$0        | \$0        |
| CONSTRUCTION              | \$0                    | \$400,000        | \$0        | \$0        | \$500,000        | \$0        | \$0        |
| DESIGN                    | \$0                    | \$80,000         | \$0        | \$0        | \$0              | \$0        | \$0        |
| <b>AMOUNT</b>             | <b>\$0</b>             | <b>\$500,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$500,000</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description   | FY33       |
|---------------------------|------------|
| <b>Amount</b>             |            |
| LAND ACQUISITION PROJECTS | \$0        |
| CONSTRUCTION              | \$0        |
| DESIGN                    | \$0        |
| <b>AMOUNT</b>             | <b>\$0</b> |

# Project Funding

Undersized Sewer Main Replacements

| Itemization Description            | Current Project Budget | FY27             | FY28       | FY29       | FY30             | FY31       | FY32       |
|------------------------------------|------------------------|------------------|------------|------------|------------------|------------|------------|
| <b>Amount</b>                      |                        |                  |            |            |                  |            |            |
| CAPITAL FACILITIES FEES            | \$0                    | \$500,000        | \$0        | \$0        | \$0              | \$0        | \$0        |
| TRANSFER FROM WATER AND SEWER FUND | \$0                    | \$0              | \$0        | \$0        | \$500,000        | \$0        | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b>             | <b>\$500,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$500,000</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description            | FY33       |
|------------------------------------|------------|
| <b>Amount</b>                      |            |
| CAPITAL FACILITIES FEES            | \$0        |
| TRANSFER FROM WATER AND SEWER FUND | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Tertiary Filter Flocculators

## Capital Improvement Project (FY27-FY33)

### Fund

Water and Sewer Fund

### Department

Wastewater Treatment Plant

### Priority Rank

1

## Project Description

Install new flocculators ahead of tertiary filtration to maximize the total phosphorous removal needed to meet the Falls Lake Rules and reduce chemical usage.

## Project Justification

The 2014 Phase 1 Plant Expansion included new tertiary filtration. The structure was designed to have flocculators installed, but the installation was removed from the project to reduce costs. The pedestals and electrical conduit were however installed to provide for future needs.

Currently, a chemical called Polyaluminum Chloride (PAC) is used to precipitate Phosphorous out of a dissolved state to a solid form that can be removed by filtration. Currently, PAC is fed to the clarifier, which provides the mixing necessary to activate the chemical. This method currently works well but will be insufficient in the future to meet the removal efficiency needed to meet the Falls Lake Rules.

Feeding PAC directly to the filters is also much more efficient. Laboratory testing has shown that with the addition of flocculators, the town should be able to reduce its chemical feed by 28% or more. This equates to chemical savings of approximately \$12,600 per year.

## Project Highlights

This project can be delayed until the current Phosphorous removal efficiency is inadequate to meet permit requirements, which is estimated to be in FY29. However, the town will not realize the cost savings of reduced chemical usage or the reduction in its carbon footprint. The PAC is manufactured and then delivered from out-of-state locations. Flocculation will not only reduce the carbon emissions from the chemical manufacturing process but also the semi-truck deliveries from hundreds of miles away.

## Project Expenditures

Tertiary Filter Flocculators

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29            | FY30             | FY31       | FY32       |
|-------------------------|------------------------|------------|------------|-----------------|------------------|------------|------------|
| <b>Amount</b>           |                        |            |            |                 |                  |            |            |
| PROFESSIONAL SERVICES   | \$0                    | \$0        | \$0        | \$10,000        | \$0              | \$0        | \$0        |
| CONSTRUCTION            | \$0                    | \$0        | \$0        | \$0             | \$180,000        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$10,000</b> | <b>\$180,000</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| PROFESSIONAL SERVICES   | \$0        |
| CONSTRUCTION            | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Tertiary Filter Flocculators

| Itemization Description            | Current Project Budget | FY27       | FY28       | FY29            | FY30             | FY31       | FY32       |
|------------------------------------|------------------------|------------|------------|-----------------|------------------|------------|------------|
| <b>Amount</b>                      |                        |            |            |                 |                  |            |            |
| TRANSFER FROM WATER AND SEWER FUND | \$0                    | \$0        | \$0        | \$10,000        | \$180,000        | \$0        | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$10,000</b> | <b>\$180,000</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description            | FY33       |
|------------------------------------|------------|
| <b>Amount</b>                      |            |
| TRANSFER FROM WATER AND SEWER FUND | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b> |

# Operating Budget Impact

Tertiary Filter Flocculators

| Itemization Description                        | FY2027     | FY2028     | FY2029          |
|--|------------|------------|-----------------|
| <b>Amount</b>                                  |            |            |                 |
| TRANSFER TO UTILITIES CAPITAL IMPROVEMENT FUND | \$0        | \$0        | \$10,000        |
| <b>AMOUNT</b>                                  | <b>\$0</b> | <b>\$0</b> | <b>\$10,000</b> |



# Galvanized Water Main Replacement

## Capital Improvement Project (FY27-FY33)

### Fund

Water and Sewer Fund

### Department

Water Distribution

### Priority Rank

6

### Project Description

Replace galvanized water mains, upsize to 6" and provide fire protection.

### Project Justification

Several old, galvanized 2" waterlines remain in service throughout Hillsborough. These lines are undersized, are not capable of providing fire flow protection, and corrode in the Hillsborough's soils. Galvanized pipes are not used in today's water main construction. The proposed project replaces existing galvanized lines with new, larger diameter mains capable of providing fire protection. Town records indicate that there are approximately 1.45 miles of identified galvanized mains. Compliance with the EPA's lead and copper rule will take place under a separate CIP item.

### Project Highlights

If the project is not completed, the affected waterlines will continue to deteriorate. Adequate fire protection will not be available in the areas served by the current galvanized system.

FY26 - Design to begin

### Project Expenditures

Galvanized Water Main & Lead/Galvanized Service Replacement

| Object Code Description | Current Project Budget | FY27       | FY28             | FY29       | FY30             | FY31             | FY32       |
|-------------------------|------------------------|------------|------------------|------------|------------------|------------------|------------|
| <b>Amount</b>           |                        |            |                  |            |                  |                  |            |
| DESIGN                  | \$160,000              | \$0        | \$0              | \$0        | \$0              | \$0              | \$0        |
| CONSTRUCTION            | \$0                    | \$0        | \$300,000        | \$0        | \$200,000        | \$200,000        | \$0        |
| <b>AMOUNT</b>           | <b>\$160,000</b>       | <b>\$0</b> | <b>\$300,000</b> | <b>\$0</b> | <b>\$200,000</b> | <b>\$200,000</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| DESIGN                  | \$0        |
| CONSTRUCTION            | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Galvanized Water Main & Lead/Galvanized Service Replacement

| Itemization Description            | Current Project Budget | FY27       | FY28             | FY29       | FY30             | FY31             | FY32       |
|------------------------------------|------------------------|------------|------------------|------------|------------------|------------------|------------|
| <b>Amount</b>                      |                        |            |                  |            |                  |                  |            |
| TRANSFER FROM WATER AND SEWER FUND | \$160,000              | \$0        | \$0              | \$0        | \$200,000        | \$200,000        | \$0        |
| CAPITAL FACILITIES FEES            | \$0                    | \$0        | \$300,000        | \$0        | \$0              | \$0              | \$0        |
| <b>AMOUNT</b>                      | <b>\$160,000</b>       | <b>\$0</b> | <b>\$300,000</b> | <b>\$0</b> | <b>\$200,000</b> | <b>\$200,000</b> | <b>\$0</b> |

| Itemization Description            | FY33       |
|------------------------------------|------------|
| <b>Amount</b>                      |            |
| TRANSFER FROM WATER AND SEWER FUND | \$0        |
| CAPITAL FACILITIES FEES            | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Hasell Water Tank Replacement

## Capital Improvement Project (FY27-FY33)

### Fund

Water and Sewer Fund

### Department

Water Distribution

### Priority Rank

1

## Project Description

Replace Hasell Street Water Tank with a new elevated water tank.

## Project Justification

The existing Hasell Street Water Tank was constructed in the mid-1930s and it is the oldest tank in the town system. It holds 200,000 gallons and is constructed of riveted steel. It is the controlling tank in the Central Pressure Zone (CPZ), where water is initially pumped from the Water Treatment Plant and then distributed to CPZ customers, as well as to the North Tank in the North Pressure Zone (NPZ) through a pumping station beside the tank. The small volume of the tank makes it difficult to manage water distribution, with customers near the tank experiencing more pressure fluctuations due to the quickly varying water levels of this tank style.

Development within the Central Pressure Zone (CPZ) has created additional water volume needs, and an elevated tank will enable use of the entire tank volume. The existing tank is a standpipe, with only about 40 percent usable volume. as the tank cannot drop more than about 30 feet of its 72 feet height. The proposed tank will be the same height, but the design will allow use of the entire tank volume.

The new tank size will be a 500,000 gallon tank and located near the same site as the existing tank. If possible, the existing Hassell Pump Station should be replaced with newer equipment as part of this project. An additional \$500,000 was included in construction costs to cover this replacement. The existing pumps and motors are out of date, new equipment is needed to ensure parts and spares availability. The existing pump building is undersized, leaving limited space to work. New pumps, motors, and buildings are needed to facilitate efficient operations of the pumping station.

## Project Highlights

The tank structure is sound, and inspections are performed annually, so this project is slated for later in the CIP. Costs are based on the final estimate prepared as part of the AIA grant report. This project is semi-related but not codependent to the US-70 Business Water Main Improvements project as water from Hasell tank must get to the US-70A tank.

The costs of this project will be funded by a combination of leftover funds from completed projects, system development fees, and transfers from the Water & Sewer Operating Fund.

Funding Timeline  
FY30 - Design  
FY31 - Construction

\*\*\*Project is development driven and must be completed per the budgeted timeline.



# Project Expenditures

Hasell Water Tank Replacement

| Object Code Description   | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31               | FY32       |
|---------------------------|------------------------|------------|------------|------------|------------------|--------------------|------------|
| <b>Amount</b>             |                        |            |            |            |                  |                    |            |
| LAND ACQUISITION PROJECTS | \$100,000              | \$0        | \$0        | \$0        | \$0              | \$0                | \$0        |
| DESIGN                    | \$70,000               | \$0        | \$0        | \$0        | \$370,000        | \$0                | \$0        |
| PROFESSIONAL SERVICES     | \$40,000               | \$0        | \$0        | \$0        | \$25,000         | \$0                | \$0        |
| CONSTRUCTION              | \$0                    | \$0        | \$0        | \$0        | \$0              | \$5,240,000        | \$0        |
| <b>AMOUNT</b>             | <b>\$210,000</b>       | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$395,000</b> | <b>\$5,240,000</b> | <b>\$0</b> |

| Object Code Description   | FY33       |
|---------------------------|------------|
| <b>Amount</b>             |            |
| LAND ACQUISITION PROJECTS | \$0        |
| DESIGN                    | \$0        |
| PROFESSIONAL SERVICES     | \$0        |
| CONSTRUCTION              | \$0        |
| <b>AMOUNT</b>             | <b>\$0</b> |

# Project Funding

Hasell Water Tank Replacement

| Itemization Description                      | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31               | FY32       |
|--|------------------------|------------|------------|------------|------------------|--------------------|------------|
| <b>Amount</b>                                |                        |            |            |            |                  |                    |            |
| TRANSFER FROM WATER AND SEWER FUND           | \$95,000               | \$0        | \$0        | \$0        | \$395,000        | \$0                | \$0        |
| PRIOR PROJECT REMAINING FUNDS - OTHER        | \$43,522               | \$0        | \$0        | \$0        | \$0              | \$0                | \$0        |
| GRANT - ASSET INVENTORY AND ASSESSMENT (AIA) | \$40,000               | \$0        | \$0        | \$0        | \$0              | \$0                | \$0        |
| PRIOR PROJECT REMAINING BOND PROCEEDS        | \$31,478               | \$0        | \$0        | \$0        | \$0              | \$0                | \$0        |
| DEBT ISSUANCE PROCEEDS                       | \$0                    | \$0        | \$0        | \$0        | \$0              | \$5,240,000        | \$0        |
| <b>AMOUNT</b>                                | <b>\$210,000</b>       | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$395,000</b> | <b>\$5,240,000</b> | <b>\$0</b> |

| Itemization Description                      | FY33       |
|--|------------|
| <b>Amount</b>                                |            |
| TRANSFER FROM WATER AND SEWER FUND           | \$0        |
| PRIOR PROJECT REMAINING FUNDS - OTHER        | \$0        |
| GRANT - ASSET INVENTORY AND ASSESSMENT (AIA) | \$0        |
| PRIOR PROJECT REMAINING BOND PROCEEDS        | \$0        |
| DEBT ISSUANCE PROCEEDS                       | \$0        |
| <b>AMOUNT</b>                                | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Hydrant and Valve Project

## Capital Improvement Project (FY27-FY33)

| Fund                 | Department         | Priority Rank |
|----------------------|--------------------|---------------|
| Water and Sewer Fund | Water Distribution | 2             |

### Project Description

Replace old, obsolete fire hydrants and install valves on the hydrant legs where needed. Install new valves and piping where redundancy study recommends.

### Project Justification

There are currently a large number of fire hydrants in the central pressure zone that were installed without a watch valve on the hydrant leg (valve on the pipe connecting the water main and the hydrant assembly). These cannot be turned off without turning off the water. Some of these hydrants date back to the 1930s and need to be replaced since parts are hard to find and they are sometimes difficult or impossible to disassemble. There are approximately 150 hydrants without watch valves. Additionally, in FY21, a consultant studied how many customers would be out of water if a pipe broke in various locations. The affected customers were prioritized based on the estimated demand of the outage area. This budget would include adding valves where needed to minimize impacts in four groups over the next several years.

If the town does not perform this work, it risks having these hydrants not work properly in the event of a fire, which could be catastrophic. Customers would also experience service disruptions or other impacts when ad-hoc repairs or replacements are needed. Additionally, there is an opportunity to reduce the risk of customers being out of service under certain main break scenarios by providing additional valves and piping in the system.

### Project Highlights

This project has been funded with ARPA-enabled funds up to this point. Future allocations will come from Water & Sewer Operating Fund transfers in future years. This project is underway and is expected to take several years. Future allocations will ensure the project is completed in its entirety.

### Project Expenditures

Hydrant and Valve Project

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29             | FY30             | FY31       | FY32       |
|-------------------------|------------------------|------------|------------|------------------|------------------|------------|------------|
| <b>Amount</b>           |                        |            |            |                  |                  |            |            |
| CONSTRUCTION            | \$462,647              | \$0        | \$0        | \$270,000        | \$275,000        | \$0        | \$0        |
| DESIGN                  | \$15,000               | \$0        | \$0        | \$0              | \$0              | \$0        | \$0        |
| PROFESSIONAL SERVICES   | \$10,000               | \$0        | \$0        | \$0              | \$0              | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$487,647</b>       | <b>\$0</b> | <b>\$0</b> | <b>\$270,000</b> | <b>\$275,000</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| CONSTRUCTION            | \$0        |
| DESIGN                  | \$0        |
| PROFESSIONAL SERVICES   | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Hydrant and Valve Project

| Itemization Description            | Current Project Budget | FY27       | FY28       | FY29             | FY30             | FY31       | FY32       |
|------------------------------------|------------------------|------------|------------|------------------|------------------|------------|------------|
| <b>Amount</b>                      |                        |            |            |                  |                  |            |            |
| TRANSFER FROM WATER AND SEWER FUND | \$487,647              | \$0        | \$0        | \$270,000        | \$275,000        | \$0        | \$0        |
| <b>AMOUNT</b>                      | <b>\$487,647</b>       | <b>\$0</b> | <b>\$0</b> | <b>\$270,000</b> | <b>\$275,000</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description            | FY33       |
|------------------------------------|------------|
| <b>Amount</b>                      |            |
| TRANSFER FROM WATER AND SEWER FUND | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b> |

# Operating Budget Impact

Hydrant and Valve Project

| Itemization Description                        | FY2027     | FY2028     | FY2029           |
|--|------------|------------|------------------|
| <b>Amount</b>                                  |            |            |                  |
| TRANSFER TO UTILITIES CAPITAL IMPROVEMENT FUND | \$0        | \$0        | \$270,000        |
| <b>AMOUNT</b>                                  | <b>\$0</b> | <b>\$0</b> | <b>\$270,000</b> |



# Water Distribution Master Plan Improvements

## Capital Improvement Project (FY27-FY33)

| Fund                 | Department         | Priority Rank |
|----------------------|--------------------|---------------|
| Water and Sewer Fund | Water Distribution | 5             |

### Project Description

Implement the recommendations of the Water Distribution Master Plan.

### Project Justification

The Town is preparing a Water Distribution System Master Plan using a hydraulic model of the water distribution system. This master plan will provide recommendations on where improvements are needed to provide adequate fire flow to current and future customers, as well as improve drinking water quality and redundancy throughout the distribution system. The Master Plan recommendations may include waterline extensions, replacements, and installation of new appurtenances. The request is a placeholder until specific projects are identified.

### Project Highlights

The staff recommend implementing the recommendations of the Water Distribution Master Plan once complete.

### Project Expenditures

Water Distribution Master Plan Improvements

| Object Code Description | Current Project Budget | FY27       | FY28             | FY29             | FY30             | FY31             | FY32             |
|-------------------------|------------------------|------------|------------------|------------------|------------------|------------------|------------------|
| <b>Amount</b>           |                        |            |                  |                  |                  |                  |                  |
| CONSTRUCTION            | \$0                    | \$0        | \$100,000        | \$200,000        | \$500,000        | \$500,000        | \$500,000        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$100,000</b> | <b>\$200,000</b> | <b>\$500,000</b> | <b>\$500,000</b> | <b>\$500,000</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| CONSTRUCTION            | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

### Project Funding

Water Distribution Master Plan Improvements

| Itemization Description            | Current Project Budget | FY27       | FY28       | FY29             | FY30             | FY31             | FY32             |
|------------------------------------|------------------------|------------|------------|------------------|------------------|------------------|------------------|
| <b>Amount</b>                      |                        |            |            |                  |                  |                  |                  |
| TRANSFER FROM WATER AND SEWER FUND |                        | \$0        | \$0        | \$100,000        | \$200,000        | \$500,000        | \$500,000        |
| <b>AMOUNT</b>                      |                        | <b>\$0</b> | <b>\$0</b> | <b>\$100,000</b> | <b>\$200,000</b> | <b>\$500,000</b> | <b>\$500,000</b> |

| Itemization Description            | FY33       |
|------------------------------------|------------|
| <b>Amount</b>                      |            |
| TRANSFER FROM WATER AND SEWER FUND | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b> |

# Operating Budget Impact

Water Distribution Master Plan Improvements

| Itemization Description                   | FY2027     | FY2028           | FY2029           |
|---|------------|------------------|------------------|
| <b>Amount</b>                             |            |                  |                  |
| TRANSFER TO UTILITIES CAPITAL IMPROVEMENT | \$0        | \$100,000        | \$200,000        |
| <b>AMOUNT</b>                             | <b>\$0</b> | <b>\$100,000</b> | <b>\$200,000</b> |



# US-70A Business Water Improvements

## Capital Improvement Project (FY27-FY33)

### Fund

Water and Sewer Fund

### Department

Water Distribution

### Priority Rank

3

## Project Description

Replace over 9,000 linear feet of asbestos cement water main along US-70A with 16" ductile iron water main.

## Project Justification

The main transmission line along Highway 70-A is only 12 inches in diameter and is made out of asbestos-cement. This pipe is no longer manufactured, is a hazard to repair due to the asbestos content and is more prone to breakage. Ductile iron pipe or plastic pressure pipe is the current standard for water mains. This project will provide long-term stability for this section of the water system. The increase in pipe size was recommended through system modeling to handle more flow to the US-70 tank, prevent the US-70 tank from emptying too much when the Forest Ridge Booster Pump Station is operating, and to better meet the town's needs when we need to transfer water from Durham in an emergency situation. Modeling has confirmed that upsizing from 12" to 16" between Churton Street and the US 70-A tank should help with pressure and ability to receive a target flow of 2 MGD from Durham. The report also recommended a new express main from Valley Forge to US 70-A tank, however that is not under consideration at this time.

Some sections of this pipeline are the only way to move water along 70-A east of Elizabeth Brady Road. The town has been fortunate to avoid major breaks thus far along this pipeline, due to its age (built in 1973) and the substandard material. If a main break occurs in the area between Hwy 86 and Forest Ridge on US 70-A, water cannot get to the US-70 tank. When the town has to make repairs, it typically has to cut the pipe with a saw, which releases asbestos fibers, thus requiring a respirator. If the town does not perform this work, it risks this line deteriorating further and draining the US-70 Tank. The town can currently receive 1.6 MGD from Durham.

## Project Highlights

This project is related to the Hasell Street Tank Replacement project to help move water to other parts of the central zone, but the projects are not codependent.

- Phase I: Replace approximately 4,900 linear feet of 12-inch Asbestos-Cement (AC) water main along Highway 70-A between Highway 86/Elizabeth Brady Road to the Highway 70-A Water Tank with a new 16" ductile iron water main.
- Phase II: Replace approximately 4,320 linear feet of 12" AC water main along Highway 70-A between Churton Street and Highway 86 with a new 16" ductile iron water main.

## Project Expenditures

US-70A Business Water Improvements

| Object Code Description   | Current Project Budget | FY27       | FY28       | FY29            | FY30               | FY31       | FY32       |
|---------------------------|------------------------|------------|------------|-----------------|--------------------|------------|------------|
| <b>Amount</b>             |                        |            |            |                 |                    |            |            |
| DESIGN                    | \$275,000              | \$0        | \$0        | \$0             | \$0                | \$0        | \$0        |
| PROFESSIONAL SERVICES     | \$30,000               | \$0        | \$0        | \$20,000        | \$0                | \$0        | \$0        |
| LAND ACQUISITION PROJECTS | \$0                    | \$0        | \$0        | \$30,000        | \$0                | \$0        | \$0        |
| CONSTRUCTION              | \$0                    | \$0        | \$0        | \$0             | \$5,320,000        | \$0        | \$0        |
| <b>AMOUNT</b>             | <b>\$305,000</b>       | <b>\$0</b> | <b>\$0</b> | <b>\$50,000</b> | <b>\$5,320,000</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description   | FY33       |
|---------------------------|------------|
| <b>Amount</b>             |            |
| DESIGN                    | \$0        |
| PROFESSIONAL SERVICES     | \$0        |
| LAND ACQUISITION PROJECTS | \$0        |
| CONSTRUCTION              | \$0        |
| <b>AMOUNT</b>             | <b>\$0</b> |

# Project Funding

US-70A Business Water Improvements

| Itemization Description                      | Current Project Budget | FY27       | FY28       | FY29            | FY30               | FY31       | FY32       |
|--|------------------------|------------|------------|-----------------|--------------------|------------|------------|
| <b>Amount</b>                                |                        |            |            |                 |                    |            |            |
| WATER SYSTEM DEVELOPMENT FEES                | \$275,000              | \$0        | \$0        | \$50,000        | \$2,357,131        | \$0        | \$0        |
| GRANT - ASSET INVENTORY AND ASSESSMENT (AIA) | \$30,000               | \$0        | \$0        | \$0             | \$0                | \$0        | \$0        |
| CAPITAL FACILITIES FEES                      | \$0                    | \$0        | \$0        | \$0             | \$1,226,443        | \$0        | \$0        |
| DEBT ISSUANCE PROCEEDS                       | \$0                    | \$0        | \$0        | \$0             | \$1,736,426        | \$0        | \$0        |
| <b>AMOUNT</b>                                | <b>\$305,000</b>       | <b>\$0</b> | <b>\$0</b> | <b>\$50,000</b> | <b>\$5,320,000</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description                      | FY33       |
|--|------------|
| <b>Amount</b>                                |            |
| WATER SYSTEM DEVELOPMENT FEES                | \$0        |
| GRANT - ASSET INVENTORY AND ASSESSMENT (AIA) | \$0        |
| CAPITAL FACILITIES FEES                      | \$0        |
| DEBT ISSUANCE PROCEEDS                       | \$0        |
| <b>AMOUNT</b>                                | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Vacuum Excavator

## Capital Improvement Project (FY27-FY33)

### Fund

Water and Sewer Fund

### Department

Water Distribution

### Priority Rank

4

## Project Description

Purchase a Pacific Tek PV500 Vacuum Excavator equipped with the Pacific Tek Valve Exerciser for use by the Water Distribution crew.

## Project Justification

Pacific Tek Power Vac Vacuum Excavators are manufactured for potholing/"vacuum excavation." Every Pacific Tek Vacuum Excavator can non-destructively find utility lines and pipelines, clean out catch basins, and work with Pacific Tek Valve Exercisers. To aid in digging, water or air is used under low pressure to loosen up the dirt so that the Vacuum Excavator can vacuum the dirt into the Vacuum Excavator's debris tank.

These units are offered as a skid mounted vacuum or can be built onto a flatbed or trailer. Pacific Tek offers eight basic tank sizes with over 100 different configurations and options, depending on the customer's needs. The larger tanks have a reverse flow option where, at the flip of a lever, flow is reversed in the system which allows you to either pump liquid or slurry out of the tank to a higher place, or, to free up clogging in the pickup hose by having air blow the reverse direction. The specific model we are looking at is the PV500 with the optional PT1000 valve exerciser/valve operator mounted on the trailer.

### Vacuum Excavating:

Vacuum Excavation, also known as "Potholing" is the process of using vacuum and sometimes an assisting process such as high pressure water jetting and high velocity air jetting to "suck" a hole in the ground. The hole size can be from 4 to 12 inches in diameter and can be from 1 to 20 feet deep. This process replaces manual or machine digging when there is the possibility of damage to anything in the underground vicinity of the area being uncovered.

With the number of utilities being run underground and the use of plastic pipe and conduit instead of heavier steel the risk of damage once a line is found by either a shovel or a backhoe is greatly increased. Vacuum excavation greatly reduces this risk and is referred to as a "non-destructive" digging method. Once on top of a line or cable the vacuum tube simply cannot continue down and the line being sought is safely found. This process is being used by gas companies, water and wastewater utilities, telephone companies, and underground contractors doing work for all of the above. Past interest in the process of vacuum excavation was not what it is today because at the time there were not as many delicate underground utilities such as fiber-optic cable and small plastic lines that we now have.

### Valve Exercising:

Water distribution valves of all sizes are installed underground and mostly kept open so that water is available to everyone on the system. If left unattended those valves will rust, suffer cathodic damage, get stuck in place, become covered in dirt and silt from the street above, get paved over, or even shift with freezing and thawing conditions. The act of valve exercising / valve operating begins with locating the valve. Once located chances are that the valve box will need to be cleaned just to give access to the top of the valve nut. Then, the act of operating the valve to ensure that it will work if necessary completes the task. In the act of operating the valve you sometimes find valves that were supposed to be open were somehow left closed by someone working on the system resulting in lower water pressure or flow. This is another benefit of the program. There are an enormous number of valves in any distribution system and the act of exercising needs to be documented to ensure that all of the valves get attention that need it and that inoperable valves are documented and scheduled for replacement.

Doing this project by hand is a chore that requires some muscle and some twisting motion that could leave your valve exerciser / valve operator at risk for lower back pain or injury. That is why most cities and towns have employed valve operating machines to assist with the task. Machines are equipped with revolution counters and torque read-out gauges or meters and some are connected to a computer with a GPS that confirms the location. Those computers capture data about the valve and can have other useful bits of information logged and documented as well. Machines can operate many more valves in a day than a person can manually and they can do it day after day after day.

## Project Highlights

Purchasing the new Pacific Tek Vacuum Excavator w/Valve Exerciser would help tremendously with routine tasks such as valve/valve box maintenance, valve exercising, hydro excavating smaller service repairs, cleaning out meter boxes, potholing utilities and is a much more maneuverable unit for our crews to operate. The PV500 can be used dry to allow the excavated soil to be re-used as backfill or can be used with the attached water jetting system to "hydro" excavate. It will also have a class 2 hydraulic tool circuit kit installed to allow the use of our existing hydraulic tools in conjunction with the unit to complete tasks. The optional PT1000 valve exerciser has the option to add GIS management via the addition of their data logger.

# Project Expenditures

Vacuum Excavator

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29             | FY30       | FY31       | FY32       |
|-------------------------|------------------------|------------|------------|------------------|------------|------------|------------|
| <b>Amount</b>           |                        |            |            |                  |            |            |            |
| CAPITAL - EQUIPMENT     | \$0                    | \$0        | \$0        | \$155,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$155,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| CAPITAL - EQUIPMENT     | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Vacuum Excavator

| Itemization Description | Current Project Budget | FY27       | FY28       | FY29             | FY30       | FY31       | FY32       |
|-------------------------|------------------------|------------|------------|------------------|------------|------------|------------|
| <b>Amount</b>           |                        |            |            |                  |            |            |            |
| OPERATING REVENUE       | \$0                    | \$0        | \$0        | \$155,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$155,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| OPERATING REVENUE       | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Operating Budget Impact

Vacuum Excavator

| Object Code Description | FY2027     | FY2028     | FY2029           |
|-------------------------|------------|------------|------------------|
| <b>Amount</b>           |            |            |                  |
| CAPITAL - EQUIPMENT     | \$0        | \$0        | \$155,000        |
| <b>AMOUNT</b>           | <b>\$0</b> | <b>\$0</b> | <b>\$155,000</b> |



# Electrical Upgrades at Water Treatment Plant

## Capital Improvement Project (FY27-FY33)

### Fund

Water and Sewer Fund

### Department

Water Treatment Plant

### Priority Rank

3

### Project Description

Much of the electrical equipment at the water treatment plant has been in service since the early 1970s and is now considered to be obsolete and is prone to failure, expensive to repair, and dangerous to work on.

### Project Justification

Staff will complete an evaluation of the existing water plant main electrical equipment in FY27 to help us prepare a scope and schedule for a future electrical upgrade project. Until the system evaluation is completed, it is impossible to know the scope or cost of the project. However, staff's best guess is that the system upgrade will likely cost about \$750,000, which includes the engineering, administration services, and construction.

### Project Highlights

FY27 - Electrical System Evaluation (Operating Budget)  
FY30 - Construction

### Project Expenditures

Electrical Upgrades at Water Treatment Plant

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31       | FY32       |
|-------------------------|------------------------|------------|------------|------------|------------------|------------|------------|
| <b>Amount</b>           |                        |            |            |            |                  |            |            |
| CONSTRUCTION            | \$0                    | \$0        | \$0        | \$0        | \$100,000        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$100,000</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| CONSTRUCTION            | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Electrical Upgrades at Water Treatment Plant

| Itemization Description            | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31       | FY32       |
|------------------------------------|------------------------|------------|------------|------------|------------------|------------|------------|
| <b>Amount</b>                      |                        |            |            |            |                  |            |            |
| TRANSFER FROM WATER AND SEWER FUND | \$0                    | \$0        | \$0        | \$0        | \$100,000        | \$0        | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$100,000</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description            | FY33       |
|------------------------------------|------------|
| <b>Amount</b>                      |            |
| TRANSFER FROM WATER AND SEWER FUND | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.



# Relocate Process Controls to SCADA

## Capital Improvement Project (FY27-FY33)

### Fund

Water and Sewer Fund

### Department

Water Treatment Plant

### Priority Rank

1

### Project Description

Relocate all equipment currently controlled and/or monitored through the old main control console into the new control console.

### Project Justification

In FY26, a new control panel was installed to replace the antiquated old control panel. This year staff would like to relocate all critical chemical pumps, mixers, flocculators, flow meters, and analyzers to the new panel. This will provide monitoring, control, and data acquisition on the SCADA computer.

Due to the reliability issues of the old control panel, getting all the water plant equipment onto the new control panel is critical. Failure to make a successful transition in a timely manner could result in the plant not being able to successfully treat the drinking water.

### Project Highlights

- Provides equipment status, control, alarms, and historical data
- Provides historical data trending
- Provides automation of processes
- Increases operations efficiency
- Reduces the chance of operational errors
- Greatly increases reliability of processes and monitoring

### Project Expenditures

Relocate Process Controls to SCADA

| Object Code Description | Current Project Budget | FY27             | FY28       | FY29       | FY30       | FY31       | FY32       |
|-------------------------|------------------------|------------------|------------|------------|------------|------------|------------|
| <b>Amount</b>           |                        |                  |            |            |            |            |            |
| CAPITAL - EQUIPMENT     | \$0                    | \$300,000        | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$300,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| CAPITAL - EQUIPMENT     | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Relocate Process Controls to SCADA

| Itemization Description | Current Project Budget | FY27             | FY28       | FY29       | FY30       | FY31       | FY32       |
|-------------------------|------------------------|------------------|------------|------------|------------|------------|------------|
| <b>Amount</b>           |                        |                  |            |            |            |            |            |
| OPERATING REVENUE       | \$0                    | \$300,000        | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$300,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| OPERATING REVENUE       | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Operating Budget Impact

Relocate Process Controls to SCADA

| Object Code Description | FY2027           | FY2028     | FY2029     |
|-------------------------|------------------|------------|------------|
| <b>Amount</b>           |                  |            |            |
| CAPITAL - EQUIPMENT     | \$300,000        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$300,000</b> | <b>\$0</b> | <b>\$0</b> |

# Sodium Hypochlorite Conversion

## Capital Improvement Project (FY27-FY33)

| Fund                                      | Department            | Priority Rank |
|---|-----------------------|---------------|
| 69 - Water and Sewer Capital Improvements | Water Treatment Plant | 2             |

### Project Description

The water treatment plant currently utilizes chlorine gas for primary disinfection and to form chloramines for secondary disinfection. Due to the extreme toxic and corrosive nature of chlorine, and the large quantities of chlorine stored at the plant, the USEPA Risk Management Program Rule requires that a hazard assessment be completed. The hazard assessment for the water treatment plant (attached) estimates that in a worst-case scenario, a major chlorine leak at the water plant could be toxic to a population of 13,365.

A disinfection process analysis was completed in FY25 (attached). This was a comprehensive review of the existing disinfection system and considerations for conversion from chlorine gas to sodium hypochlorite. Utilizing sodium hypochlorite will eliminate the potential hazards of chlorine gas.

This project is for the engineering, management, and construction of new facilities needed to convert our existing chlorine gas feed system to sodium hypochlorite.

### Project Justification

Chlorine is stored and shipped by the chemical supplier as a liquefied gas under pressure in one-ton cylinders. These are unloaded and stored in a covered outdoor area adjacent to the treatment plant administrative area. There are typically two one-ton cylinders at the water plant.

Chlorine gas is highly toxic and corrosive and has been placed in Toxicity Category I (indicating the highest degree of acute toxicity) for oral, dermal, eye and inhalation effects. When chlorine liquid converts to gas, it expands 457 times. Additionally, chlorine gas is 2.5 times heavier than air. In the event of a catastrophic chlorine leak at the water plant, a significant amount of the town will need to be evacuated. However, the Raleigh regional HAZMAT team is the dedicated responder, and it would take some time for them to arrive given the distance. Significant impacts are unlikely to be avoided.

The disinfection process analysis included recommendations to improve the safety, accuracy and efficiency of the existing chlorine system. The existing procedures for delivery drivers to unload the cylinders is not in accordance with standard practices. Improvements to the loading dock and cylinder handling devices are needed. Additionally, only having a sliding steel door in front of the cylinders to keep them from public view is a vulnerability.

The analysis also included recommendations to convert from a chlorine disinfection process to a sodium hypochlorite disinfection process. Conversion to a sodium hypochlorite disinfection system eliminates the safety concerns of using chlorine gas. This is likely the reason most water treatment facilities now use sodium hypochlorite for disinfection. Additionally, since the demand for chlorine gas is now so low, there is only one chlorine gas supplier in North Carolina. With only one supplier, the cost and availability are of concern. We have received several force majeure notices of shortages and price hikes during and since the COVID-19 pandemic.

The Hillsborough water treatment plant has been using chlorine gas for disinfection since the early 1970s and has had no major chlorine leaks. Major chlorine leaks that cause widespread injuries are rare. However, it can and does happen. Since utilizing sodium hypochlorite will eliminate the public health risk, staff is recommending conversion of the disinfection process to sodium hypochlorite.

### Project Highlights

Conversion to sodium hypochlorite for disinfection:

- Safety concerns of using chlorine is eliminated
- Regulations are much less stringent
- Eliminates the need for a Risk Management Plan (\$4,200 per year for compliance management)
- Eliminates the need for a Hazard Assessment
- Additional operational costs anticipated to be minimal
- Chemical costs estimated to increase between \$20,000 and \$30,000 /year

Timeline:

- Design - February 2026

# Project Expenditures

Sodium Hypochlorite Conversion

| Object Code Description | Current Project Budget | FY27               | FY28       | FY29       | FY30       | FY31       | FY32       |
|-------------------------|------------------------|--------------------|------------|------------|------------|------------|------------|
| <b>Amount</b>           |                        |                    |            |            |            |            |            |
| PROFESSIONAL SERVICES   | \$375,000              | \$0                | \$0        | \$0        | \$0        | \$0        | \$0        |
| CONSTRUCTION            | \$240,600              | \$1,350,000        | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$615,600</b>       | <b>\$1,350,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| PROFESSIONAL SERVICES   | \$0        |
| CONSTRUCTION            | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Sodium Hypochlorite Conversion

| Itemization Description       | Current Project Budget | FY27               | FY28       | FY29       | FY30       | FY31       | FY32       |
|-------------------------------|------------------------|--------------------|------------|------------|------------|------------|------------|
| <b>Amount</b>                 |                        |                    |            |            |            |            |            |
| PRIOR PROJECT REMAINING FUNDS | \$615,600              | \$0                | \$0        | \$0        | \$0        | \$0        | \$0        |
| WATER SYSTEM DEVELOPMENT FEES | \$0                    | \$350,000          | \$0        | \$0        | \$0        | \$0        | \$0        |
| FEDERAL AWARD                 | \$0                    | \$1,000,000        | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>                 | <b>\$615,600</b>       | <b>\$1,350,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description       | FY33       |
|-------------------------------|------------|
| <b>Amount</b>                 |            |
| PRIOR PROJECT REMAINING FUNDS | \$0        |
| WATER SYSTEM DEVELOPMENT FEES | \$0        |
| FEDERAL AWARD                 | \$0        |
| <b>AMOUNT</b>                 | <b>\$0</b> |

# Operating Budget Impact

No FY27-29 operating impact.

# Dam Repairs at West Fork Eno Reservoir

## Capital Improvement Project (FY27-FY33)

| Fund                 | Department              | Priority Rank |
|----------------------|-------------------------|---------------|
| Water and Sewer Fund | West Fork Eno Reservoir | 1             |

### Project Description

Investigate and remedy damages to the dam at the West Fork Eno reservoir resulting from Tropical Storm Chantal.

### Project Justification

As a high hazard dam, the town is required to maintain its integrity. Further investigation is required to determine the extent of damage and identify appropriate remedies.

The West Fork on the Eno Reservoir, completed in 2000 and expanded in 2019, is inspected annually by a consultant specializing in dams as required for high hazard dams. The October 2025 inspection revealed damages from Tropical Storm Chantal and also some general maintenance issues that require immediate investigation to determine the exact extent of damages and remedy. The consultant in its inspection report details the recommendations and estimates the extent of the repairs to be around \$2,000,000 - \$3,000,000.

1) The auxiliary spillway chute, primarily downstream of the overlay installed in the 2019 dam modifications, is in generally fair to poor condition. The high flows through the spillway resulting from Tropical Storm Chantal in July 2025 likely caused the damage to the spillway downstream of the overlay. The observed offsets in the chute spillway slab joints, the water observed entering and exiting the chute slab joints, and the damage that appears to be from lifting of the furthest downstream chutes lab section, indicate that undermining of the slab sections could have occurred. 2) The wet area on the downstream slope of the earth embankment adjacent to the left auxiliary spillway sidewall and the seepage through the left spillway sidewall indicates that the drainage system behind the left spillway sidewall is no longer functional. It is likely that the existing wall drain is clogged, potentially by iron ochre. It is possible that the drain has been clogged but is more evident now with the increased driving head from the Phase 2 reservoir normal pool elevation.

### Project Highlights

1. The existing drainage system behind the left auxiliary spillway sidewall should be observed via video inspection for obstructions, crushed pipe sections, or other deficiencies. The design for any modifications to the drainage system will need to be submitted to NC Dam Safety for their review and approval prior to construction.
2. The chute spillway downstream of the overlaid section should be further evaluated by a Professional Engineer for undermining and chute slab delamination. Nondestructive evaluation methods can be used to identify potentially undermined areas beneath the slab, delamination within the slab, and areas of concentrated leakage flow below the chute slab. It is recommended to confirm the nondestructive evaluation results with concrete coring for visual inspection of the slab and foundation conditions. If undermining of the chute spillway slab or delamination of the chute slab is confirmed, repairs will be needed that will potentially include re-construction of the chute spillway slab joints, repair to the damage slab sections, and overlaying the existing slab. The design for any repairs to the chute spillway will need to be submitted to NC Dam Safety for their review and approval prior to construction.
3. The damaged Tideflex check valves at the embankment closure section drainage system outlet, and the right control section drainage system outlet should be replaced.
4. The exposed/broken waterstop within the conduit should be repaired. If this joint continues to deteriorate, it could allow for the soil materials in the embankment to wash into the conduit. The other joints in between segments of the conduit and previously grouted cracks should continue to be monitored at least annually. Repair plans for the exposed/broken water stop would need to be submitted to NC Dam Safety for their review and approval prior to construction.

# Project Expenditures

Dam Repairs at West Fork Eno Reservoir

| Object Code Description | Current Project Budget | FY27               | FY28       | FY29       | FY30       | FY31       | FY32       |
|-------------------------|------------------------|--------------------|------------|------------|------------|------------|------------|
| <b>Amount</b>           |                        |                    |            |            |            |            |            |
| DESIGN                  | \$115,840              | \$174,830          | \$0        | \$0        | \$0        | \$0        | \$0        |
| CONSTRUCTION            | \$0                    | \$2,570,650        | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$115,840</b>       | <b>\$2,745,480</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| DESIGN                  | \$0        |
| CONSTRUCTION            | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Dam Repairs at West Fork Eno Reservoir

| Itemization Description            | Current Project Budget | FY27               | FY28       | FY29       | FY30       | FY31       | FY32       |
|------------------------------------|------------------------|--------------------|------------|------------|------------|------------|------------|
| <b>Amount</b>                      |                        |                    |            |            |            |            |            |
| FEMA REIMBURSEMENTS                | \$92,550               | \$56,800           | \$0        | \$0        | \$0        | \$0        | \$0        |
| TRANSFER FROM WATER AND SEWER FUND | \$23,290               | \$195,540          | \$0        | \$0        | \$0        | \$0        | \$0        |
| DEBT ISSUANCE PROCEEDS             | \$0                    | \$2,547,660        | \$0        | \$0        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>                      | <b>\$115,840</b>       | <b>\$2,800,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description            | FY33       |
|------------------------------------|------------|
| <b>Amount</b>                      |            |
| FEMA REIMBURSEMENTS                | \$0        |
| TRANSFER FROM WATER AND SEWER FUND | \$0        |
| DEBT ISSUANCE PROCEEDS             | \$0        |
| <b>AMOUNT</b>                      | <b>\$0</b> |

# Operating Budget Impact

Dam Repairs at WFER

| Itemization Description                        | FY2027           | FY2028           | FY2029           |
|--|------------------|------------------|------------------|
| <b>Amount</b>                                  |                  |                  |                  |
| DEBT SERVICE - PRINCIPAL                       | \$0              | \$101,275        | \$212,678        |
| DEBT SERVICE - INTEREST                        | \$0              | \$63,692         | \$117,255        |
| TRANSFER TO UTILITIES CAPITAL IMPROVEMENT FUND | \$195,540        | \$0              | \$0              |
| <b>AMOUNT</b>                                  | <b>\$195,540</b> | <b>\$164,967</b> | <b>\$329,933</b> |

## Stormwater Capital Improvement Plan

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# Stormwater Capital Improvement Plan Summary

Capital Improvement Plan (FY27-FY33)

## Stormwater Capital Improvements Expenditures by Project

Stormwater CIP Expenditure Summary by Project

| Worksheet Name                              | Current Project Budget | FY27            | FY28            | FY29            | FY30             | FY31           | FY32           |
|---|------------------------|-----------------|-----------------|-----------------|------------------|----------------|----------------|
| <b>Amount</b>                               |                        |                 |                 |                 |                  |                |                |
| Elizabeth Brady Road Culvert Rehabilitation | \$195,000              | \$75,000        | \$50,000        | \$50,000        | \$0              | \$0            | \$0            |
| JetVac Truck                                | \$0                    | \$0             | \$0             | \$0             | \$608,010        | \$1,000        | \$1,000        |
| <b>AMOUNT</b>                               | <b>\$195,000</b>       | <b>\$75,000</b> | <b>\$50,000</b> | <b>\$50,000</b> | <b>\$608,010</b> | <b>\$1,000</b> | <b>\$1,000</b> |

| Worksheet Name                              | FY33           |
|---|----------------|
| <b>Amount</b>                               |                |
| Elizabeth Brady Road Culvert Rehabilitation | \$0            |
| JetVac Truck                                | \$1,000        |
| <b>AMOUNT</b>                               | <b>\$1,000</b> |

## Stormwater Capital Improvements Revenues by Type

Stormwater CIP Revenue Summary by Category

| Itemization Description       | Current Project Budget | FY27            | FY28            | FY29            | FY30             | FY31           | FY32           |
|-------------------------------|------------------------|-----------------|-----------------|-----------------|------------------|----------------|----------------|
| <b>Amount</b>                 |                        |                 |                 |                 |                  |                |                |
| DEBT ISSUANCE PROCEEDS        | \$0                    | \$0             | \$0             | \$0             | \$605,000        | \$0            | \$0            |
| OPERATING REVENUE             | \$0                    | \$0             | \$0             | \$0             | \$3,010          | \$1,000        | \$1,000        |
| TRANSFER FROM STORMWATER FUND | \$195,000              | \$75,000        | \$50,000        | \$50,000        | \$0              | \$0            | \$0            |
| <b>AMOUNT</b>                 | <b>\$195,000</b>       | <b>\$75,000</b> | <b>\$50,000</b> | <b>\$50,000</b> | <b>\$608,010</b> | <b>\$1,000</b> | <b>\$1,000</b> |

| Itemization Description       | FY33           |
|-------------------------------|----------------|
| <b>Amount</b>                 |                |
| DEBT ISSUANCE PROCEEDS        | \$0            |
| OPERATING REVENUE             | \$1,000        |
| TRANSFER FROM STORMWATER FUND | \$0            |
| <b>AMOUNT</b>                 | <b>\$1,000</b> |

## Stormwater Capital Improvements Operating Budget Impact

Stormwater CIP Operating Impact by Project

| Worksheet Name                              | FY2027          | FY2028          | FY2029          |
|---|-----------------|-----------------|-----------------|
| <b>Amount</b>                               |                 |                 |                 |
| Elizabeth Brady Road Culvert Rehabilitation | \$75,000        | \$50,000        | \$50,000        |
| <b>AMOUNT</b>                               | <b>\$75,000</b> | <b>\$50,000</b> | <b>\$50,000</b> |



# Elizabeth Brady Road Culvert Rehabilitation

## Capital Improvement Project (FY27-FY33)

### Fund

Stormwater Fund

### Department

Stormwater

### Priority Rank

1

## Project Description

Rehabilitate the existing culverts under Elizabeth Brady Road at Cates Creek using spincasting.

## Project Justification

The existing culverts are corrugated metal. Corrugated metal pipes have a functional age and the culverts are starting to deteriorate. Public Works staff has completed some maintenance work on the pipes to ensure they are clear and the downstream side (outlet side) is stabilized. This work has prolonged the life of the existing culverts, but within the next few years, the culvert pipes will need to be repaired. Rehabilitation through spincasting will reduce the risk of a failure similar to what occurred on Valley Forge Road and Cates Creek. The impact of a failure would be greater in that Elizabeth Brady Road serves more property owners, including the only ingress/egress to the town's wastewater plant.

Spincasting is a technique where the inside of existing pipes are sprayed with concrete. This process fixes damaged/aging pipes without having to replace them. This is a cost effective solution and has been utilized with smaller stormwater pipes in town. Based on the current status of the pipes, work already completed by Public Works, and recent discussions with Public Works staff, we believe the project can be pushed to FY29. Public Works will continue to monitor the culverts, and if necessary adjust project timing.

## Project Highlights

- An alternative would be to replace the pipes with a bridge or bottomless culvert. This would most likely be more expensive, but would improve the aquatic ecosystem in the area. It is possible to combine replacement with additional riparian buffer enhancement, which would mean a portion of the project cost would qualify for the joint compliance program currently approved for the Falls Lake rules.
- NuPipe is a unique contractor that provides spincasting services in our area. The NuPipe website gallery that shows before and after photos of various projects (<https://nu-pipe.webflow.io/gallery>).

## Project Expenditures

Elizabeth Brady Road Culvert Rehabilitation

| Object Code Description | Current Project Budget | FY27            | FY28            | FY29            | FY30       | FY31       | FY32       |
|-------------------------|------------------------|-----------------|-----------------|-----------------|------------|------------|------------|
| <b>Amount</b>           |                        |                 |                 |                 |            |            |            |
| PROFESSIONAL SERVICES   | \$20,000               | \$0             | \$0             | \$0             | \$0        | \$0        | \$0        |
| CONSTRUCTION            | \$175,000              | \$75,000        | \$50,000        | \$50,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>           | <b>\$195,000</b>       | <b>\$75,000</b> | <b>\$50,000</b> | <b>\$50,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Object Code Description | FY33       |
|-------------------------|------------|
| <b>Amount</b>           |            |
| PROFESSIONAL SERVICES   | \$0        |
| CONSTRUCTION            | \$0        |
| <b>AMOUNT</b>           | <b>\$0</b> |

# Project Funding

Elizabeth Brady Road Culvert Rehabilitation

| Itemization Description       | Current Project Budget | FY27            | FY28            | FY29            | FY30       | FY31       | FY32       |
|-------------------------------|------------------------|-----------------|-----------------|-----------------|------------|------------|------------|
| <b>Amount</b>                 |                        |                 |                 |                 |            |            |            |
| TRANSFER FROM STORMWATER FUND | \$195,000              | \$75,000        | \$50,000        | \$50,000        | \$0        | \$0        | \$0        |
| <b>AMOUNT</b>                 | <b>\$195,000</b>       | <b>\$75,000</b> | <b>\$50,000</b> | <b>\$50,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| Itemization Description       | FY33       |
|-------------------------------|------------|
| <b>Amount</b>                 |            |
| TRANSFER FROM STORMWATER FUND | \$0        |
| <b>AMOUNT</b>                 | <b>\$0</b> |

# Operating Budget Impact

Elizabeth Brady Road Culvert Rehabilitation

| Itemization Description                         | FY2027          | FY2028          | FY2029          |
|---|-----------------|-----------------|-----------------|
| <b>Amount</b>                                   |                 |                 |                 |
| TRANSFER TO STORMWATER CAPITAL IMPROVEMENT FUND | \$75,000        | \$50,000        | \$50,000        |
| <b>AMOUNT</b>                                   | <b>\$75,000</b> | <b>\$50,000</b> | <b>\$50,000</b> |

| Fund            | Department | Priority Rank |
|-----------------|------------|---------------|
| Stormwater Fund | Stormwater | 2             |

### Project Description

JetVac Truck for cleaning stormwater infrastructure such as catch basins and pipes.

### Project Justification

The town is required to have a stormwater infrastructure maintenance program pursuant to the town's NPDES Phase II MS4 stormwater permit. The JetVac would allow Public Works to clean, collect and dispose of sediment, debris, etc.

Currently, the town uses a contractor to do catch basin/pipe cleaning. This approach is workable for now, but having a JetVac truck would improve efficiency in maintaining the town's stormwater infrastructure and allow the town to respond to problems that arise in a more timely manner.

### Project Highlights

The Water & Sewer Department is considering replacing their JetVac truck with a larger capacity model. If this happens, it is possible that the existing JetVac truck could be utilized by Public Works for stormwater maintenance.

A quote has been included for a GapVax 2024 MC1007-3S3X Combination Jet/Vac. Currently the price of the truck is listed in FY27.

### Project Expenditures

JetVac Truck

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31           | FY32           |
|-------------------------|------------------------|------------|------------|------------|------------------|----------------|----------------|
| <b>Amount</b>           |                        |            |            |            |                  |                |                |
| CAPITAL - VEHICLES      | \$0                    | \$0        | \$0        | \$0        | \$605,000        | \$0            | \$0            |
| GASOLINE                | \$0                    | \$0        | \$0        | \$0        | \$1,000          | \$1,000        | \$1,000        |
| MISC - TAX, TAGS, ETC   | \$0                    | \$0        | \$0        | \$0        | \$2,010          | \$0            | \$0            |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$608,010</b> | <b>\$1,000</b> | <b>\$1,000</b> |

| Object Code Description | FY33           |
|-------------------------|----------------|
| <b>Amount</b>           |                |
| CAPITAL - VEHICLES      | \$0            |
| GASOLINE                | \$1,000        |
| MISC - TAX, TAGS, ETC   | \$0            |
| <b>AMOUNT</b>           | <b>\$1,000</b> |

# Project Funding

JetVac Truck

| Object Code Description | Current Project Budget | FY27       | FY28       | FY29       | FY30             | FY31           | FY32           |
|-------------------------|------------------------|------------|------------|------------|------------------|----------------|----------------|
| <b>Amount</b>           |                        |            |            |            |                  |                |                |
| MISCELLANEOUS           | \$0                    | \$0        | \$0        | \$0        | \$3,010          | \$1,000        | \$1,000        |
| DEBT ISSUANCE PROCEEDS  | \$0                    | \$0        | \$0        | \$0        | \$605,000        | \$0            | \$0            |
| <b>AMOUNT</b>           | <b>\$0</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$608,010</b> | <b>\$1,000</b> | <b>\$1,000</b> |

| Object Code Description | FY33           |
|-------------------------|----------------|
| <b>Amount</b>           |                |
| MISCELLANEOUS           | \$1,000        |
| DEBT ISSUANCE PROCEEDS  | \$0            |
| <b>AMOUNT</b>           | <b>\$1,000</b> |

# Operating Budget Impact

No FY27-29 operating impact.

## Decision Points

## Rates

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- Tax Rate
  - 51.3 cents (no rate increase)
- Stormwater Fee
  - \$15 per equivalent residential unit (ERU) increase (last year of 3-year plan to increase rates)
    - \$120 - residential property
    - Non-residential tiers adjusted proportionally.
- Water & Sewer Rates
  - Water Rate - 7.5% increase
  - Sewer Rate - 7.5% increase
- Fees & Charges Schedule
  - Proposed rate changes noted in red on Fees & Charges Schedule

## General Fund

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- Fire Station
  - Explore option to renovate existing downtown station.
- Nonprofit Partnership Program
  - The budget includes \$110,000 for Nonprofit Partnership Program funding.
  - Which organizations would the board like to fund and at what level?
- Additional information needed about the recommended General Fund budget?

## Stormwater Fund

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- Additional information needed about the recommended Stormwater Fund budget?

## Water & Sewer Fund

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- Rate Structure Analysis
  - Additional information needed?
- Additional information needed about the recommended Water & Sewer Fund budget?

# Budget Ordinance (Draft)

## FY2027 Operating & Capital Budget

The Hillsborough Board of Commissioners ordains that the following budget ordinance is hereby adopted:

### Section 1. General Fund

---

It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

|                                       |                |
|---------------------------------------|----------------|
| Current and Prior Year Property Taxes | 12,535,000     |
| Local Option Sales Tax                | 3,408,000      |
| Licenses, Permits and Fees            | 125,100        |
| Intergovernmental Revenue             | 1,695,500      |
| Other                                 | 126,300        |
| Investment Earnings                   | 400,000        |
| Transfers                             | 720,500        |
| Fund Balance Appropriation            | <u>466,231</u> |
| TOTAL                                 | \$19,476,631   |

The following amounts are hereby appropriated in the General Fund for the operation of the Town Government and its activities for the fiscal year beginning July 1, 2026 and ending June 30, 2027 in accordance with the Chart of Accounts heretofore established for the Town of Hillsborough:

|                        |                |
|------------------------|----------------|
| General Government     | 5,744,719      |
| Public Safety          | 7,902,852      |
| Public Works           | 3,301,595      |
| Transfers              | 1,531,826      |
| Special Appropriations | 529,539        |
| Cemetery               | 6,100          |
| Disaster               | 10,000         |
| Contingency            | <u>450,000</u> |
| TOTAL                  | \$19,476,631   |

### Section 2. Water and Sewer Fund

---

It is estimated that the following revenues will be available in the Water and Sewer Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

|                                |                |
|--------------------------------|----------------|
| Licenses, Permits and Fees     | 14,442,000     |
| Other                          | 15,000         |
| Investment Earnings            | 300,000        |
| Retained Earnings Appropriated | <u>993,844</u> |
| TOTAL                          | \$15,750,844   |

The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer utilities for the fiscal year beginning July 1, 2026, and ending June 30, 2027 in accordance with the Chart of Accounts heretofore established for the Town of Hillsborough:

|                              |                |
|------------------------------|----------------|
| Administration of Enterprise | 3,719,477      |
| Utilities Administration     | 508,565        |
| Billing and Collections      | 1,026,686      |
| Water Treatment Plant        | 1,946,262      |
| West Fork Eno Reservoir      | 1,107,299      |
| Water Distribution           | 2,003,512      |
| Wastewater Collection        | 2,130,666      |
| Wastewater Treatment Plant   | 2,908,377      |
| Contingency                  | <u>400,000</u> |

### Section 3. Stormwater Fund

---

It is estimated that the following revenues will be available in the Stormwater Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

|                                |               |
|--------------------------------|---------------|
| Licenses, Permits and Fees     | 1,133,100     |
| Investment Earnings            | 25,000        |
| Retained Earnings Appropriated | <u>34,964</u> |
| TOTAL                          | \$1,193,064   |

The following amounts are hereby appropriated in the Stormwater Fund for the operation of the stormwater utilities for the fiscal year beginning July 1, 2026, and ending June 30, 2027 in accordance with the Chart of Accounts heretofore established for the Town of Hillsborough:

|            |                  |
|------------|------------------|
| Stormwater | <u>1,193,064</u> |
| TOTAL      | \$1,193,064      |

### Section 4. Tax Rate

---

There is hereby levied a tax of \$0.513 per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2026, for the purpose of raising the revenue listed as "Property Taxes" in the General Fund in Section I of the ordinance.

This tax rate is based on an estimated total valuation of real and personal property (excluding motor vehicles) for the purposes of taxation of \$2,306,022,789 and an estimated rate of collection of 97% and an estimated total valuation of motor vehicles of \$200,960,592 and an estimated rate of collection of 97%.

### Section 5. Encumbered Funds

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Operating funds encumbered on the financial records as of June 30, 2026, are hereby re-appropriated to this budget.

### Section 6. Fees and Charges

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There is hereby maintained a Fees and Charges Schedule for the purpose of raising revenue listed in the General Fund, Water & Sewer Fund, and Stormwater Fund, Sections I, II & III of this ordinance. See the Fees and Charges Schedule for a detailed listing.

### Section 7. Recycling

---

Orange County is hereby authorized to collect and administer a fee established for the purpose of providing recycling services within the Town limits.

### Section 8. Budget Ordinance

---

Copies of this ordinance should be furnished to the clerk, budget officer and finance officer to be kept on file by them for their direction in carrying out this budget.

The foregoing ordinance having been submitted to a vote, received the following vote and was duly adopted this \_\_\_\_ day of June in 2026.

Ayes:  
 Noes:  
 Absent or Excused:

\_\_\_\_\_  
 Mark Bell, Mayor

\_\_\_\_\_  
 Sarah E. Kimrey, Town Clerk



# Fees & Charges Schedule (Recommended)

## FY2027 Operating & Capital Budget

### Accounting

| Description   | Rate | Basis                         |
|---|------|-------------------------------|
| <b>Food &amp; Beverage</b>  |      |                               |
| Food & Beverage Tax (failure to pay)                              | \$   | 500.00 Not to exceed \$500.00 |
| Single-Day Pre-Paid Food & Beverage Fee                           | \$   | 15.00                         |
| Mobile Food Vendor Permit Fee <sup>1</sup>                        | \$   | 50.00                         |
| <b>Beer and Wine License</b>                                      |      |                               |
| On-premise malt beverage  | \$   | 15.00                         |
| Off-premise malt beverage   | \$   | 5.00                          |
| On-premise unfortified wine, on-premise fortified wine, or both   | \$   | 15.00                         |
| Off-premise unfortified wine, off-premise fortified wine, or both | \$   | 10.00                         |

<sup>1</sup> Mobile food vendor permits are valid as long as permit holder timely files Food & Beverage tax receipts and reports.

### Administration

| Description   | Rate | Basis             |
|---|------|-------------------|
| Photocopies   | \$   | 0.10 per page     |
| Laser Printer Copies                                | \$   | 0.10 per page     |
| Town Clerk Certified Copies                         | \$   | 1.00 per page     |
| Board of Commissioners Meeting Notification Listing | \$   | 20.00 annually    |
| <b>Town Code:</b>                                   |      |                   |
| Bound Copy  | \$   | 40.00             |
| Unbound Copy  | \$   | 25.00             |
| Supplements   | \$   | 0.10 per page     |
| Motor Vehicle License Fee                           | \$   | 30.00 per vehicle |
| Franchise Fees (Cable)                              | 5%   | of gross receipts |

### Billing & Collections

| Description                              | Rate | Basis                |
|--|------|----------------------|
| Returned Check / Bank Draft Fee          | \$   | 25.00 per occurrence |
| Disconnect / Reconnect for Returned Item | \$   | 40.00 per occurrence |
| Connection Fee                           | \$   | 20.00                |
| <b>Security Deposits:</b>                |      |                      |
| <b>Water/Sewer Service</b>               |      |                      |
| Inside Town                              | \$   | 75.00                |
| Outside Town                             | \$   | 150.00               |
| Delinquent Fee                           | \$   | 40.00                |
| Late Fee (after 25th of month)           |      | 15%                  |
| <b>Reconnection Fee:</b>                 |      |                      |
| Business Hours                           |      | No Charge            |
| After Hours (Town Error)                 |      | No Charge            |
| Same Day Turn-On Service                 | \$   | 50.00                |
| After Hours (Customer Request)           | \$   | 50.00                |

Account Servicing Fee for Payments Made with Unwrapped Coins

A \$1.00 fee for 100 coins or fraction thereof that the town is required to count in excess of the first \$10.00 of unwrapped coins submitted for payment of the utility bill. \$ 1.00 per 100 coins

Water Use Reduction Rebate

One time rebate per water and/or sewer customer for new or replacement installation of low-flow faucets, showerheads and toilets (receipt or billing invoice of work required). \$ 10.00 per customer

## Cemetery

| Description                       | Rate | Basis                  |
|-----------------------------------|------|------------------------|
| Lot Fee:                          |      |                        |
| Resident                          | \$   | 500.00                 |
| Non-Resident                      | \$   | 1,000.00               |
| Lot Transfer                      |      |                        |
| Transfer Between One Pair of Lots |      | No Charge              |
| Transfer Between 3 or More Lots   | \$   | 50.00 per pair of lots |

## Engineering Services

| Description  | Rate   | Basis  |
|--|--|--|
| <del>Water / Sewer Availability Review</del>   |  |  |
| <del>    &lt; 2 hours of effort</del>  | <del>No charge and then rounded to next dollar hourly rate of involved staff</del> |  |
| <del>    Outside Engineering or Legal Costs (includes legal assistance in drafting easements, water and sewer extension contracts and other legal matters)</del> | <del>Actual Cost to Town</del>   |  |
| <del>    Entitlement Change Utilities Review Fee</del>   | <del>\$ 500.00</del>   | <del>per annexation application and/or rezoning application. Fee is charged per application, annexation interest letters are excluded.</del> |
| <del>Engineering Construction Drawing Review</del>   |  |  |
| <del>    Site Plan Review Fee</del>  | <del>\$ 150.00</del>   | <del>per review</del>  |
| <del>    Non-Residential Construction Drawings without Extensions<sup>1</sup></del>  | <del>\$ 1,200.00</del>   | <del>per review</del>  |
| <del>    Multi-Family Construction Drawing Review Fee<sup>1</sup></del>  |  |  |
| <del>        Water, Sewer and Stormwater Construction Drawing Review Fee (&lt; 20 lots)<sup>1</sup></del>  | <del>\$ 1,500.00</del>   | <del>per review</del>  |
| <del>        Water, Sewer and Stormwater Construction Drawing Review (&gt; 20 lots)<sup>1</sup></del>  | <del>\$ 3,000.00</del>   | <del>per review</del>  |
| <del>    Pumping Stations (engineering review, inspection, start-up and acceptance)</del>  | <del>\$ 8,000.00</del>   | <del>for up to two reviews and comments</del>  |

~~<sup>1</sup>This fee applies to any set of construction drawings where any street, water line, sewer line or stormwater conveyance is proposed for construction and donation to the town, as well as any project where a new water meter and sewer tap are proposed. The fee must be included with each review submittal and will be assessed per set of drawings received. Reviews will begin once the fee is paid. Construction drawings are not required for individual lots with single family homes, duplexes, triplexes, or ADUs unless a public street, subdivision of the lot, or permitted water/sewer extension is proposed. All assets to be donated to the town must go through As-Built review and will be billed per submittal at the above rate.~~

## Planning

| Description   | Rate          | Basis               |
|---|---------------|---------------------|
| <b>Zoning Compliance Permits</b>  |               |                     |
| <b>Basic Permits</b>  |               |                     |
| Change of Use (one use of building/property to another use (e.g. Office to Retail)) | \$            | 20.00               |
| Minor Site Change (i.e. fences, sheds, gazebos, decks, converted ADUs)              | \$            | 50.00               |
| Major Site Change (i.e. additions, covered porches, garages, new ADUs)              | \$            | 75.00               |
| After-the-Fact Zoning Compliance Permit   | \$            | 200.00              |
| Home Occupation Permit  | \$            | 35.00               |
| Zoning Compliance/Verification Letter   | \$            | 50.00               |
| Final Site Inspection   |               | No Charge           |
| Final Site Re-Inspection  | \$            | 50.00 each          |
| <b>New Residential or Non-Residential Construction</b>                              |               |                     |
| New Detached Residential Unit(s)  | \$            | 350.00              |
| New Attached Residential Unit(s)  | \$            | 400.00 per building |
| New Non-Residential Construction  | \$            | 500.00              |
| <b>Signs (New, Replacement, or Refacing)</b>  |               |                     |
| Special Event Banner (allowed by 6.18.6.3 & without other temporary signage)        | \$            | 5.00                |
| Special Event Sign Package (package of signs allowed by 6.18.6.2)                   | \$            | 20.00               |
| Free-Standing   | \$            | 150.00              |
| Sandwich Board  | \$            | 15.00               |
| Wall Mounted  | \$            | 75.00               |
| <b>Special Event Permits</b>  |               |                     |
| Public or Private Events on Private Property  | \$            | 30.00               |
| Public or Private Events on Public Property   | \$            | 50.00               |
| Street or Greenway Use Events   | \$            | 75.00               |
| Special Event Permit Rush Fee (permits submitted less than 60 days in advance)      | \$            | 50.00               |
| <b>Plats</b>  |               |                     |
| Additional Plat Review (4th review and subsequent additional reviews)               | \$            | 200.00 per review   |
|   | <del>\$</del> | <del>50.00</del>    |
| Exempt Plat (per NCGS 160D-802; includes first 3 reviews)                           | \$            | 75.00               |
|   | <del>\$</del> | <del>100.00</del>   |
| Assessment and Right-of-Way Plats (includes first 3 reviews)                        | \$            | 120.00              |

|   |   |   |
|---|---|---|
|   | <del>\$ 100.00</del>                                  |   |
| Final Plat Review (includes first 3 reviews)  | \$ 120.00   |   |
| Minor Subdivision Preliminary Plat Review (1-4 lots; includes first 3 reviews)  | \$ 300.00   | + \$100.00 per lot  |
| Major Subdivision Review (5-19 lots; includes first 3 reviews)  | \$ 600.00   | + \$100.00 per lot  |
| <b>Map, Plan &amp; Unified Development Ordinance Amendments</b>   |   |   |
| Future Land Use Map or Comprehensive Sustainability Plan Amendment  | \$ 750.00   |   |
| Master Plan or Planned Development Amendments   | \$ 750.00   |   |
| Unified Development Ordinance Text Amendment  | \$ 1,000.00   |   |
| Zoning Map Amendment - General Use or Overlay District  | \$ 1,000.00   | + \$50.00 per acre  |
| Zoning Map Amendment - Planned Development District   | \$ 2,500.00   | + \$50.00 per acre  |
| <b>Board of Adjustment</b>  |   |   |
| Appeals   | \$ 400.00   |   |
| Special Use Permits   | \$ 1,500.00   | + \$200.00 per acre   |
| SUP Modifications   | \$ 1,000.00   |   |
| Variance  | \$ 600.00   |   |
| <b>Historic District</b>  |   |   |
| <b>Certificates of Appropriateness</b>  |   |   |
| Minor Work (Staff Approval)   | \$1.00 per \$1,000 in construction <sup>1</sup> costs | \$25.00 minimum   |
| Major Work (Historic District Commission Approval)  | \$1.00 per \$1,000 in construction <sup>1</sup> costs | \$150.00 minimum  |
| Demolition Request Review   | \$ 50.00  |   |
| Certificate of Appropriateness, after the fact (work done without a COA or not in accordance with the approved COA, Minor and Major work) Fee   | \$ 500.00   |   |
| <sup>1</sup> The following items are all included in the "construction cost" used to determine the permit fee: grading, landscaping, site preparation, stormwater control, utilities, paving and structures. ZCPs will be issued for "grading only" and "paving only" projects consistent with the UDO. |   |   |
| <b>Other Requests &amp; Fees</b>  |   |   |
| Sidewalk Fee-in-Lieu  | 125%  | of written, sealed engineer's estimate for the cost of required sidewalk installation |
| Street or Right-of-Way Closing Request  | \$ 650.00   |   |
| Street Renaming Request   | \$ 350.00   |   |
| Consultant Fee Reimbursement <sup>1</sup>   | Consultant Fee Reimbursement                          |   |
| Zoning Compliance Penalty Fee   | No-Permit Penalty                                     |   |
| Local Landmark Designation  | \$ 500.00   |   |
| <b>Formal Unified Development Ordinance or Vesting Determination</b>  | <b>\$ 200.00</b>                                      |   |
| <sup>1</sup> Projects constructing new roads will reimburse the Town for consultant fees to review road construction plans, specifications, and traffic impact analysis if needed.  |   |   |
| <b>Documents &amp; Maps<sup>1</sup></b>   |   |   |
| Unified Development Ordinance   | \$ 25.00  |   |
| Historic District Design Guidelines   | \$ 25.00  |   |
| <del>Community Connectivity Plan</del>  | <del>\$ 15.00</del>                                   |   |
| <del>Comprehensive Sustainability Plan</del>  | <del>\$ 25.00</del>                                   |   |
| <del>Administrative Manual</del>  | <del>\$ 10.00</del>                                   |   |
| <del>Parks &amp; Recreation Plan and Small Area/Corridor Plans</del>  | <del>\$ 10.00</del>                                   |   |
| Planning Map or Other Color Plot/Map (larger than 11x17)  | \$ 10.00  |   |

|  |    |               |
|--|----|---------------|
| Town Street Map with Street Grid (11x17 Black & White) | \$ | 2.00          |
| Future Land Use Map & Other 11x17 Color Maps           | \$ | 2.00          |
| Photocopies  | \$ | 0.10 per page |

<sup>1</sup> All town produced documents and maps can be provided in electronic form (PDF, JPEG, Word or Excel) at no cost if we are provided with the media.

Development Services Review Fees

|  |               |                   |
|--|---------------|-------------------|
| Predevelopment Meeting/Concept Plan Review                         |               | No Charge         |
| Water/Sewer Availability Review (less than one hour of staff time) |               | No Charge         |
|  | <del>\$</del> | <del>0.00</del>   |
| Annexation Interest Letter   | \$            | 50.00             |
|  | <del>\$</del> | <del>75.00</del>  |
| Annexation Petition  | \$            | 500.00            |
| Transportation Impact Analysis (TIA) Scoping & Review Fee          | \$            | 500.00            |
|  | <del>\$</del> | <del>400.00</del> |
| Development Agreement Review                                       | \$            | 1,000.00          |

Site Plans

|  |    |        |
|--|----|--------|
| Site Plan Review (includes first 3 reviews)                                | \$ | 800.00 |
| Additional Site Plan Review (4th review and subsequent additional reviews) | \$ | 300.00 |

Construction Drawings

|   |               |                     |                |
|---|---------------|---------------------|----------------|
| Non-Residential Construction Drawing Plan Review (without extensions; includes first 3 review)          | <del>\$</del> | <del>1,200.00</del> |                |
|   | \$            | 2,000.00            |                |
| Non-Residential Construction Drawing Plan Review (with extensions; includes first 3 reviews)            | \$            | 2,500.00            |                |
| Master Metered Multi-Family Construction Drawing Review (includes first 3 reviews)                      | \$            | 3,000.00            |                |
| Residential (townhome, quad, tri, single family) Construction Drawing Review (includes first 3 reviews) | \$            | 200.00              | per connection |
| Additional Construction Drawing Plan Review (4th review and subsequent additional reviews)              | <del>\$</del> | <del>300.00</del>   |                |
|   | \$            | 1,000.00            |                |

Site Plan + Construction Drawing Combination Review

|   |               |                     |                |
|---|---------------|---------------------|----------------|
| Non-Residential Construction Drawing + Site Plan Review (without extensions; includes first 3 review)   | <del>\$</del> | <del>1,200.00</del> |                |
|   | \$            | 2,500.00            |                |
| Non-Residential Construction Drawing + Site Plan Review (with extensions; includes first 3 reviews)     | \$            | 3,000.00            |                |
| Master Metered Multi-Family Construction Drawing Review (includes first 3 reviews)                      | \$            | 3,500.00            |                |
| Residential (townhome, quad, tri, single family) Construction Drawing Review (includes first 3 reviews) | \$            | 300.00              | per connection |
| Additional Construction Drawing + Site Plan Review (4th review and subsequent additional reviews)       | <del>\$</del> | <del>300.00</del>   |                |
|   | \$            | 1,300.00            |                |
| Pump Stations (review, inspection, start-up, and acceptance)  | \$            | 8,000.00            |                |

Construction Observation/As-built Review

|  |               |                  |                   |
|--|---------------|------------------|-------------------|
| As-built Drawings Review   | \$            | 400.00           |                   |
| Street Acceptance Walkthrough Inspection   | \$            | 50.00            | per street        |
| Street Acceptance Walkthrough Re-Inspection  | \$            | 100.00           | per re-inspection |
| Hydrant Flow Test  | \$            | 250.00           |                   |
| General Inspection   | <del>\$</del> | <del>75.00</del> | per hour          |
|  | \$            | 80.00            |                   |
| Sewer System CCTV (per review for all projects with more than 500' of sewer proposed for acceptance) | <del>\$</del> | <del>1.00</del>  | per linear foot   |
|  | \$            | 500.00           | per submittal     |
| Rejected CCTV due to nonconformance with specifications  | \$            | 100.00           | each occurrence   |

## Police

| Description                             | Rate                | Basis  |
|---|---------------------|--------|
| Excessive Noise Violation               | Fine up to \$250.00 |        |
| Fire Lane Parking Violation             | \$                  | 25.00  |
| Handicap Parking Violation              | \$                  | 100.00 |
| No-Through Truck Violation              | \$                  | 50.00  |
| Parking Citation                        | \$                  | 10.00  |
| Sidewalk Table Service Permit Violation | Fine up to \$500.00 |        |

## Public Space

| Description  | Rate | Basis             |
|--|------|-------------------|
| Portions of town parks may be reserved for private events according to the fees below. |      |                   |
| Large Picnic Shelter in Gold Park  |      |                   |
| In-town resident   | \$   | 20.00 per 3 hours |
| Out-of-town resident   | \$   | 40.00 per 3 hours |
| Multi-Use Field in Gold Park or Cates Creek Park                                       |      |                   |
| In-town resident   | \$   | 20.00 per hour    |
| Out-of-town resident   | \$   | 40.00 per hour    |

## Solid Waste

| Description  | Rate | Basis               |
|--|------|---------------------|
| Roll-Out Refuse Container  | \$   | 75.00 per container |
| Residential Refuse Collection  |      |                     |
| 1 Roll-Out Container   |      | No Charge           |
| 2 or More Roll-Out Containers  |      | TBD                 |
| Bulk Pick-Up / Oversized Load (fee at the discretion of the Public Works Supervisor and dependent on quantity, size and weight) <sup>1</sup> |      |                     |
|  | \$   | 50.00 minimum       |
| Special Brush/Vegetation Collection  | \$   | 130.00              |

<sup>1</sup> Oversized loads are those larger than the bed of a standard pick-up truck. This fee is set at staff discretion to limit overuse of the service covered by general tax revenues.

## Stormwater

| Description   | Rate | Basis  |
|---|------|--|
| Plan Review   |      |  |
| Single Lot Residential <sup>1</sup>                                   | \$   | 100.00 per plan                                  |
| LID Project <sup>2</sup>  | \$   | 250.00 per plan                                  |
| Standard Project (less than 1-acre of new impervious)                 | \$   | 500.00 per plan                                  |
| Standard Project (greater than 1-acre of new impervious) <sup>3</sup> | \$   | 500.00 per plan plus \$50/acre of new impervious |
| Standard Phased Projects <sup>4</sup>                                 | \$   | 250.00 per each subsequent phase submittal       |

<sup>1</sup> Not part of a larger common plan for development or sale.

<sup>2</sup> Projects that meet the State of North Carolina's Low Impact Development requirements and calculations.

<sup>3</sup> For standard projects (non-LID projects) requiring stormwater management approval, the fee includes one project review meeting with staff and no more than three rounds of staff comments. If stormwater plans are still incomplete after the third review or if additional meetings with staff are required, the applicant will be required to pay an additional \$500 review fee to

for the significant staff time spent reviewing incomplete or non-compliant stormwater management plans.

<sup>4</sup> Phased development projects are required to obtain a stormwater management plan approval for the entire project; as each subsequent phase is submitted, an additional fee will be required to ensure the phase plans comply with the overall stormwater management plan approval.

#### Stormwater Fee

|   |  |
|---|--|
| Residential Property  | <del>\$ 105.00</del><br>\$ 120.00 per year       |
| Tier 1, Non-residential Property (0 to 10,000 sq. ft.)        | <del>\$ 210.00</del><br>\$ 240.00 per year       |
| Tier 2, Non-residential Property (10,001 to 30,000 sq. ft.)   | <del>\$ 735.00</del><br>\$ 840.00 per year       |
| Tier 3, Non-residential Property (30,001 to 100,000 sq. ft.)  | <del>\$ 2,415.00</del><br>\$ 2,760.00 per year   |
| Tier 4, Non-residential Property (100,001 to 200,000 sq. ft.) | <del>\$ 5,670.00</del><br>\$ 6,480.00 per year   |
| Tier 5, Non-residential Property (200,001 to 600,000 sq. ft.) | <del>\$ 15,015.00</del><br>\$ 17,160.00 per year |
| Tier 6, Non-residential Property (600,001 to 800,000 sq. ft.) | <del>\$ 26,250.00</del><br>\$ 30,000.00 per year |

## Streets

| Description  | Rate      | Basis |
|--|-----------|-------|
| Driveway Permit - new/maintenance not with new construction    | \$ 100.00 |       |
| Utility Cut Permit application                                 | \$ 100.00 | each  |
| Failure to repair initial cut within 30 calendar days          | \$ 150.00 | each  |
| Failure to make warranty repair within 14 calendar days        | \$ 150.00 | each  |
| Failure to obtain a permit prior to making a non-emergency cut | \$ 150.00 | each  |

If owner requests town to do the work, the owner will also reimburse the town the full cost of materials in addition to the permit amount.

Driveways constructed in conjunction with new construction will be reviewed concurrently with the permit for construction at no additional fee.

Owners must call/schedule inspection of driveway installation at least 24 hours in advance.

## Water & Sewer

| Description                               | Rate                            | Basis             |
|---|---------------------------------|-------------------|
| Water Volume Charges:                     |                                 |                   |
| Residential Volume Charges - Inside Town  |                                 |                   |
| Residential Service:                      |                                 |                   |
| Block 1 (0-2,000 gallons/month)           | <del>\$ 24.78</del><br>\$ 26.64 |                   |
| Block 2 (> 2,000 gallons/month)           | <del>\$ 12.39</del><br>\$ 13.32 | per 1,000 gallons |
| Residential Volume Charges - Outside Town |                                 |                   |
| Residential Service:                      |                                 |                   |
| Block 1 (0-2,000 gallons/month)           | <del>\$ 48.32</del><br>\$ 51.95 |                   |
| Block 2 (> 2,000 gallons/month)           | <del>\$ 24.16</del><br>\$ 25.97 | per 1,000 gallons |
| Bulk Water                                | <del>\$ 24.16</del><br>\$ 25.97 | per 1,000 gallons |

#### Sewer Volume Charges:

##### Inside Town

|                                 |                     |
|---------------------------------|---------------------|
| Block 1 (0-2,000 gallons/month) | <del>\$ 34.88</del> |
|---------------------------------|---------------------|

|                                 |    |                  |                   |
|---------------------------------|----|------------------|-------------------|
|                                 | \$ | 37.50            |                   |
|                                 | \$ | <del>17.44</del> |                   |
| Block 2 (> 2,000 gallons/month) | \$ | 18.75            | per 1,000 gallons |
| Outside Town                    |    |                  |                   |
|                                 | \$ | <del>69.02</del> |                   |
| Block 1 (0-2,000 gallons/month) | \$ | 73.13            |                   |
|                                 | \$ | <del>34.01</del> |                   |
| Block 2 (> 2,000 gallons/month) | \$ | 36.56            | per 1,000 gallons |

Water & Sewer: Treatment & Distribution Use Fees

Water System Development or Capital Facilities Fee<sup>1</sup>

|                                    |    |   |   |
|------------------------------------|----|---|---|
| Unit Cost of Capacity              | \$ | 9.09  | per gallon/day  |
| Residential                        |    |   |   |
| One-bedroom                        | \$ | 1,091.00                                    | 120 gallons/day   |
| Two-bedroom                        | \$ | 2,181.00                                    | 240 gallons/day   |
| Three-bedroom                      | \$ | 3,272.00                                    | 360 gallons/day   |
| Four-bedroom                       | \$ | 4,363.00                                    | 480 gallons/day   |
| Five-bedroom                       | \$ | 5,453.00                                    | 600 gallons/day   |
| Six-bedroom                        | \$ | 6,544.00                                    | 720 gallons/day   |
| Non-Residential <sup>2,3</sup>     |    |   |   |
| General Business/Office Facilities | \$ | 227.00                                      | 25 gallons/employee   |
| Restaurant (full service)          | \$ | 364.00                                      | 40 gallons/seat   |
| Store (without food service)       | \$ | 909.00                                      | 100 gallons/1,000 sq. ft.   |
| Hotel (without in-room cooking)    | \$ | 1,091.00                                    | 120 gallons/room  |
| Irrigation                         |    |   |   |
|                                    |    | Average Monthly Use x Unit Cost of Capacity | Average usage of current irrigation accounts based on facility type (residential or non-residential) over the past five years |

- <sup>1</sup> The System Development Fee shall be applied to new development that connects to the utility system as defined in ordinance 14-71 and which will or potentially result in additional water and sewer use after July 1, 2017. The Capital Facility Fee shall apply to existing development that connects to the system, or redevelopment of a parcel, vacant or otherwise, with a prior water or sewer connection that was in existence before January 1, 1990.
- <sup>2</sup> For non-residential customers, system development fees are scaled<sup>3</sup> for various categories of demand as specified by the North Carolina Administrative Code 15A NCAC 02T.0114 Wastewater Design Flow Rates.
- <sup>3</sup> The maximum cost justified system development fees for non-residential customers may also be calculated by dividing estimated flow from the Administrative Code by the one-bedroom gallons per day.

Wastewater System Development or Capital Facilities Fee<sup>1</sup>

|                                    |    |          |                           |
|------------------------------------|----|----------|---------------------------|
| Unit Cost of Capacity              | \$ | 9.72     | per gallon/day            |
| Residential                        |    |          |                           |
| One-bedroom                        | \$ | 1,166.00 | 120 gallons/day           |
| Two-bedroom                        | \$ | 2,333.00 | 240 gallons/day           |
| Three-bedroom                      | \$ | 3,499.00 | 360 gallons/day           |
| Four-bedroom                       | \$ | 4,666.00 | 480 gallons/day           |
| Five-bedroom                       | \$ | 5,832.00 | 600 gallons/day           |
| Six-bedroom                        | \$ | 6,999.00 | 720 gallons/day           |
| Non-Residential <sup>2,3</sup>     |    |          |                           |
| General Business/Office Facilities | \$ | 243.00   | 25 gallons/employee       |
| Restaurant (full service)          | \$ | 389.00   | 40 gallons/seat           |
| Store (without food service)       | \$ | 972.00   | 100 gallons/1,000 sq. ft. |
| Hotel (without in-room cooking)    | \$ | 1,166.00 | 120 gallons/room          |

- <sup>1</sup> The System Development Fee shall be applied to new development that connects to the utility system as defined in ordinance 14-71 and which will or potentially result in additional water and sewer use after July 1, 2017. The Capital Facility Fee shall apply to existing development that connects to the system, or redevelopment of a parcel, vacant or otherwise, with a prior water or sewer connection that was in existence before January 1, 1990.
- <sup>2</sup> For non-residential customers, system development fees are scaled<sup>3</sup> for various categories of demand as specified by the North Carolina Administrative Code 15A NCAC 02T.0114 Wastewater Design Flow Rates.

<sup>3</sup> The maximum cost justified system development fees for non-residential customers may also be calculated by dividing estimated flow from the Administrative Code by the one-bedroom gallons per day.

|                                    |    |                                       |
|------------------------------------|----|---------------------------------------|
| Water Connection Charge            | -  | -                                     |
| Front Footage Fee <sup>1,2</sup> : |    |                                       |
| 0 - 50 Feet                        | \$ | 750.00 per connection<br>per foot per |
| > 50 Feet                          | \$ | 15.00 connection                      |

<sup>1</sup> For a lot abutting two or more water lines, the front footage fee will be calculated on the longest length of the side abutting the main.

<sup>2</sup> To recover a portion of the costs of town-installed water mains, hydrants, valves and appurtenances after 1987 which are necessary to provide water service to abutting properties.

Lateral Fee:

Licensed utility contractors shall make connections to the town's existing water system after an approved connection request and payment of an application fee of \$200, which includes a preconstruction meeting, town observation and technical assistance about the tapping work. Tapping shall be at the owner's / applicant's expense. Where a licensed contractor makes connections as part of an approved water extension project there shall be no separate connection application required. The town may make water connections under emergency circumstances related to environmental health whereby no other option is available. Such connections will be made by the town at actual cost including time, materials, equipment, and restoration. (Code 14-48)

Water Meter Fees<sup>1,2</sup>

|      |                                 |                     |
|------|---------------------------------|---------------------|
|      | <del>\$ 420.00</del>            | Based on quote from |
| 5/8" | \$ 340.00                       | supplier +\$100     |
|      |                                 | Based on quote from |
| 3/4" | \$ 530.00                       | supplier +\$100     |
|      | <del>\$ 580.00</del>            | Based on quote from |
| 1"   | \$ 570.00                       | supplier +\$100     |
|      | <del>\$ 1,000.00</del>          | Based on quote from |
| 1.5" | \$ 1,040.00                     | supplier +\$100     |
|      |                                 | Based on quote from |
| 2"   | \$ 1,340.00                     | supplier +\$100     |
|      | <del>Actual Cost of-</del>      |                     |
|      | <del>Meter to Town</del>        |                     |
|      | <del>+ \$100 Installation</del> |                     |
|      | <del>-Fee</del>                 |                     |
|      | Contact the town for            |                     |
|      | rates for meters                |                     |
|      | greater than 2"                 |                     |

~~>1" >2"~~

<sup>1</sup> Note that water meters over 1" need to be installed by a plumber or contractor with observation by the town. Meters, strainers and spacers when needed are provided by the town.

<sup>2</sup> Meter pricing is based upon disc type meters. If the meter supervisor determines an ultrasonic meter is better suited for a use (typically for large meters), pricing will be at town cost + \$100.

~~Strainer Fees<sup>1</sup>~~

|                |                        |                     |
|----------------|------------------------|---------------------|
| <del>2"</del>  | <del>\$ 670.00</del>   |                     |
| <del>3"</del>  | <del>\$ 1,081.00</del> |                     |
| <del>4"</del>  | <del>\$ 1,996.00</del> | Based on quote from |
| <del>6"</del>  | <del>\$ 2,835.00</del> | supplier rounded to |
| <del>8"</del>  | <del>\$ 4,738.00</del> | nearest dollar      |
| <del>10"</del> | <del>\$ 7,284.00</del> |                     |

~~<sup>1</sup> Strainers are not required if Neptune Mach 10 Ultrasonic Meters are used. For other meters, strainers are required for 2" or larger and will be at cost.~~

Fire Hydrant Meter Fees

|  |    |          |
|--|----|----------|
| Fire Hydrant Meter Security Deposit                        | \$ | 2,000.00 |
| Fire Hydrant Rental Fees (fees are in addition to deposit) |    |          |

|                                   |    |          |
|-----------------------------------|----|----------|
| Daily Rate                        | \$ | 20.00    |
| Weekly Rate                       | \$ | 100.00   |
| Monthly Rate                      | \$ | 300.00   |
| Semi-Annual Rate                  | \$ | 1,300.00 |
| Annual Rate                       | \$ | 2,500.00 |
| Fire Hydrant Meter Relocation Fee | \$ | 100.00   |

Wastewater Connection Charge

Front Footage Fee<sup>1</sup>:

|             |    |                               |
|-------------|----|-------------------------------|
| 0 - 50 Feet | \$ | 1,000.00                      |
| > 50 Feet   | \$ | 20.00 per foot per connection |

<sup>1</sup> For a lot abutting two or more sewer lines, the front footage fee will be calculated on the longest side of the lot abutting the main.

<sup>2</sup> To recover a portion of the costs of town-installed public sewer mains and appurtenances after 1987 which are necessary to provide sewer service to abutting properties.

Lateral Fee:

Licensed utility contractors shall make connections to the town's existing sewer system after an approved connection request and payment of an application fee of \$200, which includes a preconstruction meeting, town observation and technical assistance about the tapping work. Tapping shall be at the owner's/applicant's expense. Where a licensed contractor makes connections as part of an approved sewer extension project there shall be no separate connection application required. The town may make connections under emergency circumstances related to environmental health whereby no other option is available. Such connections will be made by the town at actual cost including time, materials, equipment, and restoration. (Code 14-48)

Construction Observation / As Built Review

The town will observe all water and sewer meaningful work on projects not involving an extension of mains. On approved main extensions, inspectors will periodically stop by and confer with the 3rd party inspector on progress or when called by the contractor. The town inspector shall be present for all tapping of existing mains, acceptance testing and for planned shutdowns for all work unless delegated or waived. A penalty will be incurred for performing tapping work without authorization or coordination.

|  |                |  |
|--|----------------|--|
| Return trip for acceptance testing   | \$300 + \$0.25 | per linear foot of main over 1,000 linear feet + general inspection time |
| FOG Device   | \$             | 200.00   |
| Reinspection of service taps (including sewer cleanout, meter box, curb stop), mainline valves, hydrants, manholes, air release valves, and other singular items | \$             | 50.00 each + general inspection time                                     |
| As-Built Plan Review Fee   | \$300 + \$0.25 | per linear foot of water and sewer mains                                 |

Other

|   |                                      |  |
|---|--------------------------------------|--|
| Meter Replacement Fee   | \$50 or associated parts cost + \$50 | At request or fault of customer (includes any part of meter, register, antenna, box) |
| Meter Relocation Fee (includes physically moving the meter to a newly set box but not the tapping or relocation of the meter box) | \$                                   | 100.00   |
| Special Meter Read  | \$                                   | 10.00  |
| Meter Test Charge   | \$                                   | 35.00  |
| Hydrant Flow Test   | \$                                   | 250.00   |
| Meter Pressure Test   | \$                                   | 25.00 Unless confirmed problem due to public system operation                        |
| Interruptible Water Meter Install - Return Trip   | \$                                   | 50.00 per trip   |
| Special Irrigation Permit   | \$                                   | 20.00 each   |
| Water Irrigation & Restriction Violations   |                                      | Town Code 14-19, 14-41.1   |
| Water Connection Control Violations   |                                      | Town Code 14-56  |

Perpetual Maintenance (new sewage pump stations)

Per Formula in  
Town Code

Tampering Fees

Town Code 14-16 (a) (6)  
(i) and (ii)

|  |    |          |      |
|--|----|----------|------|
| Meter Tampering Fee  | \$ | 350.00   |      |
| Meter Tamping Civil Penalty <sup>1</sup>   | \$ | 500.00   |      |
| Hydrant Tampering Fee  | \$ | 500.00   |      |
| Hydrant Tampering Civil Penalty <sup>2</sup>   | \$ | 3,000.00 |      |
| Making tap connections<br>to water and sewer without approval<br>or notification of work | \$ | 1,000.00 | each |

<sup>1</sup> The civil penalty shall be doubled for any future offenses within a two-year period.

<sup>2</sup> The civil penalty shall be doubled for any future offenses by the same person.

# Nonprofit Partnerships Summary

## FY2027 Operating & Capital Budget

### Background

Phase I of the Community Reinvestment Funding Policy was adopted at the January 27, 2025 Board Workshop. The formation of a policy and procedure for the program was intended to standardize the process by which agencies or organizations outside of the town itself could request funding from the town to support programs and initiatives that contribute to the town's strategic goals. The application moved from a PDF format to an online format and was posted on the town website on January 12, 2026. Town staff hosted a kickoff meeting on February 6, 2026, to introduce the new policy elements and process. On February 9 and February 23, 2026, the Board of Commissioners adopted Phase II policy and procedure changes to the program, which include new reporting and auditing requirements. Applications for the FY27 funding cycle were due by close-of-business on March 31, 2026.

The town received eight applications for Fiscal Year 2027 funding, which are listed below with Fiscal Year 2026 allocations for comparison. The Fiscal Year 2027 budget includes an allocation pool of **\$110,000**. The Board of Commissioners will decide whether to decrease, increase, or hold this total allocation to any combination of organizations it chooses. All eight applicants attended the April 27, 2026 Board Workshop where they presented their requests and answered questions.

Individual applications are included in the following pages, listed in alphabetical order of the organization.

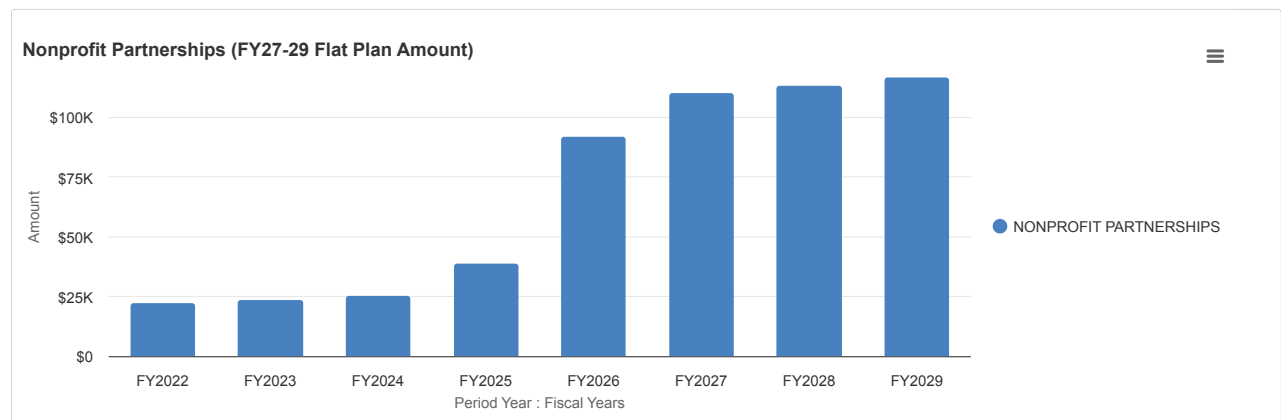
### Request Summary

| Organization (Alphabetical)                                | FY26 Allocation   | FY27 Request     | Difference (\$) | Difference (%) |
|--|-------------------|------------------|-----------------|----------------|
| Disability Awareness Council                               | \$ -              | \$18,000         | \$18,000        | --             |
| Exchange Club Park   | \$10,000          | \$7,312          | (\$2,688)       | (27%)          |
| Fairview Community Watch                                   | \$10,000          | \$10,000         | \$ -            | 0%             |
| Food, Fitness & Opportunity Research Collaborative (FFORC) | \$45,912*         | \$51,683         | \$5,771         | 13%            |
| Hillsborough Arts Council                                  | \$15,800          | \$17,800         | \$2,000         | 13%            |
| Orange Congregations in Mission                            | \$10,000          | \$10,000         | \$ -            | 0%             |
| Orange County Arts Alliance                                | \$ -              | \$10,000         | \$10,000        | --             |
| TABLE  | \$ -              | \$15,000         | \$15,000        | --             |
| <b>TOTAL</b>   | <b>\$91,712**</b> | <b>\$139,795</b> | <b>\$48,083</b> | <b>52%</b>     |

\* Mid-year allocation intended as one-time bridge funding to address loss of federal funding.

\*\* Total amount originally awarded for FY26 Nonprofit Partnerships was \$45,800.

### Allocation Trend FY22-26 and FY27-29 Budget



Data Updated: May 05, 2026, 4:16 PM

[View Report](#)



### FY26 Allocations vs. FY27 Requests

| Organization                 | FY26 | FY27   | Difference (\$) | Difference (%) |
|------------------------------|------|--------|-----------------|----------------|
| Disability Awareness Council | -    | 18,000 | 18,000          | --             |

### Application Items

| Item   | Included |
|--|----------|
| IRS tax-exempt letter  | Y        |
| List of board members  | Y        |
| Program or service description and proposed program budget   | Y        |
| Number of Hillsborough residents that are expected to receive direct services from the program during the fiscal year  | Y        |
| Actual number of Hillsborough residents who reside in the corporate limits and are serviced during the funded period (renewal only)  | N/A      |
| Addresses unmet service demand, or that they will deliver comparable services at a significantly lower unit cost than the currently available services (duplicate services only) | Y        |
| Lists other revenue sources requested to support program   | Y        |
| Proposed performance metrics   | Y        |



### FY26 Allocations vs. FY27 Requests

| Organization       | FY26     | FY27    | Difference (\$) | Difference (%) |
|--------------------|----------|---------|-----------------|----------------|
| Exchange Club Park | \$10,000 | \$7,312 | (\$2,688)       | (27%)          |

### Application Items

| Item   | Included |
|--|----------|
| IRS tax-exempt letter  | Y        |
| List of board members  | Y        |
| Program or service description and proposed program budget   | Y        |
| Number of Hillsborough residents that are expected to receive direct services from the program during the fiscal year  | Y        |
| Actual number of Hillsborough residents who reside in the corporate limits and are serviced during the funded period (renewal only)  | Y        |
| Addresses unmet service demand, or that they will deliver comparable services at a significantly lower unit cost than the currently available services (duplicate services only) | Y        |
| Lists other revenue sources requested to support program   | Y        |
| Proposed performance metrics   | Y        |



### FY26 Allocations vs. FY27 Requests

| Organization             | FY26     | FY27     | Difference (\$) | Difference (%) |
|--------------------------|----------|----------|-----------------|----------------|
| Fairview Community Watch | \$10,000 | \$10,000 | \$ -            | 0%             |

### Application Items

| Item   | Included |
|--|----------|
| IRS tax-exempt letter  | Y        |
| List of board members  | Y        |
| Program or service description and proposed program budget   | Y        |
| Number of Hillsborough residents that are expected to receive direct services from the program during the fiscal year  | Y        |
| Actual number of Hillsborough residents who reside in the corporate limits and are serviced during the funded period (renewal only)  | Y        |
| Addresses unmet service demand, or that they will deliver comparable services at a significantly lower unit cost than the currently available services (duplicate services only) | Y        |
| Lists other revenue sources requested to support program   | Y        |
| Proposed performance metrics   | Y        |



# Food, Fitness & Opportunity Research Collaborative (FFORC)

Budget Justification Form (FY27-FY29)

## FY26 Allocations vs. FY27 Requests

| Organization   | FY26      | FY27     | Difference (\$) | Difference (%) |
|--|-----------|----------|-----------------|----------------|
| Food, Fitness and Opportunity Research Collaborative (FFORC) | \$45,912* | \$51,683 | \$5,771         | 13%            |

\*Mid-year allocation intended as one-time bridge funding to address loss of federal funding.

## Application Items

| Item   | Included |
|--|----------|
| IRS tax-exempt letter  | Y        |
| List of board members  | N/A      |
| Program or service description and proposed program budget   | Y        |
| Number of Hillsborough residents that are expected to receive direct services from the program during the fiscal year  | Y        |
| Actual number of Hillsborough residents who reside in the corporate limits and are serviced during the funded period (renewal only)  | Y        |
| Addresses unmet service demand, or that they will deliver comparable services at a significantly lower unit cost than the currently available services (duplicate services only) | Y        |
| Lists other revenue sources requested to support program   | Y        |
| Proposed performance metrics   | Y        |



### FY26 Allocations vs. FY27 Requests

| Organization              | FY26     | FY27     | Difference (\$) | Difference (%) |
|---------------------------|----------|----------|-----------------|----------------|
| Hillsborough Arts Council | \$15,800 | \$17,800 | \$2,000         | 13%            |

### Application Items

| Item   | Included |
|--|----------|
| IRS tax-exempt letter  | Y        |
| List of board members  | Y        |
| Program or service description and proposed program budget   | Y        |
| Number of Hillsborough residents that are expected to receive direct services from the program during the fiscal year  | Y        |
| Actual number of Hillsborough residents who reside in the corporate limits and are serviced during the funded period (renewal only)  | Y        |
| Addresses unmet service demand, or that they will deliver comparable services at a significantly lower unit cost than the currently available services (duplicate services only) | Y        |
| Lists other revenue sources requested to support program   | Y        |
| Proposed performance metrics   | Y        |



### FY26 Allocations vs. FY27 Requests

| Organization                    | FY26     | FY27     | Difference (\$) | Difference (%) |
|---------------------------------|----------|----------|-----------------|----------------|
| Orange Congregations in Mission | \$10,000 | \$10,000 | \$ -            | 0%             |

### Application Items

| Item   | Included |
|--|----------|
| IRS tax-exempt letter  | Y        |
| List of board members  | Y        |
| Program or service description and proposed program budget   | Y        |
| Number of Hillsborough residents that are expected to receive direct services from the program during the fiscal year  | Y        |
| Actual number of Hillsborough residents who reside in the corporate limits and are serviced during the funded period (renewal only)  | Y        |
| Addresses unmet service demand, or that they will deliver comparable services at a significantly lower unit cost than the currently available services (duplicate services only) | Y        |
| Lists other revenue sources requested to support program   | Y        |
| Proposed performance metrics   | Y        |



### FY26 Allocations vs. FY27 Requests

| Organization                | FY26 | FY27     | Difference (\$) | Difference (%) |
|-----------------------------|------|----------|-----------------|----------------|
| Orange County Arts Alliance | \$ - | \$10,000 | \$10,000        | --             |

### Application Items

| Item   | Included |
|--|----------|
| IRS tax-exempt letter  | Y        |
| List of board members  | Y        |
| Program or service description and proposed program budget   | Y        |
| Number of Hillsborough residents that are expected to receive direct services from the program during the fiscal year  | Y        |
| Actual number of Hillsborough residents who reside in the corporate limits and are serviced during the funded period (renewal only)  | N/A      |
| Addresses unmet service demand, or that they will deliver comparable services at a significantly lower unit cost than the currently available services (duplicate services only) | Y        |
| Lists other revenue sources requested to support program   | Y        |
| Proposed performance metrics   | Y        |

### FY26 Allocations vs. FY27 Requests

| Organization | FY26 | FY27     | Difference (\$) | Difference (%) |
|--------------|------|----------|-----------------|----------------|
| TABLE        | \$ - | \$15,000 | \$15,000        | --             |

### Application Items

| Item   | Included |
|--|----------|
| IRS tax-exempt letter  | Y        |
| List of board members  | Y        |
| Program or service description and proposed program budget   | Y        |
| Number of Hillsborough residents that are expected to receive direct services from the program during the fiscal year  | Y        |
| Actual number of Hillsborough residents who reside in the corporate limits and are serviced during the funded period (renewal only)  | N/A      |
| Addresses unmet service demand, or that they will deliver comparable services at a significantly lower unit cost than the currently available services (duplicate services only) | Y        |
| Lists other revenue sources requested to support program   | Y        |
| Proposed performance metrics   | Y        |

## Line-Item Budget



# Line-Item Budget: General Fund - Contingency

FY2027 Operating & Capital Budget

## Contingency

Contingency

|                        | FY25 Actual | FY26 Estimate | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|------------------------|-------------|---------------|------------------|------------------|------------------|
| <b>Expenses</b>        |             |               |                  |                  |                  |
| Operating              |             |               |                  |                  |                  |
| CONTINGENCY            | -           | \$0           | \$450,000        | \$450,000        | \$450,000        |
| <b>OPERATING TOTAL</b> | <b>-</b>    | <b>\$0</b>    | <b>\$450,000</b> | <b>\$450,000</b> | <b>\$450,000</b> |
| <b>EXPENSES TOTAL</b>  | <b>-</b>    | <b>\$0</b>    | <b>\$450,000</b> | <b>\$450,000</b> | <b>\$450,000</b> |



# Line-Item Budget: General Fund - General Government

FY2027 Operating & Capital Budget

## Accounting

Accounting

|                                    | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>                    |                    |                    |                    |                    |                    |
| Personnel                          |                    |                    |                    |                    |                    |
| OVERTIME COMPENSATION              | –                  | \$2,500            | \$2,500            | \$2,500            | \$2,500            |
| SALARIES                           | \$475,351          | \$519,100          | \$544,886          | \$570,755          | \$602,009          |
| FICA                               | \$34,640           | \$38,150           | \$41,684           | \$43,663           | \$45,749           |
| INSURANCE - HEALTH                 | \$43,656           | \$44,100           | \$52,107           | \$55,671           | \$59,511           |
| INSURANCE - LIFE/DISABILITY/VISION | \$734              | \$770              | \$925              | \$1,001            | \$1,083            |
| INSURANCE - DENTAL                 | \$1,264            | \$1,380            | \$1,392            | \$1,584            | \$1,728            |
| RETIREMENT                         | \$60,727           | \$69,900           | \$77,389           | \$85,270           | \$94,202           |
| 401(K) RETIREMENT SUPPLEMENT       | \$22,593           | \$24,300           | \$25,558           | \$26,832           | \$28,306           |
| <b>PERSONNEL TOTAL</b>             | <b>\$638,966</b>   | <b>\$700,200</b>   | <b>\$746,441</b>   | <b>\$787,276</b>   | <b>\$835,088</b>   |
| Operating                          |                    |                    |                    |                    |                    |
| TRAINING/CONF/CONV                 | \$5,056            | \$6,230            | \$5,000            | \$5,000            | \$5,000            |
| TELEPHONE/INTERNET                 | \$3,300            | \$3,840            | \$3,840            | \$3,840            | \$3,840            |
| POSTAGE                            | \$1,984            | \$2,500            | \$2,500            | \$2,500            | \$2,500            |
| LICENSE FEES                       | \$146,187          | \$109,750          | \$125,750          | \$125,750          | \$125,750          |
| ADVERTISING                        | \$240              | \$300              | \$300              | \$300              | \$300              |
| MAINTENANCE - BUILDINGS            | \$487              | \$500              | \$500              | \$500              | \$500              |
| SUPPLIES - OFFICE                  | \$989              | \$2,000            | \$2,000            | \$2,000            | \$2,000            |
| SUPPLIES - DATA PROCESSING         | \$392              | \$1,073            | \$500              | \$500              | \$500              |
| RENTAL - EQUIPMENT                 | –                  | \$650              | \$650              | \$650              | \$650              |
| DATA PROCESSING SERVICES           | \$33,843           | \$0                | \$0                | \$0                | \$0                |
| CS - ACCOUNTING ASSISTANCE         | \$11,780           | \$29,000           | \$29,000           | \$29,000           | \$29,000           |
| TAX COLLECTION                     | \$47,462           | \$57,000           | \$60,000           | \$61,000           | \$62,000           |
| DUES & SUBSCRIPTIONS               | \$60               | \$350              | \$350              | \$350              | \$350              |
| MISCELLANEOUS                      | \$2,722            | \$10,210           | \$10,210           | \$10,210           | \$10,210           |
| <b>OPERATING TOTAL</b>             | <b>\$254,501</b>   | <b>\$223,403</b>   | <b>\$240,600</b>   | <b>\$241,600</b>   | <b>\$242,600</b>   |
| Cost Allocations                   |                    |                    |                    |                    |                    |
| SERVICE CHARGE - W&S FUND          | (\$446,733)        | (\$461,801)        | (\$493,520)        | (\$514,438)        | (\$538,844)        |
| SERVICE CHARGE - STORMWATER FUND   | (\$17,869)         | (\$18,472)         | (\$19,740)         | (\$20,577)         | (\$21,553)         |
| <b>COST ALLOCATIONS TOTAL</b>      | <b>(\$464,603)</b> | <b>(\$480,273)</b> | <b>(\$513,260)</b> | <b>(\$535,015)</b> | <b>(\$560,397)</b> |
| <b>EXPENSES TOTAL</b>              | <b>\$428,864</b>   | <b>\$443,330</b>   | <b>\$473,781</b>   | <b>\$493,861</b>   | <b>\$517,291</b>   |

## Administration

### Administration

|                                    | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>                    |                    |                    |                    |                    |                    |
| Personnel                          |                    |                    |                    |                    |                    |
| OVERTIME COMPENSATION              | –                  | \$500              | \$500              | \$500              | \$500              |
| SALARIES                           | \$605,238          | \$655,000          | \$680,948          | \$714,256          | \$747,337          |
| FICA                               | \$42,020           | \$46,000           | \$48,771           | \$50,667           | \$52,521           |
| INSURANCE - HEALTH                 | \$50,276           | \$50,500           | \$58,608           | \$62,489           | \$66,670           |
| INSURANCE - LIFE/DISABILITY/VISION | \$891              | \$925              | \$1,126            | \$1,217            | \$1,315            |
| INSURANCE - DENTAL                 | \$1,455            | \$1,590            | \$1,601            | \$1,822            | \$1,988            |
| RETIREMENT                         | \$82,604           | \$94,000           | \$103,096          | \$113,496          | \$124,357          |
| 401(K) RETIREMENT SUPPLEMENT       | \$31,050           | \$32,700           | \$34,048           | \$35,713           | \$37,367           |
| FICA                               | \$3,099            | –                  | –                  | –                  | –                  |
| RETIREMENT - BONUS                 | \$413              | –                  | –                  | –                  | –                  |
| <b>PERSONNEL TOTAL</b>             | <b>\$817,047</b>   | <b>\$881,215</b>   | <b>\$928,698</b>   | <b>\$980,160</b>   | <b>\$1,032,055</b> |
| Operating                          |                    |                    |                    |                    |                    |
| TRAINING/CONF/CONV                 | \$6,078            | \$13,635           | \$13,650           | \$14,400           | \$14,400           |
| TELEPHONE/INTERNET                 | \$3,324            | \$3,308            | \$3,308            | \$3,308            | \$3,308            |
| POSTAGE                            | \$243              | \$250              | \$250              | \$250              | \$250              |
| LICENSE FEES                       | \$25,301           | \$31,317           | \$35,317           | \$47,605           | \$46,105           |
| ADVERTISING                        | \$103              | \$550              | \$550              | \$550              | \$550              |
| TRAVEL/VEHICLE ALLOTMENT           | \$6,000            | \$7,000            | \$6,006            | \$6,006            | \$6,006            |
| MAINTENANCE - BUILDINGS            | \$37               | \$250              | \$250              | \$250              | \$250              |
| SUPPLIES - OFFICE                  | \$1,320            | \$1,500            | \$1,500            | \$1,500            | \$1,500            |
| SUPPLIES - DEPARTMENTAL            | –                  | \$250              | \$250              | \$250              | \$250              |
| UNIFORMS                           | \$134              | \$250              | \$250              | \$250              | \$250              |
| CONTRACT SERVICES                  | \$7,164            | \$6,665            | \$34,176           | \$6,676            | \$26,676           |
| DATA PROCESSING SERVICES           | \$4,117            | \$49,435           | \$0                | \$0                | \$0                |
| CS - MINUTES PREPARER              | \$5,459            | \$5,000            | \$5,000            | \$5,000            | \$5,000            |
| DUES & SUBSCRIPTIONS               | \$3,637            | \$4,303            | \$4,503            | \$4,303            | \$4,303            |
| MISCELLANEOUS                      | \$29,524           | \$34,573           | \$15,498           | \$15,498           | \$15,498           |
| <b>OPERATING TOTAL</b>             | <b>\$92,442</b>    | <b>\$158,286</b>   | <b>\$120,508</b>   | <b>\$105,846</b>   | <b>\$124,346</b>   |
| Cost Allocations                   |                    |                    |                    |                    |                    |
| SERVICE CHARGE - W&S FUND          | (\$454,745)        | (\$519,750)        | (\$524,603)        | (\$543,003)        | (\$578,200)        |
| SERVICE CHARGE - STORMWATER FUND   | (\$18,190)         | (\$20,790)         | (\$20,984)         | (\$21,720)         | (\$23,128)         |
| <b>COST ALLOCATIONS TOTAL</b>      | <b>(\$472,934)</b> | <b>(\$540,540)</b> | <b>(\$545,587)</b> | <b>(\$564,723)</b> | <b>(\$601,328)</b> |
| <b>EXPENSES TOTAL</b>              | <b>\$436,555</b>   | <b>\$498,961</b>   | <b>\$503,619</b>   | <b>\$521,283</b>   | <b>\$555,073</b>   |

## Communications

### Communications

|                                    | FY25 Actual | FY26 Estimate | FY27 Budget | FY28 Projection | FY29 Projection |
|------------------------------------|-------------|---------------|-------------|-----------------|-----------------|
| <b>Expenses</b>                    |             |               |             |                 |                 |
| Personnel                          |             |               |             |                 |                 |
| SALARIES                           | \$268,848   | \$297,600     | \$311,813   | \$327,287       | \$344,880       |
| FICA                               | \$20,303    | \$22,600      | \$23,854    | \$25,038        | \$26,384        |
| INSURANCE - HEALTH                 | \$20,490    | \$20,730      | \$24,025    | \$25,717        | \$27,541        |
| INSURANCE - LIFE/DISABILITY/VISION | \$446       | \$465         | \$580       | \$636           | \$692           |
| INSURANCE - DENTAL                 | \$635       | \$685         | \$696       | \$792           | \$864           |

|                                    | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| RETIREMENT                         | \$36,579           | \$42,605           | \$47,209           | \$52,006           | \$57,388           |
| 401(K) RETIREMENT SUPPLEMENT       | \$13,712           | \$14,800           | \$15,591           | \$16,365           | \$17,244           |
| <b>PERSONNEL TOTAL</b>             | <b>\$361,014</b>   | <b>\$399,485</b>   | <b>\$423,768</b>   | <b>\$447,841</b>   | <b>\$474,993</b>   |
| Operating                          |                    |                    |                    |                    |                    |
| TRAINING/CONF/CONV                 | \$3,169            | \$10,126           | \$4,000            | \$6,000            | \$10,000           |
| TRAINING - HILLSBOROUGH UNIVERSITY | \$3,047            | \$2,402            | \$3,800            | \$3,800            | \$3,800            |
| TELEPHONE/INTERNET                 | \$1,680            | \$1,680            | \$1,680            | \$1,680            | \$1,680            |
| POSTAGE                            | \$2,165            | \$2,200            | \$2,200            | \$2,200            | \$2,200            |
| LICENSE FEES                       | \$16,153           | \$16,610           | \$24,948           | \$31,305           | \$29,763           |
| ADVERTISING                        | –                  | \$500              | \$500              | \$500              | \$500              |
| SUPPLIES - OFFICE                  | \$18               | \$300              | \$300              | \$300              | \$300              |
| SUPPLIES - DEPARTMENTAL            | \$692              | \$266              | \$11,950           | \$11,975           | \$11,950           |
| SUPPLIES - DATA PROCESSING         | –                  | \$300              | \$300              | \$300              | \$300              |
| UNIFORMS                           | –                  | \$300              | \$100              | \$100              | \$100              |
| CONTRACT SERVICES                  | \$1,259            | \$1,563            | \$2,000            | \$2,625            | \$2,000            |
| DATA PROCESSING SERVICES           | \$366              | \$0                | \$0                | \$40,000           | \$0                |
| CS - PRINTING                      | \$4,873            | \$11,565           | \$14,038           | \$14,038           | \$14,038           |
| DUES & SUBSCRIPTIONS               | \$1,276            | \$1,462            | \$1,003            | \$1,455            | \$1,455            |
| MISCELLANEOUS                      | \$511              | \$900              | \$6,400            | \$6,400            | \$6,400            |
| <b>OPERATING TOTAL</b>             | <b>\$35,210</b>    | <b>\$50,174</b>    | <b>\$73,219</b>    | <b>\$122,678</b>   | <b>\$84,486</b>    |
| Cost Allocations                   |                    |                    |                    |                    |                    |
| SERVICE CHARGE - W&S FUND          | (\$198,112)        | (\$224,829)        | (\$248,493)        | (\$285,259)        | (\$279,739)        |
| SERVICE CHARGE - STORMWATER FUND   | (\$7,924)          | (\$8,993)          | (\$9,939)          | (\$11,410)         | (\$11,189)         |
| <b>COST ALLOCATIONS TOTAL</b>      | <b>(\$206,036)</b> | <b>(\$233,822)</b> | <b>(\$258,432)</b> | <b>(\$296,669)</b> | <b>(\$290,928)</b> |
| <b>EXPENSES TOTAL</b>              | <b>\$190,187</b>   | <b>\$215,837</b>   | <b>\$238,555</b>   | <b>\$273,850</b>   | <b>\$268,551</b>   |

## Disaster - General Fund

### Disaster - General Fund

|                                    | FY25 Actual    | FY26 Estimate      | FY27 Budget | FY28 Projection | FY29 Projection |
|------------------------------------|----------------|--------------------|-------------|-----------------|-----------------|
| <b>Expenses</b>                    |                |                    |             |                 |                 |
| Operating                          |                |                    |             |                 |                 |
| MAINTENANCE - BUILDINGS            | –              | \$4,050            | \$0         | \$0             | \$0             |
| FOG PROGRAM                        | –              | \$1,516            | \$0         | \$0             | \$0             |
| MAINTENANCE - GROUNDS              | –              | \$24,605           | \$0         | \$0             | \$0             |
| MAINTENANCE - EQUIPMENT            | –              | \$37,132           | \$0         | \$0             | \$0             |
| GASOLINE                           | \$98           | \$4,748            | \$0         | \$0             | \$0             |
| SUPPLIES - DISASTER                | –              | \$17,348           | \$0         | \$0             | \$0             |
| SUPPLIES - SAFETY                  | –              | \$552              | \$0         | \$0             | \$0             |
| RENTAL - EQUIPMENT                 | –              | \$226,494          | \$0         | \$0             | \$0             |
| MISCELLANEOUS                      | \$1,680        | \$161,908          | \$0         | \$0             | \$0             |
| MISC - TAX, TAGS, ETC              | –              | \$10,000           | \$0         | \$0             | \$0             |
| <b>OPERATING TOTAL</b>             | <b>\$1,778</b> | <b>\$488,353</b>   | <b>\$0</b>  | <b>\$0</b>      | <b>\$0</b>      |
| Capital                            |                |                    |             |                 |                 |
| CAPITAL - INFRASTRUCTURE           | –              | \$195,000          | \$0         | \$0             | \$0             |
| CAPITAL - BUILDINGS & IMPROVEMENTS | –              | \$10,000           | \$0         | \$0             | \$0             |
| CAPITAL - VEHICLES                 | –              | \$258,369          | \$0         | \$0             | \$0             |
| CAPITAL - EQUIPMENT                | –              | \$845,234          | \$0         | \$0             | \$0             |
| <b>CAPITAL TOTAL</b>               | <b>–</b>       | <b>\$1,308,603</b> | <b>\$0</b>  | <b>\$0</b>      | <b>\$0</b>      |
| <b>EXPENSES TOTAL</b>              | <b>\$1,778</b> | <b>\$1,796,956</b> | <b>\$0</b>  | <b>\$0</b>      | <b>\$0</b>      |

## Facilities Management

### Facility Management

|                                    | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>                    |                    |                    |                    |                    |                    |
| Personnel                          |                    |                    |                    |                    |                    |
| SALARIES                           | \$87,155           | \$91,970           | \$96,725           | \$103,134          | \$108,240          |
| FICA                               | \$6,651            | \$7,030            | \$7,400            | \$7,890            | \$8,281            |
| INSURANCE - HEALTH                 | \$10,166           | \$10,265           | \$11,713           | \$12,481           | \$13,309           |
| INSURANCE - LIFE/DISABILITY/VISION | \$135              | \$154              | \$155              | \$161              | \$168              |
| INSURANCE - DENTAL                 | \$319              | \$343              | \$348              | \$396              | \$432              |
| RETIREMENT                         | \$11,918           | \$13,225           | \$14,645           | \$16,388           | \$18,012           |
| 401(K) RETIREMENT SUPPLEMENT       | \$4,499            | \$4,600            | \$4,837            | \$5,157            | \$5,412            |
| <b>PERSONNEL TOTAL</b>             | <b>\$120,842</b>   | <b>\$127,587</b>   | <b>\$135,823</b>   | <b>\$145,607</b>   | <b>\$153,854</b>   |
| Operating                          |                    |                    |                    |                    |                    |
| TRAINING - HILLSBOROUGH UNIVERSITY | \$1,188            | \$2,500            | \$1,500            | \$1,500            | \$1,500            |
| TELEPHONE/INTERNET                 | \$840              | \$840              | \$840              | \$840              | \$840              |
| UTILITIES                          | \$27,838           | \$31,680           | \$34,848           | \$34,848           | \$34,848           |
| MAINTENANCE - BUILDINGS            | \$328,756          | \$315,809          | \$358,009          | \$261,509          | \$261,509          |
| MAINTENANCE - EQUIPMENT            | \$6,491            | \$5,000            | \$5,000            | \$5,000            | \$5,000            |
| GASOLINE                           | \$299              | \$600              | \$600              | \$600              | \$600              |
| SUPPLIES - OFFICE                  | –                  | \$200              | \$200              | \$200              | \$200              |
| SUPPLIES - DEPARTMENTAL            | \$1,165            | \$2,923            | \$1,000            | \$1,000            | \$1,000            |
| SUPPLIES - SAFETY                  | \$242              | \$0                | \$0                | \$0                | \$0                |
| UNIFORMS                           | –                  | \$500              | \$500              | \$500              | \$500              |
| CS - COPIER                        | \$10,354           | \$11,000           | \$0                | \$0                | \$0                |
| CS - ALARM                         | \$1,598            | \$3,000            | \$3,000            | \$3,000            | \$3,000            |
| DUES & SUBSCRIPTIONS               | –                  | \$100              | \$100              | \$100              | \$100              |
| MISCELLANEOUS                      | \$16,689           | \$2,000            | \$2,000            | \$2,000            | \$2,000            |
| <b>OPERATING TOTAL</b>             | <b>\$395,460</b>   | <b>\$376,152</b>   | <b>\$407,597</b>   | <b>\$311,097</b>   | <b>\$311,097</b>   |
| Cost Allocations                   |                    |                    |                    |                    |                    |
| SERVICE CHARGE - W&S FUND          | (\$157,624)        | (\$273,657)        | (\$298,293)        | (\$236,475)        | (\$239,444)        |
| SERVICE CHARGE - STORMWATER FUND   | (\$93,141)         | (\$22,804)         | (\$24,857)         | (\$19,706)         | (\$19,953)         |
| <b>COST ALLOCATIONS TOTAL</b>      | <b>(\$250,765)</b> | <b>(\$296,461)</b> | <b>(\$323,150)</b> | <b>(\$256,181)</b> | <b>(\$259,397)</b> |
| Debt Service                       |                    |                    |                    |                    |                    |
| DEBT SERVICE - PRINCIPAL           | \$146,107          | \$151,309          | \$156,696          | \$162,274          | \$168,051          |
| DEBT SERVICE - INTEREST            | \$54,063           | \$48,862           | \$43,476           | \$37,897           | \$32,121           |
| <b>DEBT SERVICE TOTAL</b>          | <b>\$200,171</b>   | <b>\$200,171</b>   | <b>\$200,172</b>   | <b>\$200,171</b>   | <b>\$200,172</b>   |
| Capital                            |                    |                    |                    |                    |                    |
| CAPITAL - BUILDINGS & IMPROVEMENTS | \$0                | \$56,250           | \$85,000           | \$0                | \$0                |
| <b>CAPITAL TOTAL</b>               | <b>\$0</b>         | <b>\$56,250</b>    | <b>\$85,000</b>    | <b>\$0</b>         | <b>\$0</b>         |
| <b>EXPENSES TOTAL</b>              | <b>\$465,707</b>   | <b>\$463,699</b>   | <b>\$505,442</b>   | <b>\$400,694</b>   | <b>\$405,726</b>   |

## Governing Body

### Governing Body

|                          | FY25 Actual | FY26 Estimate | FY27 Budget | FY28 Projection | FY29 Projection |
|--------------------------|-------------|---------------|-------------|-----------------|-----------------|
| <b>Expenses</b>          |             |               |             |                 |                 |
| Personnel                |             |               |             |                 |                 |
| SALARIES - MAYOR         | \$8,426     | \$9,443       | \$9,400     | \$9,400         | \$9,400         |
| SALARIES - COMMISSIONERS | \$36,110    | \$41,000      | \$41,000    | \$41,000        | \$41,000        |

|                                    | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| FICA                               | \$533              | \$3,796            | \$3,796            | \$3,796            | \$3,796            |
| FICA                               | \$2,875            | –                  | –                  | –                  | –                  |
| INSURANCE - HEALTH                 | (\$1,671)          | \$0                | \$0                | \$0                | \$0                |
| INSURANCE - LIFE/DISABILITY/VISION | \$132              | \$132              | \$311              | \$311              | \$311              |
| <b>PERSONNEL TOTAL</b>             | <b>\$46,404</b>    | <b>\$54,371</b>    | <b>\$54,507</b>    | <b>\$54,507</b>    | <b>\$54,507</b>    |
| Operating                          |                    |                    |                    |                    |                    |
| AUDIT FEES                         | \$65,700           | \$80,000           | \$80,000           | \$80,000           | \$80,000           |
| ATTORNEY FEES                      | \$82,811           | \$90,000           | \$100,000          | \$100,000          | \$100,000          |
| TRAINING/CONF/CONV                 | \$18,487           | \$24,660           | \$35,410           | \$20,910           | \$35,410           |
| ADVERTISING                        | –                  | \$850              | \$150              | \$150              | \$150              |
| MAINTENANCE - BUILDINGS            | –                  | \$250              | \$250              | \$250              | \$250              |
| SUPPLIES - DEPARTMENTAL            | \$2,027            | \$500              | \$400              | \$400              | \$400              |
| DUES & SUBSCRIPTIONS               | \$26,320           | \$27,108           | \$27,161           | \$27,161           | \$27,161           |
| MISCELLANEOUS                      | \$4,433            | \$4,500            | \$4,500            | \$4,500            | \$4,500            |
| GENERAL ELECTION                   | –                  | \$10,500           | \$0                | \$10,500           | \$0                |
| <b>OPERATING TOTAL</b>             | <b>\$199,777</b>   | <b>\$238,368</b>   | <b>\$247,871</b>   | <b>\$243,871</b>   | <b>\$247,871</b>   |
| Cost Allocations                   |                    |                    |                    |                    |                    |
| SERVICE CHARGE - W&S FUND          | (\$123,091)        | (\$146,369)        | (\$151,189)        | (\$149,189)        | (\$151,189)        |
| SERVICE CHARGE - STORMWATER FUND   | (\$4,924)          | (\$5,854)          | (\$6,047)          | (\$5,967)          | (\$6,047)          |
| <b>COST ALLOCATIONS TOTAL</b>      | <b>(\$128,014)</b> | <b>(\$152,223)</b> | <b>(\$157,236)</b> | <b>(\$155,156)</b> | <b>(\$157,236)</b> |
| <b>EXPENSES TOTAL</b>              | <b>\$118,167</b>   | <b>\$140,516</b>   | <b>\$145,142</b>   | <b>\$143,222</b>   | <b>\$145,142</b>   |

## Human Resources

### Human Resources

|                                    | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>                    |                  |                  |                  |                  |                  |
| Personnel                          |                  |                  |                  |                  |                  |
| OVERTIME COMPENSATION              | –                | \$40             | \$0              | \$0              | \$0              |
| SALARIES                           | \$179,763        | \$256,500        | \$262,071        | \$274,555        | \$287,538        |
| FICA                               | \$79,142         | \$19,350         | \$20,049         | \$21,004         | \$21,997         |
| INSURANCE - HEALTH                 | \$24,388         | \$25,600         | \$28,112         | \$29,955         | \$31,942         |
| INSURANCE - LIFE/DISABILITY/VISION | \$360            | \$390            | \$470            | \$515            | \$561            |
| INSURANCE - DENTAL                 | \$758            | \$855            | \$836            | \$951            | \$1,037          |
| RETIREMENT                         | \$30,137         | \$35,755         | \$38,346         | \$42,229         | \$46,382         |
| 401(K) RETIREMENT SUPPLEMENT       | \$11,350         | \$12,415         | \$12,664         | \$13,288         | \$13,937         |
| FICA                               | \$955            | –                | –                | –                | –                |
| RETIREMENT - BONUS                 | \$1,787          | –                | –                | –                | –                |
| <b>PERSONNEL TOTAL</b>             | <b>\$328,640</b> | <b>\$350,905</b> | <b>\$362,548</b> | <b>\$382,497</b> | <b>\$403,394</b> |
| Operating                          |                  |                  |                  |                  |                  |
| TRAINING/CONF/CONV                 | \$4,473          | \$7,020          | \$8,700          | \$8,700          | \$8,700          |
| TELEPHONE/INTERNET                 | \$2,017          | \$2,016          | \$2,016          | \$2,016          | \$2,016          |
| POSTAGE                            | –                | \$50             | \$50             | \$50             | \$50             |
| LICENSE FEES                       | \$19,550         | \$20,966         | \$24,000         | \$25,680         | \$27,478         |
| SUPPLIES - OFFICE                  | –                | \$300            | \$300            | \$300            | \$300            |
| SUPPLIES - DEPARTMENTAL            | \$2,792          | \$10,500         | \$11,000         | \$11,000         | \$11,000         |
| CONTRACT SERVICES                  | \$68,912         | \$78,180         | \$78,665         | \$95,055         | \$79,550         |
| RECRUITMENT                        | \$34,948         | \$7,500          | \$7,500          | \$7,500          | \$7,500          |
| DUES & SUBSCRIPTIONS               | \$5,011          | \$4,725          | \$5,390          | \$5,520          | \$5,620          |
| INSURANCE                          | –                | \$10,000         | \$10,000         | \$10,000         | \$10,000         |
| SERVICE MILESTONE RECOGNITION      | \$1,241          | \$2,537          | \$2,000          | \$2,000          | \$2,000          |

|                                     | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| MISCELLANEOUS                       | \$3,115            | \$4,100            | \$4,500            | \$4,500            | \$4,500            |
| WELLNESS PROGRAM ACTIVITIES         | \$3,954            | \$5,400            | \$5,500            | \$5,500            | \$5,500            |
| CONTINUING EDUCATION & TUITION REIM | \$2,360            | \$11,000           | \$15,000           | \$15,000           | \$15,000           |
| CUSTOMER SERVICE & INNOVATION AWARD | \$13,646           | \$8,200            | \$8,200            | \$8,200            | \$8,200            |
| <b>OPERATING TOTAL</b>              | <b>\$162,020</b>   | <b>\$172,494</b>   | <b>\$182,821</b>   | <b>\$201,021</b>   | <b>\$187,414</b>   |
| Cost Allocations                    |                    |                    |                    |                    |                    |
| SERVICE CHARGE - W&S FUND           | (\$245,330)        | (\$261,699)        | (\$272,684)        | (\$291,759)        | (\$295,404)        |
| SERVICE CHARGE - STORMWATER FUND    | (\$9,813)          | (\$10,467)         | (\$10,907)         | (\$11,670)         | (\$11,816)         |
| <b>COST ALLOCATIONS TOTAL</b>       | <b>(\$255,143)</b> | <b>(\$272,166)</b> | <b>(\$283,591)</b> | <b>(\$303,429)</b> | <b>(\$307,220)</b> |
| <b>EXPENSES TOTAL</b>               | <b>\$235,517</b>   | <b>\$251,233</b>   | <b>\$261,778</b>   | <b>\$280,089</b>   | <b>\$283,588</b>   |

## Information Technology

### Information Technology

|  | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>                                    |                    |                    |                    |                    |                    |
| Personnel  |                    |                    |                    |                    |                    |
| SALARIES   | \$99,826           | \$79,140           | \$125,019          | \$130,804          | \$136,821          |
| FICA   | \$7,480            | \$5,675            | \$9,564            | \$10,007           | \$10,467           |
| INSURANCE - HEALTH                                 | \$6,299            | \$8,460            | \$11,713           | \$12,481           | \$13,309           |
| INSURANCE - LIFE/DISABILITY/VISION                 | \$127              | \$135              | \$256              | \$276              | \$298              |
| INSURANCE - DENTAL                                 | \$196              | \$245              | \$348              | \$396              | \$432              |
| RETIREMENT   | \$13,616           | \$11,380           | \$17,959           | \$19,768           | \$21,702           |
| 401(K) RETIREMENT SUPPLEMENT                       | \$5,201            | \$3,960            | \$5,931            | \$6,221            | \$6,522            |
| FICA   | \$190              | -                  | -                  | -                  | -                  |
| <b>PERSONNEL TOTAL</b>                             | <b>\$132,935</b>   | <b>\$108,995</b>   | <b>\$170,790</b>   | <b>\$179,953</b>   | <b>\$189,551</b>   |
| Operating  |                    |                    |                    |                    |                    |
| TRAINING/CONF/CONV                                 | -                  | \$2,500            | \$2,500            | \$2,500            | \$2,500            |
| TELEPHONE/INTERNET                                 | \$105,766          | \$145,140          | \$195,190          | \$195,190          | \$195,190          |
| POSTAGE  | -                  | \$250              | \$250              | \$250              | \$250              |
| LICENSE FEES                                       | \$181,212          | \$202,200          | \$188,200          | \$307,200          | \$253,700          |
| TRAVEL/VEHICLE ALLOTMENT                           | \$2,550            | \$2,958            | \$3,900            | \$3,900            | \$3,900            |
| SUPPLIES - OFFICE                                  | -                  | \$1,000            | \$100              | \$100              | \$100              |
| SUPPLIES - DATA PROCESSING                         | \$32,665           | \$168,000          | \$359,500          | \$357,000          | \$257,000          |
| UNIFORMS   | -                  | \$100              | \$0                | \$0                | \$0                |
| CS - COPIER  | -                  | \$0                | \$28,154           | \$37,754           | \$47,354           |
| DATA PROCESSING SERVICES                           | \$446,961          | \$509,380          | \$493,450          | \$512,750          | \$512,750          |
| INSURANCE  | \$11,594           | \$13,763           | \$14,000           | \$14,000           | \$14,000           |
| MISCELLANEOUS                                      | -                  | \$3,900            | \$5,000            | \$5,000            | \$5,000            |
| <b>OPERATING TOTAL</b>                             | <b>\$780,748</b>   | <b>\$1,049,191</b> | <b>\$1,290,244</b> | <b>\$1,435,644</b> | <b>\$1,291,744</b> |
| Cost Allocations                                   |                    |                    |                    |                    |                    |
| SERVICE CHARGE - W&S FUND                          | (\$456,842)        | (\$616,593)        | (\$748,017)        | (\$825,298)        | (\$758,147)        |
| SERVICE CHARGE - STORMWATER FUND                   | (\$18,274)         | (\$24,663)         | (\$29,920)         | (\$33,011)         | (\$30,325)         |
| <b>COST ALLOCATIONS TOTAL</b>                      | <b>(\$475,115)</b> | <b>(\$641,256)</b> | <b>(\$777,937)</b> | <b>(\$858,309)</b> | <b>(\$788,472)</b> |
| Capital  |                    |                    |                    |                    |                    |
| CAPITAL - DATA PROCESSING EQUIPMENT                | -                  | \$25,000           | \$35,000           | \$35,000           | \$35,000           |
| <b>CAPITAL TOTAL</b>                               | <b>-</b>           | <b>\$25,000</b>    | <b>\$35,000</b>    | <b>\$35,000</b>    | <b>\$35,000</b>    |
| Interfund Transfers                                |                    |                    |                    |                    |                    |
| TRANSFER TO FUND 60 - GENERAL CAPITAL IMPROVEMENTS | \$50,000           | \$50,000           | \$0                | \$0                | \$0                |

|                                  | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>INTERFUND TRANSFERS TOTAL</b> | <b>\$50,000</b>  | <b>\$50,000</b>  | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       |
| <b>EXPENSES TOTAL</b>            | <b>\$488,568</b> | <b>\$591,930</b> | <b>\$718,097</b> | <b>\$792,288</b> | <b>\$727,823</b> |

## Planning

### Planning

|  | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>                          |                    |                    |                    |                    |                    |
| Personnel                                |                    |                    |                    |                    |                    |
| OVERTIME COMPENSATION                    | \$51               | \$1,500            | \$3,000            | \$3,000            | \$3,000            |
| SALARIES                                 | \$528,110          | \$622,500          | \$650,397          | \$682,535          | \$720,460          |
| FICA                                     | \$38,954           | \$45,600           | \$49,756           | \$51,990           | \$54,267           |
| INSURANCE - HEALTH                       | \$65,462           | \$70,900           | \$80,932           | \$86,548           | \$92,596           |
| INSURANCE - LIFE/DISABILITY/VISION       | \$878              | \$965              | \$1,204            | \$1,311            | \$1,427            |
| INSURANCE - DENTAL                       | \$1,763            | \$2,070            | \$2,088            | \$2,376            | \$2,592            |
| RETIREMENT                               | \$73,656           | \$89,500           | \$98,471           | \$108,455          | \$119,885          |
| 401(K) RETIREMENT SUPPLEMENT             | \$27,478           | \$31,125           | \$32,520           | \$34,127           | \$36,023           |
| FICA                                     | \$254              | -                  | -                  | -                  | -                  |
| <b>PERSONNEL TOTAL</b>                   | <b>\$736,605</b>   | <b>\$864,160</b>   | <b>\$918,368</b>   | <b>\$970,342</b>   | <b>\$1,030,250</b> |
| Operating                                |                    |                    |                    |                    |                    |
| PAYMENTS - TOURISM BOARD                 | \$526,925          | \$485,000          | \$485,000          | \$485,000          | \$485,000          |
| PAYMENTS - TOURISM DEVELOPMENT AUTHORITY | \$117,763          | \$100,000          | \$100,000          | \$100,000          | \$100,000          |
| TRAINING/CONF/CONV                       | \$11,414           | \$13,300           | \$13,300           | \$13,300           | \$13,300           |
| TELEPHONE/INTERNET                       | \$840              | \$840              | \$840              | \$840              | \$840              |
| POSTAGE                                  | \$587              | \$1,000            | \$1,000            | \$1,000            | \$1,000            |
| LICENSE FEES                             | -                  | \$3,200            | \$3,200            | \$3,200            | \$3,200            |
| ADVERTISING                              | \$6,091            | \$6,200            | \$6,200            | \$6,200            | \$6,200            |
| TRAVEL/VEHICLE ALLOTMENT                 | \$3,911            | \$3,900            | \$3,900            | \$3,900            | \$3,900            |
| GASOLINE                                 | -                  | \$2,000            | \$2,000            | \$2,000            | \$2,000            |
| SUPPLIES - OFFICE                        | \$1,084            | \$2,000            | \$2,000            | \$2,000            | \$2,000            |
| SUPPLIES - DEPARTMENTAL                  | \$1,785            | \$2,000            | \$2,000            | \$2,000            | \$2,000            |
| UNIFORMS                                 | \$310              | \$600              | \$600              | \$600              | \$600              |
| CS - OTHER                               | \$38,750           | \$121,250          | \$30,000           | \$0                | \$0                |
| CS - NUISANCE ABATEMENT                  | \$32,333           | \$70,000           | \$85,000           | \$85,000           | \$85,000           |
| DUES & SUBSCRIPTIONS                     | \$3,130            | \$5,000            | \$5,000            | \$5,000            | \$5,000            |
| MISCELLANEOUS                            | \$7,528            | \$9,000            | \$9,000            | \$9,000            | \$9,000            |
| MPO LOCAL MATCH CONTRIBUTION             | \$17,754           | \$15,211           | \$16,918           | \$17,000           | \$17,000           |
| <b>OPERATING TOTAL</b>                   | <b>\$770,204</b>   | <b>\$840,501</b>   | <b>\$765,958</b>   | <b>\$736,040</b>   | <b>\$736,040</b>   |
| Capital                                  |                    |                    |                    |                    |                    |
| CAPITAL - LAND ACQUISITION               | -                  | \$0                | \$6,000            | \$0                | \$0                |
| <b>CAPITAL TOTAL</b>                     | <b>-</b>           | <b>\$0</b>         | <b>\$6,000</b>     | <b>\$0</b>         | <b>\$0</b>         |
| <b>EXPENSES TOTAL</b>                    | <b>\$1,506,809</b> | <b>\$1,704,661</b> | <b>\$1,690,326</b> | <b>\$1,706,382</b> | <b>\$1,766,290</b> |

## Public Space

### Public Space

|                       | FY25 Actual | FY26 Estimate | FY27 Budget | FY28 Projection | FY29 Projection |
|-----------------------|-------------|---------------|-------------|-----------------|-----------------|
| <b>Expenses</b>       |             |               |             |                 |                 |
| Personnel             |             |               |             |                 |                 |
| OVERTIME COMPENSATION | -           | \$500         | \$500       | \$500           | \$500           |

|  | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| SALARIES   | \$157,538          | \$180,050          | \$217,965          | \$240,310          | \$253,057          |
| FICA   | \$11,766           | \$13,700           | \$16,675           | \$18,384           | \$19,360           |
| INSURANCE - HEALTH                                 | \$16,267           | \$16,700           | \$27,615           | \$31,851           | \$33,969           |
| INSURANCE - LIFE/DISABILITY/VISION                 | \$243              | \$255              | \$424              | \$483              | \$542              |
| INSURANCE - DENTAL                                 | \$476              | \$520              | \$783              | \$990              | \$1,080            |
| RETIREMENT   | \$21,173           | \$24,700           | \$32,660           | \$37,829           | \$41,735           |
| 401(K) RETIREMENT SUPPLEMENT                       | \$8,078            | \$8,600            | \$10,786           | \$11,904           | \$12,541           |
| FICA   | \$257              | -                  | -                  | -                  | -                  |
| <b>PERSONNEL TOTAL</b>                             | <b>\$215,798</b>   | <b>\$245,025</b>   | <b>\$307,408</b>   | <b>\$342,251</b>   | <b>\$362,784</b>   |
| Operating  |                    |                    |                    |                    |                    |
| TRAINING/CONF/CONV                                 | -                  | \$1,200            | \$1,300            | \$1,300            | \$1,300            |
| TELEPHONE/INTERNET                                 | \$1,645            | \$1,452            | \$1,890            | \$2,100            | \$2,100            |
| LICENSE FEES                                       | \$20,000           | \$20,500           | \$20,500           | \$20,500           | \$20,500           |
| UTILITIES  | \$10,626           | \$10,760           | \$10,760           | \$10,760           | \$10,760           |
| TRAVEL/VEHICLE ALLOTMENT                           | \$3,610            | \$3,900            | \$3,900            | \$3,900            | \$3,900            |
| MAINTENANCE - BUILDINGS                            | \$11,981           | \$15,600           | \$16,600           | \$16,600           | \$16,600           |
| MAINTENANCE - GROUNDS                              | \$258,021          | \$266,176          | \$266,756          | \$266,756          | \$269,256          |
| MAINTENANCE - PARKS                                | \$20,872           | \$25,000           | \$25,000           | \$30,000           | \$25,000           |
| MAINTENANCE - INFRASTRUCTURE                       | \$3,308            | \$8,500            | \$10,500           | \$10,500           | \$10,500           |
| SUPPLIES - OFFICE                                  | \$403              | \$500              | \$2,000            | \$500              | \$500              |
| SUPPLIES - DEPARTMENTAL                            | \$48,596           | \$60,000           | \$88,000           | \$34,000           | \$46,000           |
| SUPPLIES - SAFETY                                  | -                  | \$300              | \$300              | \$300              | \$300              |
| UNIFORMS   | \$290              | \$300              | \$500              | \$300              | \$300              |
| RENTAL - LAND                                      | \$22,676           | \$23,850           | \$25,003           | \$26,210           | \$27,500           |
| CS - ENGINEERING                                   | -                  | \$34,871           | \$0                | \$0                | \$0                |
| CS - PRINTING                                      | -                  | \$500              | \$1,000            | \$1,000            | \$1,000            |
| DUES & SUBSCRIPTIONS                               | \$459              | \$500              | \$500              | \$500              | \$500              |
| MISCELLANEOUS                                      | \$46,490           | \$12,990           | \$7,000            | \$7,000            | \$7,000            |
| <b>OPERATING TOTAL</b>                             | <b>\$448,978</b>   | <b>\$486,899</b>   | <b>\$481,509</b>   | <b>\$432,226</b>   | <b>\$443,016</b>   |
| Cost Allocations                                   |                    |                    |                    |                    |                    |
| SERVICE CHARGE - W&S FUND                          | (\$13,764)         | (\$13,764)         | (\$13,764)         | (\$13,764)         | (\$13,764)         |
| <b>COST ALLOCATIONS TOTAL</b>                      | <b>(\$13,764)</b>  | <b>(\$13,764)</b>  | <b>(\$13,764)</b>  | <b>(\$13,764)</b>  | <b>(\$13,764)</b>  |
| Capital  |                    |                    |                    |                    |                    |
| CAPITAL - INFRASTRUCTURE                           | -                  | \$0                | \$0                | \$75,000           | \$0                |
| CAPITAL - BUILDINGS & IMPROVEMENTS                 | \$21,019           | \$0                | \$70,000           | \$0                | \$0                |
| <b>CAPITAL TOTAL</b>                               | <b>\$21,019</b>    | <b>\$0</b>         | <b>\$70,000</b>    | <b>\$75,000</b>    | <b>\$0</b>         |
| Interfund Transfers                                |                    |                    |                    |                    |                    |
| TRANSFER TO FUND 60 - GENERAL CAPITAL IMPROVEMENTS | \$333,000          | \$333,000          | \$363,000          | \$333,000          | \$458,000          |
| TRANSFER TO FUND 78 - COMMITTED FUNDS              | \$340,000          | \$899,603          | \$340,000          | \$340,000          | \$340,000          |
| <b>INTERFUND TRANSFERS TOTAL</b>                   | <b>\$673,000</b>   | <b>\$1,232,603</b> | <b>\$703,000</b>   | <b>\$673,000</b>   | <b>\$798,000</b>   |
| <b>EXPENSES TOTAL</b>                              | <b>\$1,345,031</b> | <b>\$1,950,763</b> | <b>\$1,548,153</b> | <b>\$1,508,713</b> | <b>\$1,590,036</b> |

## Safety & Risk

### Safety & Risk Management

|                 | FY25 Actual | FY26 Estimate | FY27 Budget | FY28 Projection | FY29 Projection |
|-----------------|-------------|---------------|-------------|-----------------|-----------------|
| <b>Expenses</b> |             |               |             |                 |                 |
| Personnel       |             |               |             |                 |                 |
| SALARIES        | \$99,783    | \$108,550     | \$113,381   | \$118,957       | \$124,756       |
| FICA            | \$7,092     | \$7,660       | \$8,674     | \$9,101         | \$9,544         |

|                                    | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| INSURANCE - HEALTH                 | \$12,240           | \$10,705           | \$13,092           | \$14,076           | \$15,132           |
| INSURANCE - LIFE/DISABILITY/VISION | \$127              | \$127              | \$209              | \$227              | \$247              |
| INSURANCE - DENTAL                 | \$353              | \$345              | \$348              | \$396              | \$432              |
| RETIREMENT                         | \$13,641           | \$15,610           | \$17,166           | \$18,903           | \$20,760           |
| 401(K) RETIREMENT SUPPLEMENT       | \$6,756            | \$5,430            | \$5,670            | \$5,948            | \$6,238            |
| FICA                               | \$665              | -                  | -                  | -                  | -                  |
| RETIREMENT - BONUS                 | \$1,270            | -                  | -                  | -                  | -                  |
| <b>PERSONNEL TOTAL</b>             | <b>\$141,927</b>   | <b>\$148,427</b>   | <b>\$158,540</b>   | <b>\$167,608</b>   | <b>\$177,109</b>   |
| Operating                          |                    |                    |                    |                    |                    |
| TRAINING/CONF/CONV                 | \$2,508            | \$10,500           | \$10,500           | \$10,500           | \$10,500           |
| TELEPHONE/INTERNET                 | \$910              | \$840              | \$840              | \$840              | \$840              |
| POSTAGE                            | -                  | \$25               | \$25               | \$25               | \$25               |
| LICENSE FEES                       | -                  | \$1,200            | \$1,200            | \$1,200            | \$1,200            |
| TRAVEL/VEHICLE ALLOTMENT           | -                  | \$0                | \$780              | \$780              | \$780              |
| MAINTENANCE - BUILDINGS            | -                  | \$500              | \$500              | \$500              | \$500              |
| MAINTENANCE - EQUIPMENT            | -                  | \$13,000           | \$14,500           | \$14,500           | \$15,000           |
| GASOLINE                           | \$757              | \$1,000            | \$1,100            | \$1,100            | \$1,200            |
| SUPPLIES - OFFICE                  | \$577              | \$900              | \$900              | \$900              | \$900              |
| SUPPLIES - DEPARTMENTAL            | \$16,854           | \$11,000           | \$12,000           | \$28,000           | \$12,000           |
| SUPPLIES - OSHA                    | \$36,354           | \$50,000           | \$52,500           | \$53,000           | \$55,500           |
| UNIFORMS                           | \$350              | \$500              | \$500              | \$500              | \$500              |
| CS - HEALTH NURSE & DRUG TESTING   | \$5,465            | \$5,000            | \$5,500            | \$6,000            | \$6,500            |
| DUES & SUBSCRIPTIONS               | \$900              | \$1,000            | \$1,000            | \$1,000            | \$1,000            |
| INSURANCE                          | \$373,863          | \$440,000          | \$494,000          | \$547,000          | \$599,200          |
| MISCELLANEOUS                      | \$1,244            | \$1,500            | \$1,500            | \$1,500            | \$1,500            |
| SAFETY AWARDS PROGRAM              | \$9,002            | \$0                | \$0                | \$0                | \$0                |
| <b>OPERATING TOTAL</b>             | <b>\$448,786</b>   | <b>\$536,965</b>   | <b>\$597,345</b>   | <b>\$667,345</b>   | <b>\$707,145</b>   |
| Cost Allocations                   |                    |                    |                    |                    |                    |
| SERVICE CHARGE - W&S FUND          | (\$295,356)        | (\$342,696)        | (\$377,942)        | (\$417,476)        | (\$442,127)        |
| SERVICE CHARGE - STORMWATER FUND   | (\$11,814)         | (\$13,707)         | (\$15,117)         | (\$16,699)         | (\$17,685)         |
| <b>COST ALLOCATIONS TOTAL</b>      | <b>(\$307,171)</b> | <b>(\$356,403)</b> | <b>(\$393,059)</b> | <b>(\$434,175)</b> | <b>(\$459,812)</b> |
| <b>EXPENSES TOTAL</b>              | <b>\$283,542</b>   | <b>\$328,989</b>   | <b>\$362,826</b>   | <b>\$400,778</b>   | <b>\$424,442</b>   |



# Line-Item Budget: General Fund - Public Safety

## FY2027 Operating & Capital Budget

### Fire Protection

#### Fire Protection

|  | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>                              |                    |                    |                    |                    |                    |
| Operating                                    |                    |                    |                    |                    |                    |
| UTILITIES                                    | \$16,399           | \$20,000           | \$20,000           | \$20,000           | \$35,000           |
| CS - ORANGE RURAL FIRE                       | \$1,833,035        | \$1,972,155        | \$2,070,763        | \$2,174,301        | \$2,283,016        |
| CS - ALARM                                   | –                  | \$0                | \$20,000           | \$0                | \$0                |
| CS - ORANGE COUNTY                           | \$89,200           | \$93,600           | \$98,300           | \$103,200          | \$108,100          |
| <b>OPERATING TOTAL</b>                       | <b>\$1,938,634</b> | <b>\$2,085,755</b> | <b>\$2,209,063</b> | <b>\$2,297,501</b> | <b>\$2,426,116</b> |
| Debt Service                                 | –                  | \$0                | \$0                | \$0                | \$670,026          |
| Interfund Transfers                          |                    |                    |                    |                    |                    |
| TRANSFER TO GENERAL CAPITAL IMPROVEMENT FUND | \$300,000          | \$300,000          | \$300,000          | \$300,000          | \$0                |
| TRANSFER TO FUND 78 - COMMITTED FUNDS        | –                  | \$0                | \$100,000          | \$200,000          | \$300,000          |
| <b>INTERFUND TRANSFERS TOTAL</b>             | <b>\$300,000</b>   | <b>\$300,000</b>   | <b>\$400,000</b>   | <b>\$500,000</b>   | <b>\$300,000</b>   |
| <b>EXPENSES TOTAL</b>                        | <b>\$2,238,634</b> | <b>\$2,385,755</b> | <b>\$2,609,063</b> | <b>\$2,797,501</b> | <b>\$3,396,142</b> |

### Police

#### Police

|                                    | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>                    |                    |                    |                    |                    |                    |
| Personnel                          |                    |                    |                    |                    |                    |
| OVERTIME COMPENSATION              | \$26,672           | \$30,000           | \$30,000           | \$30,000           | \$30,000           |
| SALARIES                           | \$2,586,078        | \$2,890,420        | \$3,170,876        | \$3,336,652        | \$3,507,055        |
| BONUS PAY                          | \$9,303            | \$20,500           | \$22,500           | \$22,500           | \$22,500           |
| FICA                               | \$199,226          | \$223,600          | \$251,569          | \$263,836          | \$275,704          |
| INSURANCE - HEALTH                 | \$330,128          | \$369,000          | \$470,332          | \$502,468          | \$537,088          |
| INSURANCE - LIFE/DISABILITY/VISION | \$4,251            | \$4,675            | \$5,957            | \$6,521            | \$7,117            |
| INSURANCE - DENTAL                 | \$9,249            | \$11,135           | \$11,484           | \$13,068           | \$14,256           |
| RETIREMENT                         | \$455,422          | \$464,000          | \$510,113          | \$568,563          | \$630,491          |
| 401(K) RETIREMENT SUPPLEMENT       | \$132,827          | \$145,650          | \$150,938          | \$158,999          | \$167,146          |
| SEPARATION ALLOWANCE               | \$91,460           | \$129,000          | \$117,599          | \$112,184          | \$96,916           |
| <b>PERSONNEL TOTAL</b>             | <b>\$3,844,614</b> | <b>\$4,287,980</b> | <b>\$4,741,368</b> | <b>\$5,014,791</b> | <b>\$5,288,273</b> |
| Operating                          |                    |                    |                    |                    |                    |
| ATTORNEY FEES                      | \$9,205            | \$9,205            | \$9,666            | \$9,666            | \$9,666            |
| TRAINING/CONF/CONV                 | \$18,541           | \$19,700           | \$21,500           | \$21,500           | \$21,500           |
| TELEPHONE/INTERNET                 | \$12,636           | \$17,640           | \$15,960           | \$15,960           | \$15,960           |
| POSTAGE                            | \$306              | \$500              | \$500              | \$500              | \$500              |
| LICENSE FEES                       | \$24,223           | \$28,522           | \$26,722           | \$26,722           | \$26,722           |
| UTILITIES                          | \$24,210           | \$28,000           | \$29,725           | \$31,470           | \$33,215           |

|                                    | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| TRAVEL/VEHICLE ALLOTMENT           | –                  | \$2,000            | \$2,000            | \$2,000            | \$2,000            |
| MAINTENANCE - BUILDINGS            | \$3,165            | \$8,202            | \$3,000            | \$3,000            | \$3,000            |
| MAINTENANCE - EQUIPMENT            | \$25,619           | \$5,700            | \$2,000            | \$2,000            | \$2,000            |
| MAINTENANCE - VEHICLES             | \$108              | \$11,359           | \$3,000            | \$3,000            | \$3,000            |
| GASOLINE                           | \$55,913           | \$65,000           | \$68,000           | \$71,000           | \$74,000           |
| SUPPLIES - OFFICE                  | \$9,310            | \$6,500            | \$10,500           | \$10,500           | \$10,500           |
| SUPPLIES - COMMUNITY POLICING      | \$2,590            | \$3,425            | \$2,500            | \$2,500            | \$2,500            |
| SUPPLIES - DEPARTMENTAL            | \$111,948          | \$91,934           | \$83,320           | \$45,200           | \$46,130           |
| UNIFORMS                           | \$29,491           | \$26,695           | \$26,800           | \$29,600           | \$29,600           |
| RENTAL - BUILDINGS                 | \$38,400           | \$42,000           | \$44,100           | \$46,305           | \$48,620           |
| CS - SANCT DIGITAL-S SOFTWARE      | \$1,299            | \$1,363            | \$1,432            | \$1,500            | \$1,500            |
| CS - COPIER                        | \$6,171            | \$6,000            | \$6,000            | \$6,000            | \$6,000            |
| DATA PROCESSING SERVICES           | \$33,567           | \$55,815           | \$165,497          | \$108,051          | \$109,240          |
| CS - DRIVER SAFETY TRAINING        | \$1,130            | \$4,500            | \$10,000           | \$10,000           | \$10,000           |
| CS - OC ANIMAL CONTROL             | \$85,272           | \$88,184           | \$88,184           | \$88,184           | \$88,184           |
| HIRING SELECTION PROCESS           | \$5,920            | \$4,200            | \$4,200            | \$4,200            | \$4,200            |
| CS - MOBILE DATA TERMINALS         | \$654              | \$0                | \$0                | \$0                | \$0                |
| CS - NCSBI-DCI                     | \$4,200            | \$4,200            | \$4,300            | \$4,300            | \$4,300            |
| CS - ALARM                         | \$590              | \$590              | \$590              | \$590              | \$590              |
| DUES & SUBSCRIPTIONS               | \$750              | \$700              | \$700              | \$700              | \$700              |
| MISCELLANEOUS                      | \$6,307            | \$15,500           | \$15,500           | \$15,500           | \$15,500           |
| MISC - POLICE DOG                  | \$2,159            | \$4,100            | \$4,100            | \$4,100            | \$4,100            |
| MISC - TAX, TAGS, ETC              | \$1,778            | \$8,400            | \$5,625            | \$7,230            | \$7,430            |
| DRUG ENFORCEMENT OPERATIONS        | \$390              | \$5,000            | \$7,000            | \$7,000            | \$7,000            |
| EMERGENCY OPERATIONS CENTER        | \$31,119           | \$51,656           | \$10,000           | \$10,000           | \$10,000           |
| <b>OPERATING TOTAL</b>             | <b>\$546,972</b>   | <b>\$616,590</b>   | <b>\$672,421</b>   | <b>\$588,278</b>   | <b>\$597,657</b>   |
| Capital                            |                    |                    |                    |                    |                    |
| CAPITAL - BUILDINGS & IMPROVEMENTS | –                  | \$177,557          | \$0                | \$0                | \$0                |
| CAPITAL - VEHICLES                 | \$93,348           | \$409,018          | \$280,000          | \$360,000          | \$370,000          |
| CAPITAL - EQUIPMENT                | –                  | \$14,600           | \$0                | \$0                | \$0                |
| CAPITAL - SOFTWARE                 | \$6,049            | \$0                | \$0                | \$0                | \$0                |
| <b>CAPITAL TOTAL</b>               | <b>\$99,397</b>    | <b>\$601,175</b>   | <b>\$280,000</b>   | <b>\$360,000</b>   | <b>\$370,000</b>   |
| Interfund Transfers                | –                  | \$250,000          | \$300,000          | \$315,000          | \$330,000          |
| <b>EXPENSES TOTAL</b>              | <b>\$4,490,983</b> | <b>\$5,755,745</b> | <b>\$5,993,789</b> | <b>\$6,278,069</b> | <b>\$6,585,930</b> |



# Line-Item Budget: General Fund - Public Works

## FY2027 Operating & Capital Budget

### Cemetery

#### Cemetery

|                              | FY25 Actual    | FY26 Estimate   | FY27 Budget    | FY28 Projection | FY29 Projection |
|------------------------------|----------------|-----------------|----------------|-----------------|-----------------|
| <b>Expenses</b>              |                |                 |                |                 |                 |
| Operating                    |                |                 |                |                 |                 |
| UTILITIES                    | \$827          | \$850           | \$850          | \$850           | \$850           |
| MAINTENANCE - INFRASTRUCTURE | \$1,632        | \$19,840        | \$2,000        | \$2,000         | \$2,000         |
| SUPPLIES - DEPARTMENTAL      | –              | \$500           | \$500          | \$500           | \$500           |
| DATA PROCESSING SERVICES     | \$1,660        | \$1,750         | \$1,750        | \$1,750         | \$1,750         |
| CS - PRINTING                | –              | \$1,000         | \$1,000        | \$1,000         | \$1,000         |
| <b>OPERATING TOTAL</b>       | <b>\$4,119</b> | <b>\$23,940</b> | <b>\$6,100</b> | <b>\$6,100</b>  | <b>\$6,100</b>  |
| <b>EXPENSES TOTAL</b>        | <b>\$4,119</b> | <b>\$23,940</b> | <b>\$6,100</b> | <b>\$6,100</b>  | <b>\$6,100</b>  |

### Engineering Services

#### Engineering Services

|                                    | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>                    |                  |                  |                  |                  |                  |
| Personnel                          |                  |                  |                  |                  |                  |
| OVERTIME COMPENSATION              | \$1,009          | \$1,000          | \$2,000          | \$2,000          | \$2,000          |
| SALARIES                           | \$112,896        | \$288,350        | \$301,525        | \$319,708        | \$335,497        |
| FICA                               | \$8,695          | \$22,325         | \$23,067         | \$24,458         | \$25,666         |
| INSURANCE - HEALTH                 | \$14,331         | \$31,880         | \$36,936         | \$39,708         | \$42,696         |
| INSURANCE - LIFE/DISABILITY/VISION | \$195            | \$460            | \$602            | \$655            | \$712            |
| INSURANCE - DENTAL                 | \$440            | \$1,035          | \$1,044          | \$1,188          | \$1,296          |
| RETIREMENT                         | \$15,616         | \$41,545         | \$45,651         | \$50,802         | \$55,827         |
| 401(K) RETIREMENT SUPPLEMENT       | \$5,820          | \$14,450         | \$15,077         | \$15,986         | \$16,775         |
| FICA                               | \$102            | –                | –                | –                | –                |
| <b>PERSONNEL TOTAL</b>             | <b>\$159,104</b> | <b>\$401,045</b> | <b>\$425,902</b> | <b>\$454,505</b> | <b>\$480,469</b> |
| Operating                          |                  |                  |                  |                  |                  |
| TRAINING/CONF/CONV                 | \$50             | \$2,800          | \$4,300          | \$4,300          | \$4,300          |
| TELEPHONE/INTERNET                 | \$840            | \$2,160          | \$1,680          | \$1,680          | \$1,680          |
| POSTAGE                            | –                | \$1,000          | \$1,000          | \$1,000          | \$1,000          |
| LICENSE FEES                       | –                | \$20,320         | \$20,320         | \$20,320         | \$20,320         |
| TRAVEL/VEHICLE ALLOTMENT           | \$1,661          | \$3,900          | \$4,680          | \$4,680          | \$4,680          |
| GASOLINE                           | \$1,610          | \$5,670          | \$6,000          | \$6,000          | \$6,200          |
| SUPPLIES - OFFICE                  | \$145            | \$187            | \$1,200          | \$1,200          | \$1,300          |
| SUPPLIES - DEPARTMENTAL            | \$161            | \$1,913          | \$400            | \$400            | \$500            |
| UNIFORMS                           | \$988            | \$300            | \$500            | \$500            | \$700            |
| CS - ENGINEERING                   | –                | \$45,000         | \$0              | \$0              | \$0              |
| CS - UTILITY LOCATES               | \$75,816         | \$4,184          | \$0              | \$0              | \$0              |
| FEES & SUBSCRIPTIONS               | –                | \$9,100          | \$9,100          | \$9,100          | \$9,100          |

|                                  | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| MISCELLANEOUS                    | \$62               | \$1,200            | \$55,600           | \$55,600           | \$65,700           |
| MISC - TAX, TAGS, ETC            | –                  | \$2,006            | \$0                | \$1,010            | \$0                |
| <b>OPERATING TOTAL</b>           | <b>\$81,334</b>    | <b>\$99,740</b>    | <b>\$104,780</b>   | <b>\$105,790</b>   | <b>\$115,480</b>   |
| Cost Allocations                 |                    |                    |                    |                    |                    |
| SERVICE CHARGE - W&S FUND        | (\$176,694)        | (\$265,892)        | (\$265,341)        | (\$305,147)        | (\$297,974)        |
| SERVICE CHARGE - STORMWATER FUND | (\$70,678)         | (\$106,357)        | (\$106,136)        | (\$122,059)        | (\$119,189)        |
| <b>COST ALLOCATIONS TOTAL</b>    | <b>(\$247,372)</b> | <b>(\$372,249)</b> | <b>(\$371,477)</b> | <b>(\$427,206)</b> | <b>(\$417,163)</b> |
| Capital                          | –                  | \$31,000           | \$0                | \$50,000           | \$0                |
| <b>EXPENSES TOTAL</b>            | <b>(\$6,934)</b>   | <b>\$159,536</b>   | <b>\$159,205</b>   | <b>\$183,089</b>   | <b>\$178,786</b>   |

## Fleet Maintenance

### Fleet Maintenance

|                                     | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>                     |                  |                  |                  |                  |                  |
| Personnel                           |                  |                  |                  |                  |                  |
| OVERTIME COMPENSATION               | \$4,955          | \$3,230          | \$2,000          | \$2,000          | \$2,000          |
| SALARIES                            | \$276,056        | \$292,625        | \$298,179        | \$313,048        | \$328,511        |
| FICA                                | \$20,803         | \$21,385         | \$22,811         | \$23,949         | \$25,132         |
| INSURANCE - HEALTH                  | \$31,027         | \$31,770         | \$37,467         | \$39,939         | \$42,603         |
| INSURANCE - LIFE/DISABILITY/VISION  | \$449            | \$460            | \$570            | \$622            | \$677            |
| INSURANCE - DENTAL                  | \$949            | \$1,035          | \$1,044          | \$1,188          | \$1,296          |
| RETIREMENT                          | \$39,175         | \$43,500         | \$45,145         | \$49,744         | \$54,665         |
| 401(K) RETIREMENT SUPPLEMENT        | \$14,714         | \$14,850         | \$14,909         | \$15,653         | \$16,426         |
| <b>PERSONNEL TOTAL</b>              | <b>\$388,128</b> | <b>\$408,855</b> | <b>\$422,125</b> | <b>\$446,143</b> | <b>\$471,310</b> |
| Operating                           |                  |                  |                  |                  |                  |
| TRAINING/CONF/CONV                  | \$8,807          | \$2,450          | \$2,450          | \$2,450          | \$2,450          |
| TELEPHONE/INTERNET                  | \$1,820          | \$2,520          | \$2,520          | \$2,520          | \$2,520          |
| POSTAGE                             | \$10             | \$100            | \$100            | \$100            | \$100            |
| LICENSE FEES                        | \$13,502         | \$13,900         | \$13,900         | \$13,900         | \$13,900         |
| UTILITIES                           | \$10,399         | \$12,150         | \$13,240         | \$14,330         | \$15,765         |
| MAINTENANCE - BUILDINGS             | \$2,489          | \$1,200          | \$7,000          | \$1,200          | \$7,000          |
| MAINTENANCE - EQUIPMENT             | \$3,578          | \$8,000          | \$8,000          | \$8,000          | \$8,000          |
| VEHICLE REPAIR - POLICE             | \$17,542         | \$27,000         | \$28,000         | \$30,000         | \$32,000         |
| VEHICLE REPAIR - STREETS            | \$9,993          | \$43,093         | \$15,000         | \$17,000         | \$18,000         |
| VEHICLE REPAIR - SOLID WASTE        | \$30,992         | \$51,583         | \$27,000         | \$28,000         | \$30,000         |
| VEHICLE REPAIR - FLEET MAINT        | \$964            | \$2,000          | \$2,350          | \$2,550          | \$2,550          |
| VEHICLE REPAIR - WATER & SEWER      | \$49,309         | \$40,000         | \$43,000         | \$45,000         | \$47,000         |
| VEHICLE REPAIR - PLANNING           | \$436            | \$1,000          | \$1,000          | \$1,300          | \$1,300          |
| VEHICLE REPAIR - SAFETY & RISK MGMT | \$500            | \$1,800          | \$1,000          | \$1,500          | \$1,500          |
| VEHICLE REPAIR - STORMWATER         | \$8              | \$1,800          | \$1,000          | \$1,300          | \$1,300          |
| VEHICLE REPAIR - ENGINEERING        | –                | \$1,500          | \$1,500          | \$1,500          | \$1,500          |
| GASOLINE                            | \$2,642          | \$4,300          | \$4,700          | \$5,200          | \$5,700          |
| SUPPLIES - OFFICE                   | \$340            | \$500            | \$500            | \$500            | \$500            |
| SUPPLIES - DEPARTMENTAL             | \$29,188         | \$27,800         | \$31,500         | \$32,500         | \$33,500         |
| SUPPLIES - TOOLS                    | \$4,243          | \$4,000          | \$4,000          | \$4,000          | \$4,000          |
| UNIFORMS                            | \$3,128          | \$3,800          | \$4,180          | \$4,598          | \$5,058          |
| CS - ALARM                          | \$3,437          | \$3,257          | \$3,257          | \$3,257          | \$3,257          |
| DUES & SUBSCRIPTIONS                | \$90             | \$180            | \$180            | \$180            | \$180            |
| MISCELLANEOUS                       | \$617            | \$1,000          | \$1,000          | \$1,000          | \$1,000          |
| <b>OPERATING TOTAL</b>              | <b>\$194,035</b> | <b>\$254,933</b> | <b>\$216,377</b> | <b>\$221,885</b> | <b>\$238,080</b> |

|                                    | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Cost Allocations                   |                    |                    |                    |                    |                    |
| SERVICE CHARGE - W&S FUND          | (\$311,583)        | (\$238,404)        | (\$251,400)        | (\$261,971)        | (\$277,716)        |
| SERVICE CHARGE - STORMWATER FUND   | (\$6,525)          | (\$5,470)          | (\$4,855)          | (\$5,313)          | (\$5,568)          |
| <b>COST ALLOCATIONS TOTAL</b>      | <b>(\$318,108)</b> | <b>(\$243,874)</b> | <b>(\$256,255)</b> | <b>(\$267,284)</b> | <b>(\$283,284)</b> |
| Debt Service                       |                    |                    |                    |                    |                    |
| DEBT SERVICE - PRINCIPAL           | \$36,482           | \$0                | \$0                | \$0                | \$0                |
| DEBT SERVICE - INTEREST            | \$445              | \$0                | \$0                | \$0                | \$0                |
| <b>DEBT SERVICE TOTAL</b>          | <b>\$36,927</b>    | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
| Capital                            |                    |                    |                    |                    |                    |
| CAPITAL - BUILDINGS & IMPROVEMENTS | \$28,330           | \$0                | \$0                | \$0                | \$0                |
| CAPITAL - EQUIPMENT                | \$5,785            | \$0                | \$0                | \$0                | \$0                |
| <b>CAPITAL TOTAL</b>               | <b>\$34,115</b>    | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
| <b>EXPENSES TOTAL</b>              | <b>\$335,097</b>   | <b>\$419,914</b>   | <b>\$382,247</b>   | <b>\$400,744</b>   | <b>\$426,106</b>   |

## Solid Waste

### Solid Waste

|                                     | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>                     |                  |                  |                  |                  |                  |
| Personnel                           |                  |                  |                  |                  |                  |
| OVERTIME COMPENSATION               | \$12,224         | \$6,000          | \$5,000          | \$5,000          | \$5,000          |
| SALARIES                            | \$294,279        | \$311,265        | \$275,692        | \$290,732        | \$306,373        |
| FICA                                | \$23,219         | \$24,280         | \$21,091         | \$22,241         | \$23,438         |
| INSURANCE - HEALTH                  | \$47,878         | \$35,990         | \$51,805         | \$55,585         | \$59,653         |
| INSURANCE - LIFE/DISABILITY/VISION  | \$549            | \$410            | \$623            | \$690            | \$759            |
| INSURANCE - DENTAL                  | \$1,428          | \$1,120          | \$1,392          | \$1,584          | \$1,728          |
| RETIREMENT                          | \$43,378         | \$45,000         | \$41,740         | \$46,198         | \$50,981         |
| 401(K) RETIREMENT SUPPLEMENT        | \$16,354         | \$15,635         | \$13,785         | \$14,537         | \$15,319         |
| <b>PERSONNEL TOTAL</b>              | <b>\$439,308</b> | <b>\$439,700</b> | <b>\$411,128</b> | <b>\$436,567</b> | <b>\$463,251</b> |
| Operating                           |                  |                  |                  |                  |                  |
| TRAINING/CONF/CONV                  | \$3,693          | \$5,000          | \$5,000          | \$5,000          | \$5,000          |
| TELEPHONE/INTERNET                  | \$3,365          | \$3,060          | \$2,160          | \$2,160          | \$2,160          |
| POSTAGE                             | \$1,219          | \$1,250          | \$1,500          | \$1,500          | \$1,500          |
| UTILITIES                           | \$2,589          | \$4,000          | \$4,000          | \$4,000          | \$4,000          |
| GASOLINE                            | \$36,368         | \$42,000         | \$40,000         | \$42,000         | \$44,000         |
| SUPPLIES - OFFICE                   | \$563            | \$500            | \$500            | \$500            | \$500            |
| SUPPLIES - DEPARTMENTAL             | \$458            | \$1,200          | \$1,200          | \$1,200          | \$1,200          |
| SUPPLIES - DISASTER                 | –                | \$200            | \$200            | \$200            | \$200            |
| UNIFORMS                            | \$4,310          | \$6,400          | \$8,400          | \$8,400          | \$8,400          |
| RENTAL - VEHICLES                   | –                | \$10,000         | \$0              | \$0              | \$0              |
| CS - ROLLOUT CONTAINER              | \$12,970         | \$14,000         | \$14,000         | \$14,000         | \$14,000         |
| CS - COMM DUMP COLL                 | \$750            | \$1,000          | \$1,000          | \$1,000          | \$1,000          |
| CS - BULK CONTAINERS RENTAL & HAULI | \$7,912          | \$14,500         | \$15,000         | \$15,000         | \$15,000         |
| LANDFILL FEES                       | \$127,548        | \$145,000        | \$145,000        | \$150,000        | \$155,000        |
| LANDFILL FEES (YARD WASTE)          | \$13,437         | \$14,000         | \$14,500         | \$14,500         | \$14,500         |
| DUES & SUBSCRIPTIONS                | \$305            | \$750            | \$750            | \$750            | \$750            |
| MISCELLANEOUS                       | \$301            | \$350            | \$1,000          | \$1,000          | \$1,000          |
| MISC - PUBLIC INFO MATERIALS        | –                | \$3,840          | \$4,500          | \$4,500          | \$4,500          |
| MISC - TAX, TAGS, ETC               | –                | \$2,030          | \$2,010          | \$0              | \$0              |
| <b>OPERATING TOTAL</b>              | <b>\$215,788</b> | <b>\$269,080</b> | <b>\$260,720</b> | <b>\$265,710</b> | <b>\$272,710</b> |
| Debt Service                        |                  |                  |                  |                  |                  |

|                                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection  | FY29 Projection    |
|---------------------------------------|--------------------|--------------------|--------------------|------------------|--------------------|
| DEBT SERVICE - PRINCIPAL              | \$60,852           | \$61,728           | \$0                | \$0              | \$0                |
| DEBT SERVICE - INTEREST               | \$1,765            | \$889              | \$0                | \$0              | \$0                |
| <b>DEBT SERVICE TOTAL</b>             | <b>\$62,617</b>    | <b>\$62,617</b>    | <b>\$0</b>         | <b>\$0</b>       | <b>\$0</b>         |
| Capital                               |                    |                    |                    |                  |                    |
| CAPITAL - VEHICLES                    | –                  | \$372,092          | \$420,000          | \$0              | \$0                |
| CAPITAL - EQUIPMENT                   | \$23,037           | \$15,000           | \$0                | \$0              | \$0                |
| <b>CAPITAL TOTAL</b>                  | <b>\$23,037</b>    | <b>\$387,092</b>   | <b>\$420,000</b>   | <b>\$0</b>       | <b>\$0</b>         |
| Interfund Transfers                   |                    |                    |                    |                  |                    |
| TRANSFER TO FUND 78 - COMMITTED FUNDS | \$335,000          | \$275,000          | \$0                | \$275,000        | \$300,000          |
| <b>INTERFUND TRANSFERS TOTAL</b>      | <b>\$335,000</b>   | <b>\$275,000</b>   | <b>\$0</b>         | <b>\$275,000</b> | <b>\$300,000</b>   |
| <b>EXPENSES TOTAL</b>                 | <b>\$1,075,750</b> | <b>\$1,433,489</b> | <b>\$1,091,848</b> | <b>\$977,277</b> | <b>\$1,035,961</b> |

## Streets

### Streets

|                                    | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>                    |                  |                  |                  |                  |                  |
| Personnel                          |                  |                  |                  |                  |                  |
| OVERTIME COMPENSATION              | \$7,266          | \$6,000          | \$3,000          | \$3,000          | \$3,000          |
| SALARIES                           | \$224,028        | \$261,060        | \$316,219        | \$333,490        | \$351,451        |
| FICA                               | \$16,830         | \$18,800         | \$24,191         | \$25,512         | \$26,886         |
| INSURANCE - HEALTH                 | \$41,129         | \$46,400         | \$61,419         | \$65,751         | \$70,413         |
| INSURANCE - LIFE/DISABILITY/VISION | \$427            | \$495            | \$702            | \$776            | \$852            |
| INSURANCE - DENTAL                 | \$1,193          | \$1,485          | \$1,566          | \$1,782          | \$1,944          |
| RETIREMENT                         | \$30,720         | \$38,300         | \$47,876         | \$52,992         | \$58,482         |
| 401(K) RETIREMENT SUPPLEMENT       | \$11,647         | \$13,260         | \$15,811         | \$16,675         | \$17,573         |
| FICA                               | \$17             | –                | –                | –                | –                |
| <b>PERSONNEL TOTAL</b>             | <b>\$333,257</b> | <b>\$385,800</b> | <b>\$470,784</b> | <b>\$499,978</b> | <b>\$530,601</b> |
| Operating                          |                  |                  |                  |                  |                  |
| TRAINING/CONF/CONV                 | \$1,456          | \$3,000          | \$3,000          | \$3,000          | \$3,000          |
| TELEPHONE/INTERNET                 | \$832            | \$1,608          | \$2,220          | \$2,220          | \$2,220          |
| POSTAGE                            | \$3              | \$40             | \$40             | \$40             | \$40             |
| ADVERTISING                        | –                | \$500            | \$500            | \$500            | \$500            |
| UTILITIES                          | \$145,680        | \$155,278        | \$165,640        | \$175,690        | \$185,740        |
| TRAVEL/VEHICLE ALLOTMENT           | \$253            | \$0              | \$780            | \$780            | \$780            |
| MAINTENANCE - BUILDINGS            | \$70             | \$500            | \$500            | \$500            | \$500            |
| LANDSCAPING                        | –                | \$150            | \$150            | \$150            | \$150            |
| MAINTENANCE - INFRASTRUCTURE       | \$38,465         | \$20,000         | \$20,000         | \$20,000         | \$20,000         |
| HOLIDAY DECORATIONS                | –                | \$500            | \$500            | \$500            | \$500            |
| GASOLINE                           | \$10,933         | \$17,000         | \$13,500         | \$14,500         | \$15,500         |
| SUPPLIES - OFFICE                  | \$324            | \$500            | \$500            | \$500            | \$500            |
| SUPPLIES - DEPARTMENTAL            | \$29,119         | \$29,000         | \$29,500         | \$29,500         | \$29,500         |
| SUPPLIES - DISASTER                | –                | \$300            | \$300            | \$300            | \$300            |
| UNIFORMS                           | \$4,000          | \$4,500          | \$5,000          | \$5,000          | \$5,000          |
| RENTAL - BUILDINGS                 | \$8,589          | \$9,000          | \$0              | \$0              | \$0              |
| CS - ENGINEERING                   | \$116,517        | \$0              | \$0              | \$0              | \$0              |
| CS - ENGINEERING                   | –                | \$165,000        | \$65,000         | \$65,000         | \$65,000         |
| CS - RR CROSSINGS                  | \$2,117          | \$1,059          | \$1,100          | \$1,100          | \$1,100          |
| CS - BRIDGE                        | –                | \$2,000          | \$2,000          | \$2,000          | \$2,000          |
| CS - SIDEWALKS                     | –                | \$2,500          | \$2,500          | \$2,500          | \$2,500          |
| FEES & SUBSCRIPTIONS               | \$429            | \$500            | \$500            | \$500            | \$500            |

|  | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| MISCELLANEOUS                                | \$2,907            | \$1,500            | \$1,500            | \$1,500            | \$1,500            |
| MISC - TAX, TAGS, ETC                        | \$2,030            | \$0                | \$0                | \$0                | \$0                |
| POWELL BILL                                  | \$572,050          | \$338,554          | \$335,000          | \$335,000          | \$335,000          |
| <b>OPERATING TOTAL</b>                       | <b>\$935,776</b>   | <b>\$752,989</b>   | <b>\$649,730</b>   | <b>\$660,780</b>   | <b>\$671,830</b>   |
| Debt Service                                 | -                  | \$87,790           | \$376,781          | \$367,058          | \$357,335          |
| Capital                                      |                    |                    |                    |                    |                    |
| CAPITAL - INFRASTRUCTURE                     | \$144,985          | \$326,000          | \$171,000          | \$171,000          | \$171,000          |
| CAPITAL - VEHICLES                           | \$68,695           | \$0                | \$0                | \$0                | \$0                |
| CAPITAL - EQUIPMENT                          | \$9,097            | \$45,000           | \$0                | \$0                | \$0                |
| <b>CAPITAL TOTAL</b>                         | <b>\$222,777</b>   | <b>\$371,000</b>   | <b>\$171,000</b>   | <b>\$171,000</b>   | <b>\$171,000</b>   |
| Interfund Transfers                          |                    |                    |                    |                    |                    |
| TRANSFER TO GENERAL CAPITAL IMPROVEMENT FUND | \$29,000           | \$0                | \$0                | \$0                | \$0                |
| TRANSFER TO GENERAL CRF                      | \$67,352           | \$0                | \$0                | \$0                | \$0                |
| TRANSFER TO FUND 78 - COMMITTED FUNDS        | \$13,648           | \$85,000           | \$85,000           | \$85,000           | \$85,000           |
| <b>INTERFUND TRANSFERS TOTAL</b>             | <b>\$110,000</b>   | <b>\$85,000</b>    | <b>\$85,000</b>    | <b>\$85,000</b>    | <b>\$85,000</b>    |
| <b>EXPENSES TOTAL</b>                        | <b>\$1,601,809</b> | <b>\$1,682,579</b> | <b>\$1,753,295</b> | <b>\$1,783,816</b> | <b>\$1,815,766</b> |



# Line-Item Budget: General Fund - Special Appropriations

FY2027 Operating & Capital Budget

## Special Appropriations

Special Appropriations

|                                       | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection    |
|---------------------------------------|------------------|------------------|------------------|------------------|--------------------|
| <b>Expenses</b>                       |                  |                  |                  |                  |                    |
| Operating                             |                  |                  |                  |                  |                    |
| UTILITIES                             | –                | \$0              | \$0              | \$0              | \$2,500            |
| MAINTENANCE - BUILDINGS               | \$35,493         | \$23,014         | \$0              | \$0              | \$30,000           |
| MAINTENANCE - MUSEUM                  | \$10,000         | \$10,000         | \$10,000         | \$10,000         | \$10,000           |
| CS - HOMELESSNESS COORDINATOR         | \$50,930         | \$67,393         | \$67,393         | \$67,393         | \$67,393           |
| CS - UTILITY ANALYSIS                 | \$600            | \$0              | \$0              | \$0              | \$0                |
| MISCELLANEOUS                         | \$19,186         | \$353,555        | \$285,000        | \$340,000        | \$630,000          |
| HOME FUNDS GRANT MATCH                | –                | \$6,281          | \$6,281          | \$6,281          | \$6,281            |
| MAINT - TOWN CLOCK                    | –                | \$2,000          | \$2,000          | \$2,000          | \$2,000            |
| FAIRVIEW LIVE EVENT                   | –                | \$0              | \$1,500          | \$0              | \$1,500            |
| COMMUNITY HOME TRUST                  | \$2,500          | \$2,500          | \$2,500          | \$2,500          | \$2,500            |
| NONPROFIT PARTNERSHIPS                | \$38,599         | \$91,712         | \$110,000        | \$113,300        | \$116,700          |
| <b>OPERATING TOTAL</b>                | <b>\$157,308</b> | <b>\$556,455</b> | <b>\$484,674</b> | <b>\$541,474</b> | <b>\$868,874</b>   |
| Cost Allocations                      |                  |                  |                  |                  |                    |
| SERVICE CHARGE - UTILITIES ADMIN      | \$124,425        | \$0              | \$0              | \$0              | \$0                |
| <b>COST ALLOCATIONS TOTAL</b>         | <b>\$124,425</b> | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>         |
| Debt Service                          |                  |                  |                  |                  |                    |
| DEBT SERVICE - PRINCIPAL              | \$41,025         | \$41,025         | \$41,025         | \$41,025         | \$197,894          |
| DEBT SERVICE - INTEREST               | \$6,203          | \$5,022          | \$3,840          | \$2,659          | \$170,727          |
| <b>DEBT SERVICE TOTAL</b>             | <b>\$47,227</b>  | <b>\$46,047</b>  | <b>\$44,865</b>  | <b>\$43,684</b>  | <b>\$368,621</b>   |
| Interfund Transfers                   |                  |                  |                  |                  |                    |
| TRANSFER TO FUND 78 - COMMITTED FUNDS | \$114,309        | \$0              | \$43,826         | \$43,826         | \$43,826           |
| <b>INTERFUND TRANSFERS TOTAL</b>      | <b>\$114,309</b> | <b>\$0</b>       | <b>\$43,826</b>  | <b>\$43,826</b>  | <b>\$43,826</b>    |
| <b>EXPENSES TOTAL</b>                 | <b>\$443,269</b> | <b>\$602,502</b> | <b>\$573,365</b> | <b>\$628,984</b> | <b>\$1,281,321</b> |



# Line-Item Budget: Stormwater Fund

FY2027 Operating & Capital Budget

## Disaster

Disaster

|                        | FY25 Actual | FY26 Estimate  | FY27 Budget | FY28 Projection | FY29 Projection |
|------------------------|-------------|----------------|-------------|-----------------|-----------------|
| <b>Expenses</b>        |             |                |             |                 |                 |
| Operating              |             |                |             |                 |                 |
| SUPPLIES - DISASTER    | –           | \$5,000        | \$0         | \$0             | \$0             |
| <b>OPERATING TOTAL</b> | <b>–</b>    | <b>\$5,000</b> | <b>\$0</b>  | <b>\$0</b>      | <b>\$0</b>      |
| <b>EXPENSES TOTAL</b>  | <b>–</b>    | <b>\$5,000</b> | <b>\$0</b>  | <b>\$0</b>      | <b>\$0</b>      |

## Stormwater

Stormwater

|                                    | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>                    |                  |                  |                  |                  |                  |
| Personnel                          |                  |                  |                  |                  |                  |
| OVERTIME COMPENSATION              | (\$1,718)        | \$3,500          | \$1,000          | \$1,000          | \$1,000          |
| SALARIES                           | \$331,963        | \$345,000        | \$357,125        | \$376,952        | \$396,012        |
| FICA                               | \$24,911         | \$26,500         | \$27,320         | \$28,837         | \$30,295         |
| INSURANCE - HEALTH                 | \$41,144         | \$41,000         | \$46,852         | \$49,924         | \$53,236         |
| INSURANCE - LIFE/DISABILITY/VISION | \$567            | \$575            | \$717            | \$787            | \$861            |
| INSURANCE - DENTAL                 | \$1,301          | \$1,380          | \$1,392          | \$1,584          | \$1,728          |
| RETIREMENT                         | \$45,702         | \$51,000         | \$54,069         | \$59,898         | \$65,897         |
| 401(K) RETIREMENT SUPPLEMENT       | \$17,261         | \$17,000         | \$17,857         | \$18,848         | \$19,801         |
| FICA                               | \$43             | –                | –                | –                | –                |
| RETIREMENT - BONUS                 | \$47             | –                | –                | –                | –                |
| <b>PERSONNEL TOTAL</b>             | <b>\$461,221</b> | <b>\$485,955</b> | <b>\$506,332</b> | <b>\$537,830</b> | <b>\$568,830</b> |
| Operating                          |                  |                  |                  |                  |                  |
| CONTINGENCY                        | –                | \$0              | \$25,000         | \$25,000         | \$25,000         |
| ATTORNEY FEES                      | \$4,207          | \$6,000          | \$10,000         | \$10,000         | \$10,000         |
| TRAINING/CONF/CONV                 | \$2,965          | \$3,000          | \$3,000          | \$3,000          | \$3,000          |
| TELEPHONE/INTERNET                 | \$2,562          | \$2,520          | \$2,520          | \$2,520          | \$2,520          |
| POSTAGE                            | \$49             | \$220            | \$100            | \$100            | \$100            |
| TRAVEL/VEHICLE ALLOTMENT           | \$253            | \$0              | \$0              | \$0              | \$0              |
| MAINTENANCE - GROUNDS              | \$2,808          | \$15,000         | \$15,000         | \$15,000         | \$15,000         |
| MAINTENANCE - INFRASTRUCTURE       | \$54,210         | \$195,582        | \$187,000        | \$187,000        | \$187,000        |
| GASOLINE                           | \$259            | \$300            | \$300            | \$300            | \$300            |
| SUPPLIES - OFFICE                  | \$28             | \$1,300          | \$300            | \$300            | \$300            |
| SUPPLIES - DEPARTMENTAL            | \$675            | \$500            | \$500            | \$500            | \$500            |
| UNIFORMS                           | –                | \$500            | \$500            | \$500            | \$500            |
| CS - ENGINEERING                   | –                | \$5,000          | \$25,000         | \$25,000         | \$25,000         |
| COLLECTION EXPENSE                 | \$26,390         | \$30,000         | \$34,000         | \$35,000         | \$36,000         |
| DUES & SUBSCRIPTIONS               | \$21,694         | \$28,000         | \$27,500         | \$27,500         | \$27,500         |
| MISCELLANEOUS                      | (\$17,031)       | \$3,500          | \$5,000          | \$5,000          | \$5,000          |
| SAFETY AWARDS PROGRAM              | \$346            | \$0              | \$0              | \$0              | \$0              |

|   | FY25 Actual      | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|---|------------------|--------------------|--------------------|--------------------|--------------------|
| CLEAN WATER EDUCATION PARTNERSHIP                     | \$2,406          | \$2,440            | \$2,500            | \$2,500            | \$2,500            |
| <b>OPERATING TOTAL</b>                                | <b>\$101,820</b> | <b>\$293,862</b>   | <b>\$338,220</b>   | <b>\$339,220</b>   | <b>\$340,220</b>   |
| Cost Allocations                                      |                  |                    |                    |                    |                    |
| SERVICE CHARGE - GOVERNING BODY                       | \$4,924          | \$5,855            | \$6,048            | \$5,968            | \$6,048            |
| SERVICE CHARGE - ADMINISTRATION                       | \$18,190         | \$20,791           | \$20,985           | \$21,721           | \$23,129           |
| SERVICE CHARGE - ACCOUNTING                           | \$17,869         | \$18,473           | \$19,741           | \$20,578           | \$21,554           |
| SERVICE CHARGE - FLEET MAINTENANCE                    | \$6,525          | \$5,471            | \$4,856            | \$5,314            | \$5,569            |
| SERVICE CHARGE - FACILITY MGMT                        | \$93,141         | \$22,805           | \$24,858           | \$19,707           | \$19,954           |
| SERVICE CHARGE - SAFETY & RISK MGMT                   | \$11,814         | \$13,708           | \$15,118           | \$16,700           | \$17,686           |
| SERVICE CHARGE - INFORMATION TECH                     | \$18,274         | \$24,664           | \$29,921           | \$33,012           | \$30,326           |
| SERVICE CHARGE - HUMAN RESOURCES                      | \$9,625          | \$10,468           | \$10,908           | \$11,671           | \$11,817           |
| SERVICE CHARGE - COMMUNICATIONS                       | \$8,112          | \$8,994            | \$9,940            | \$11,411           | \$11,190           |
| SERVICE CHARGE- ENGINEERING SERVICE                   | \$70,678         | \$106,357          | \$106,137          | \$122,059          | \$119,190          |
| <b>COST ALLOCATIONS TOTAL</b>                         | <b>\$259,153</b> | <b>\$237,586</b>   | <b>\$248,512</b>   | <b>\$268,141</b>   | <b>\$266,463</b>   |
| Capital   |                  |                    |                    |                    |                    |
| CAPITAL - BUILDINGS & IMPROVEMENTS                    | –                | \$12,200           | \$0                | \$0                | \$0                |
| <b>CAPITAL TOTAL</b>                                  | <b>–</b>         | <b>\$12,200</b>    | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
| Interfund Transfers                                   |                  |                    |                    |                    |                    |
| TRANSFER TO FUND 61 - STORMWATER CAPITAL IMPROVEMENTS | \$75,000         | \$145,000          | \$100,000          | \$75,000           | \$75,000           |
| <b>INTERFUND TRANSFERS TOTAL</b>                      | <b>\$75,000</b>  | <b>\$145,000</b>   | <b>\$100,000</b>   | <b>\$75,000</b>    | <b>\$75,000</b>    |
| <b>EXPENSES TOTAL</b>                                 | <b>\$897,194</b> | <b>\$1,174,603</b> | <b>\$1,193,064</b> | <b>\$1,220,191</b> | <b>\$1,250,513</b> |



# Line-Item Budget: Water & Sewer Fund

## FY2027 Operating & Capital Budget

### Disaster

#### Disaster

|                                    | FY25 Actual    | FY26 Estimate      | FY27 Budget | FY28 Projection | FY29 Projection |
|------------------------------------|----------------|--------------------|-------------|-----------------|-----------------|
| <b>Expenses</b>                    |                |                    |             |                 |                 |
| Operating                          |                |                    |             |                 |                 |
| MAINTENANCE - BUILDINGS            | –              | \$4,050            | \$0         | \$0             | \$0             |
| FOG PROGRAM                        | –              | \$1,516            | \$0         | \$0             | \$0             |
| MAINTENANCE - GROUNDS              | –              | \$24,605           | \$0         | \$0             | \$0             |
| MAINTENANCE - EQUIPMENT            | –              | \$37,132           | \$0         | \$0             | \$0             |
| GASOLINE                           | \$98           | \$4,748            | \$0         | \$0             | \$0             |
| SUPPLIES - DISASTER                | –              | \$17,348           | \$0         | \$0             | \$0             |
| SUPPLIES - SAFETY                  | –              | \$552              | \$0         | \$0             | \$0             |
| RENTAL - EQUIPMENT                 | –              | \$226,494          | \$0         | \$0             | \$0             |
| MISCELLANEOUS                      | \$1,680        | \$161,908          | \$0         | \$0             | \$0             |
| MISC - TAX, TAGS, ETC              | –              | \$10,000           | \$0         | \$0             | \$0             |
| <b>OPERATING TOTAL</b>             | <b>\$1,778</b> | <b>\$488,353</b>   | <b>\$0</b>  | <b>\$0</b>      | <b>\$0</b>      |
| Capital                            |                |                    |             |                 |                 |
| CAPITAL - INFRASTRUCTURE           | –              | \$195,000          | \$0         | \$0             | \$0             |
| CAPITAL - BUILDINGS & IMPROVEMENTS | –              | \$10,000           | \$0         | \$0             | \$0             |
| CAPITAL - VEHICLES                 | –              | \$258,369          | \$0         | \$0             | \$0             |
| CAPITAL - EQUIPMENT                | –              | \$845,234          | \$0         | \$0             | \$0             |
| <b>CAPITAL TOTAL</b>               | <b>–</b>       | <b>\$1,308,603</b> | <b>\$0</b>  | <b>\$0</b>      | <b>\$0</b>      |
| <b>EXPENSES TOTAL</b>              | <b>\$1,778</b> | <b>\$1,796,956</b> | <b>\$0</b>  | <b>\$0</b>      | <b>\$0</b>      |

### Administration of Enterprise

#### Administration of Enterprise

|                       | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>       |                    |                    |                    |                    |                    |
| Personnel             | \$1,548            | \$0                | \$0                | \$0                | \$0                |
| Operating             | \$49,050           | \$54,225           | \$74,225           | \$94,225           | \$219,225          |
| Cost Allocations      | \$2,879,874        | \$3,365,462        | \$3,645,252        | \$3,843,784        | \$3,872,553        |
| Interfund Transfers   | \$2,688,896        | \$711,539          | \$0                | \$0                | \$0                |
| <b>EXPENSES TOTAL</b> | <b>\$5,619,367</b> | <b>\$4,131,226</b> | <b>\$3,719,477</b> | <b>\$3,938,009</b> | <b>\$4,091,778</b> |

### Utilities Administration

#### Utilities Administration

|                       | FY25 Actual | FY26 Estimate | FY27 Budget | FY28 Projection | FY29 Projection |
|-----------------------|-------------|---------------|-------------|-----------------|-----------------|
| <b>Expenses</b>       |             |               |             |                 |                 |
| Personnel             |             |               |             |                 |                 |
| OVERTIME COMPENSATION | \$112       | \$500         | \$500       | \$500           | \$500           |
| SALARIES              | \$327,483   | \$230,000     | \$234,882   | \$246,298       | \$258,170       |
| FRICA                 | \$24,673    | \$17,600      | \$17,969    | \$18,819        | \$19,208        |

|                                    | FY25 Actual        | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|------------------------------------|--------------------|------------------|------------------|------------------|------------------|
| INSURANCE - HEALTH                 | \$29,867           | \$20,660         | \$23,426         | \$24,962         | \$26,618         |
| INSURANCE - LIFE/DISABILITY/VISION | \$507              | \$353            | \$355            | \$388            | \$423            |
| INSURANCE - DENTAL                 | \$949              | \$690            | \$696            | \$792            | \$864            |
| RETIREMENT                         | \$44,687           | \$33,100         | \$35,562         | \$39,137         | \$42,960         |
| 401(K) RETIREMENT SUPPLEMENT       | \$16,920           | \$13,530         | \$11,745         | \$12,315         | \$12,909         |
| FICA                               | \$428              | \$0              | \$0              | \$0              | \$0              |
| <b>PERSONNEL TOTAL</b>             | <b>\$445,625</b>   | <b>\$316,433</b> | <b>\$325,135</b> | <b>\$343,211</b> | <b>\$361,652</b> |
| Operating                          |                    |                  |                  |                  |                  |
| TRAINING/CONF/CONV                 | \$160              | \$4,500          | \$4,050          | \$4,050          | \$4,050          |
| TELEPHONE/INTERNET                 | \$1,876            | \$1,680          | \$1,680          | \$1,680          | \$1,680          |
| POSTAGE                            | \$1,157            | \$1,350          | \$1,500          | \$100            | \$100            |
| LICENSE FEES                       | \$2,095            | \$22,800         | \$0              | \$0              | \$0              |
| TRAVEL/VEHICLE ALLOTMENT           | \$5,935            | \$3,900          | \$3,900          | \$3,900          | \$3,900          |
| GASOLINE                           | \$1,170            | \$0              | \$0              | \$0              | \$0              |
| SUPPLIES - OFFICE                  | \$157              | \$500            | \$500            | \$500            | \$500            |
| SUPPLIES - DEPARTMENTAL            | \$4                | \$300            | \$300            | \$300            | \$300            |
| SUPPLIES - DATA PROCESSING         | –                  | \$100            | \$100            | \$100            | \$100            |
| UNIFORMS                           | \$104              | \$300            | \$300            | \$300            | \$300            |
| CS - ENGINEERING                   | \$139,598          | \$0              | \$0              | \$0              | \$0              |
| CS - ENGINEERING                   | –                  | \$342,862        | \$130,000        | \$130,000        | \$130,000        |
| CS - OTHER                         | –                  | \$50,000         | \$0              | \$0              | \$50,000         |
| CS - UTILITY LOCATES               | \$165,898          | \$0              | \$0              | \$0              | \$0              |
| CS - GIS                           | \$30,212           | \$52,420         | \$20,000         | \$20,000         | \$20,000         |
| DUES & SUBSCRIPTIONS               | \$5,874            | \$9,100          | \$9,500          | \$9,500          | \$9,500          |
| MISCELLANEOUS                      | \$13,692           | \$58,580         | \$600            | \$600            | \$600            |
| TRIANGLE WATER PARTNERSHIP         | \$10,859           | \$10,757         | \$11,000         | \$11,000         | \$11,000         |
| <b>OPERATING TOTAL</b>             | <b>\$378,790</b>   | <b>\$559,149</b> | <b>\$183,430</b> | <b>\$182,030</b> | <b>\$232,030</b> |
| Cost Allocations                   |                    |                  |                  |                  |                  |
| SERVICE CHARGE - GENERAL FUND      | (\$124,425)        | \$0              | \$0              | \$0              | \$0              |
| <b>COST ALLOCATIONS TOTAL</b>      | <b>(\$124,425)</b> | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       |
| <b>EXPENSES TOTAL</b>              | <b>\$699,990</b>   | <b>\$875,582</b> | <b>\$508,565</b> | <b>\$525,241</b> | <b>\$593,682</b> |

## Billing & Collections

### Billing & Collections

|                                    | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>                    |                  |                  |                  |                  |                  |
| Personnel                          |                  |                  |                  |                  |                  |
| OVERTIME COMPENSATION              | \$5,979          | \$5,000          | \$5,000          | \$5,000          | \$5,000          |
| SALARIES                           | \$302,732        | \$361,145        | \$368,711        | \$390,042        | \$410,666        |
| FICA                               | \$22,983         | \$27,360         | \$28,207         | \$29,839         | \$31,416         |
| INSURANCE - HEALTH                 | \$46,596         | \$53,230         | \$59,763         | \$63,915         | \$68,391         |
| INSURANCE - LIFE/DISABILITY/VISION | \$542            | \$630            | \$790            | \$874            | \$959            |
| INSURANCE - DENTAL                 | \$1,413          | \$1,725          | \$1,740          | \$1,980          | \$2,160          |
| RETIREMENT                         | \$39,425         | \$51,650         | \$55,823         | \$61,978         | \$68,335         |
| 401(K) RETIREMENT SUPPLEMENT       | \$14,727         | \$18,000         | \$18,436         | \$19,503         | \$20,534         |
| <b>PERSONNEL TOTAL</b>             | <b>\$434,397</b> | <b>\$518,740</b> | <b>\$538,470</b> | <b>\$573,131</b> | <b>\$607,461</b> |
| Operating                          |                  |                  |                  |                  |                  |
| TRAINING/CONF/CONV                 | –                | \$2,000          | \$2,000          | \$2,000          | \$2,000          |
| POSTAGE                            | \$100            | \$250            | \$250            | \$250            | \$250            |
| LICENSE FEES                       | –                | \$42,630         | \$50,740         | \$50,740         | \$50,740         |

|                                    | FY25 Actual      | FY26 Estimate    | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|------------------------------------|------------------|------------------|--------------------|--------------------|--------------------|
| MAINTENANCE - BUILDINGS            | \$1,204          | \$500            | \$500              | \$500              | \$500              |
| GASOLINE                           | \$4,839          | \$5,000          | \$5,000            | \$5,000            | \$5,000            |
| SUPPLIES - OFFICE                  | \$645            | \$1,200          | \$1,200            | \$1,200            | \$1,200            |
| SUPPLIES - DEPARTMENTAL            | \$114            | \$250            | \$250              | \$250              | \$250              |
| SUPPLIES - METER READING           | \$63,460         | \$125,000        | \$125,000          | \$125,000          | \$125,000          |
| UNIFORMS                           | \$848            | \$1,000          | \$1,000            | \$1,000            | \$1,000            |
| CS - SOUTH DATA                    | \$41,612         | \$44,500         | \$45,000           | \$45,000           | \$45,000           |
| CS - ONLINE UTILITY SERV           | \$48             | \$150            | \$150              | \$150              | \$150              |
| DATA PROCESSING SERVICES           | \$31,279         | \$0              | \$0                | \$0                | \$0                |
| MISCELLANEOUS                      | \$349            | \$1,000          | \$1,000            | \$1,000            | \$1,000            |
| ARBITRAGE                          | –                | \$2,000          | \$2,000            | \$2,000            | \$2,000            |
| ELECTRONIC PAYMENT FEES            | \$193,281        | \$205,000        | \$215,000          | \$225,000          | \$235,000          |
| <b>OPERATING TOTAL</b>             | <b>\$337,778</b> | <b>\$430,480</b> | <b>\$449,090</b>   | <b>\$459,090</b>   | <b>\$469,090</b>   |
| Debt Service                       | \$39,125         | \$39,126         | \$39,126           | \$39,126           | \$39,126           |
| Capital                            |                  |                  |                    |                    |                    |
| CAPITAL - BUILDINGS & IMPROVEMENTS | \$18,289         | \$0              | \$0                | \$0                | \$0                |
| <b>CAPITAL TOTAL</b>               | <b>\$18,289</b>  | <b>\$0</b>       | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
| <b>EXPENSES TOTAL</b>              | <b>\$829,589</b> | <b>\$988,346</b> | <b>\$1,026,686</b> | <b>\$1,071,347</b> | <b>\$1,115,677</b> |

## Water Treatment Plant

### Water Treatment Plant

|                                    | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection    | FY29 Projection    |
|------------------------------------|------------------|------------------|------------------|--------------------|--------------------|
| <b>Expenses</b>                    |                  |                  |                  |                    |                    |
| Personnel                          |                  |                  |                  |                    |                    |
| OVERTIME COMPENSATION              | \$21,260         | \$43,500         | \$25,000         | \$25,000           | \$25,000           |
| SALARIES                           | \$555,707        | \$615,600        | \$674,525        | \$706,129          | \$740,497          |
| FICA                               | \$43,781         | \$50,650         | \$51,602         | \$54,019           | \$56,649           |
| INSURANCE - HEALTH                 | \$71,225         | \$71,200         | \$82,577         | \$87,992           | \$93,829           |
| INSURANCE - LIFE/DISABILITY/VISION | \$869            | \$910            | \$1,171          | \$1,281            | \$1,393            |
| INSURANCE - DENTAL                 | \$2,229          | \$2,400          | \$2,454          | \$2,792            | \$3,046            |
| RETIREMENT                         | \$75,640         | \$83,710         | \$93,006         | \$102,635          | \$113,199          |
| 401(K) RETIREMENT SUPPLEMENT       | \$28,480         | \$29,115         | \$30,716         | \$32,296           | \$34,014           |
| <b>PERSONNEL TOTAL</b>             | <b>\$799,190</b> | <b>\$897,085</b> | <b>\$961,051</b> | <b>\$1,012,144</b> | <b>\$1,067,627</b> |
| Operating                          |                  |                  |                  |                    |                    |
| TRAINING/CONF/CONV                 | \$787            | \$2,800          | \$2,800          | \$2,800            | \$2,800            |
| TELEPHONE/INTERNET                 | \$2,199          | \$2,202          | \$2,202          | \$2,202            | \$2,202            |
| POSTAGE                            | \$210            | \$400            | \$100            | \$100              | \$100              |
| UTILITIES                          | \$90,529         | \$99,000         | \$99,000         | \$99,000           | \$99,000           |
| TRAVEL/VEHICLE ALLOTMENT           | –                | \$0              | \$819            | \$819              | \$819              |
| MAINTENANCE - BUILDINGS            | \$2,509          | \$8,500          | \$5,000          | \$5,000            | \$5,000            |
| MAINTENANCE - EQUIPMENT            | \$393,619        | \$127,553        | \$100,200        | \$82,100           | \$73,200           |
| GASOLINE                           | \$5,205          | \$4,500          | \$4,500          | \$4,500            | \$4,500            |
| SUPPLIES - OFFICE                  | \$576            | \$1,000          | \$1,000          | \$1,000            | \$1,000            |
| SUPPLIES - CHEMICALS               | \$185,379        | \$225,000        | \$227,200        | \$227,200          | \$227,200          |
| SUPPLIES - LAB                     | \$40,708         | \$30,000         | \$30,000         | \$30,000           | \$30,000           |
| SUPPLIES - DEPARTMENTAL            | \$3,965          | \$5,000          | \$5,000          | \$5,000            | \$5,000            |
| SUPPLIES - SAFETY                  | –                | \$500            | \$500            | \$500              | \$500              |
| OUTSIDE LAB SERVICES               | \$12,981         | \$30,050         | \$27,720         | \$28,420           | \$29,150           |
| UNIFORMS                           | \$1,385          | \$1,500          | \$1,500          | \$1,500            | \$1,500            |
| CS - ENGINEERING                   | \$16,500         | \$23,000         | \$45,000         | \$0                | \$0                |

|  | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| CS - GENERATOR LOAD TESTING                        | \$8,131            | \$15,110           | \$9,610            | \$19,560           | \$15,110           |
| DATA PROCESSING SERVICES                           | \$1,630            | \$1,765            | \$1,800            | \$1,800            | \$1,800            |
| MAINT - CONTRACTS                                  | \$8,674            | \$9,230            | \$9,230            | \$9,230            | \$9,230            |
| CS - INSTRUMENT MAINT                              | \$5,952            | \$5,972            | \$20,500           | \$6,000            | \$6,000            |
| CS - PUMP STA MONITORING                           | \$1,759            | \$1,774            | \$1,800            | \$1,800            | \$1,800            |
| DUES & SUBSCRIPTIONS                               | \$3,930            | \$3,975            | \$3,930            | \$3,930            | \$3,930            |
| SLUDGE REMOVAL                                     | –                  | \$90,900           | \$0                | \$95,400           | \$0                |
| MISCELLANEOUS                                      | \$320              | \$1,200            | \$1,200            | \$1,200            | \$1,200            |
| SAFETY AWARDS PROGRAM                              | –                  | \$600              | \$600              | \$600              | \$600              |
| <b>OPERATING TOTAL</b>                             | <b>\$786,948</b>   | <b>\$691,531</b>   | <b>\$601,211</b>   | <b>\$629,661</b>   | <b>\$521,641</b>   |
| Debt Service                                       | \$80,277           | \$78,251           | \$0                | \$0                | \$0                |
| Capital  |                    |                    |                    |                    |                    |
| CAPITAL - BUILDINGS & IMPROVEMENTS                 | –                  | \$0                | \$35,000           | \$0                | \$0                |
| CAPITAL - EQUIPMENT                                | \$40,000           | \$475,138          | \$349,000          | \$0                | \$0                |
| <b>CAPITAL TOTAL</b>                               | <b>\$40,000</b>    | <b>\$475,138</b>   | <b>\$384,000</b>   | <b>\$0</b>         | <b>\$0</b>         |
| Interfund Transfers                                |                    |                    |                    |                    |                    |
| TRANSFER TO FUND 69 - UTILITY CAPITAL IMPROVEMENTS | –                  | \$615,600          | \$0                | \$0                | \$0                |
| <b>INTERFUND TRANSFERS TOTAL</b>                   | <b>–</b>           | <b>\$615,600</b>   | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
| <b>EXPENSES TOTAL</b>                              | <b>\$1,706,415</b> | <b>\$2,757,605</b> | <b>\$1,946,262</b> | <b>\$1,641,805</b> | <b>\$1,589,268</b> |

## West Fork Eno Reservoir

### West Fork Eno Reservoir

|  | FY25 Actual      | FY26 Estimate    | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|--|------------------|------------------|--------------------|--------------------|--------------------|
| <b>Expenses</b>                                    |                  |                  |                    |                    |                    |
| Operating  |                  |                  |                    |                    |                    |
| LICENSE FEES                                       | –                | \$0              | \$0                | \$0                | \$1,000            |
| UTILITIES  | \$636            | \$650            | \$650              | \$650              | \$650              |
| AQUATIC WEED CONTROL                               | \$5,882          | \$5,000          | \$5,000            | \$5,000            | \$5,000            |
| MAINTENANCE - GROUNDS                              | \$12,291         | \$25,000         | \$30,000           | \$30,000           | \$30,000           |
| MAINTENANCE - EQUIPMENT                            | –                | \$500            | \$500              | \$500              | \$500              |
| SUPPLIES - DEPARTMENTAL                            | \$3,367          | \$1,000          | \$500              | \$500              | \$120,500          |
| CS - MONITORING MISSION UNIT                       | \$686            | \$700            | \$700              | \$700              | \$700              |
| CS - DAM INSPECTION & EVALUATION                   | –                | \$12,000         | \$7,000            | \$15,000           | \$7,000            |
| MISCELLANEOUS                                      | \$5,500          | \$2,600          | \$2,600            | \$2,600            | \$2,600            |
| WATER QUALITY MONITORING                           | \$24,049         | \$24,049         | \$25,000           | \$25,000           | \$25,000           |
| <b>OPERATING TOTAL</b>                             | <b>\$52,410</b>  | <b>\$71,499</b>  | <b>\$71,950</b>    | <b>\$79,950</b>    | <b>\$192,950</b>   |
| Debt Service                                       | \$362,672        | \$840,025        | \$839,809          | \$1,005,372        | \$1,170,633        |
| Interfund Transfers                                |                  |                  |                    |                    |                    |
| TRANSFER TO FUND 69 - UTILITY CAPITAL IMPROVEMENTS | –                | \$0              | \$195,540          | \$0                | \$0                |
| <b>INTERFUND TRANSFERS TOTAL</b>                   | <b>–</b>         | <b>\$0</b>       | <b>\$195,540</b>   | <b>\$0</b>         | <b>\$0</b>         |
| <b>EXPENSES TOTAL</b>                              | <b>\$415,082</b> | <b>\$911,524</b> | <b>\$1,107,299</b> | <b>\$1,085,322</b> | <b>\$1,363,583</b> |

## Water Distribution

### Water Distribution

|                       | FY25 Actual | FY26 Estimate | FY27 Budget | FY28 Projection | FY29 Projection |
|-----------------------|-------------|---------------|-------------|-----------------|-----------------|
| <b>Expenses</b>       |             |               |             |                 |                 |
| Personnel             |             |               |             |                 |                 |
| OVERTIME COMPENSATION | \$22,042    | \$22,500      | \$25,000    | \$25,000        | \$25,000        |

|  | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| SALARIES   | \$588,424          | \$604,000          | \$601,777          | \$635,963          | \$671,556          |
| FICA   | \$45,616           | \$46,500           | \$46,036           | \$48,652           | \$51,375           |
| INSURANCE - HEALTH                                 | \$100,551          | \$101,000          | \$127,191          | \$119,754          | \$128,130          |
| INSURANCE - LIFE/DISABILITY/VISION                 | \$1,094            | \$1,120            | \$1,295            | \$1,432            | \$1,574            |
| INSURANCE - DENTAL                                 | \$2,919            | \$2,950            | \$2,958            | \$3,366            | \$3,672            |
| RETIREMENT   | \$83,890           | \$94,000           | \$91,109           | \$101,055          | \$111,747          |
| 401(K) RETIREMENT SUPPLEMENT                       | \$31,192           | \$34,400           | \$30,089           | \$31,799           | \$33,578           |
| <b>PERSONNEL TOTAL</b>                             | <b>\$875,728</b>   | <b>\$906,470</b>   | <b>\$925,455</b>   | <b>\$967,021</b>   | <b>\$1,026,632</b> |
| Operating  |                    |                    |                    |                    |                    |
| TRAINING/CONF/CONV                                 | \$4,459            | \$5,000            | \$5,400            | \$5,400            | \$4,800            |
| TELEPHONE/INTERNET                                 | \$4,115            | \$4,500            | \$4,020            | \$4,020            | \$4,020            |
| POSTAGE  | \$37               | \$100              | \$100              | \$100              | \$100              |
| LICENSE FEES                                       | –                  | \$1,179            | \$2,500            | \$2,500            | \$2,500            |
| UTILITIES  | \$46,131           | \$49,500           | \$52,100           | \$54,600           | \$57,100           |
| TRAVEL/VEHICLE ALLOTMENT                           | –                  | \$0                | \$1,950            | \$1,950            | \$1,950            |
| MAINTENANCE - BUILDINGS                            | \$1,210            | \$2,000            | \$2,000            | \$2,000            | \$2,000            |
| MAINTENANCE - GROUNDS                              | \$30,132           | \$36,000           | \$39,600           | \$43,500           | \$47,400           |
| MAINTENANCE - EQUIPMENT                            | \$4,357            | \$21,000           | \$22,000           | \$7,200            | \$7,200            |
| MAINTENANCE - INFRASTRUCTURE                       | \$44,960           | \$190,000          | \$190,000          | \$190,000          | \$190,000          |
| GASOLINE   | \$21,690           | \$25,500           | \$25,000           | \$26,000           | \$27,000           |
| SUPPLIES - OFFICE                                  | \$771              | \$2,000            | \$2,000            | \$2,000            | \$2,000            |
| SUPPLIES - PATCH                                   | \$16,901           | \$8,000            | \$4,000            | \$4,000            | \$4,000            |
| SUPPLIES - DEPARTMENTAL                            | \$122,092          | \$120,000          | \$120,000          | \$120,000          | \$120,000          |
| SUPPLIES - SAFETY                                  | \$164              | \$1,500            | \$1,500            | \$1,500            | \$1,500            |
| UNIFORMS   | \$5,519            | \$6,500            | \$7,000            | \$7,000            | \$7,000            |
| RENTAL - EQUIPMENT                                 | \$14,820           | \$2,000            | \$2,000            | \$2,000            | \$2,000            |
| CS - ENGINEERING                                   | \$44,198           | \$35,887           | \$0                | \$0                | \$0                |
| CS - TANK MAINT PROGRAM                            | \$47,303           | \$48,723           | \$52,000           | \$54,000           | \$56,000           |
| CS - INMATES                                       | –                  | \$3,000            | \$3,000            | \$3,000            | \$3,000            |
| CS - NC ONE CALL CENTER                            | \$3,876            | \$4,200            | \$5,000            | \$5,000            | \$5,000            |
| DATA PROCESSING SERVICES                           | \$11,310           | \$9,866            | \$0                | \$0                | \$0                |
| CS - PUMP STA MONITORING                           | \$4,442            | \$4,550            | \$5,000            | \$5,000            | \$5,000            |
| CS - ALARM   | \$399              | \$399              | \$700              | \$800              | \$900              |
| CS - PLUMBING                                      | \$31,909           | \$65,000           | \$45,000           | \$45,000           | \$45,000           |
| DUES & SUBSCRIPTIONS                               | \$2,370            | \$3,000            | \$3,200            | \$3,200            | \$3,200            |
| MISCELLANEOUS                                      | \$878              | \$3,000            | \$3,000            | \$3,000            | \$3,000            |
| MISC - TAX, TAGS, ETC                              | –                  | \$2,600            | \$2,010            | \$0                | \$0                |
| <b>OPERATING TOTAL</b>                             | <b>\$464,042</b>   | <b>\$655,004</b>   | <b>\$600,080</b>   | <b>\$592,770</b>   | <b>\$601,670</b>   |
| Debt Service                                       | \$94,122           | \$94,122           | \$417,977          | \$418,013          | \$417,727          |
| Capital  |                    |                    |                    |                    |                    |
| CAPITAL - INFRASTRUCTURE                           | \$48,420           | \$193,000          | \$0                | \$0                | \$0                |
| CAPITAL - VEHICLES                                 | –                  | \$90,000           | \$60,000           | \$0                | \$0                |
| CAPITAL - EQUIPMENT                                | –                  | \$14,951           | \$0                | \$0                | \$155,000          |
| <b>CAPITAL TOTAL</b>                               | <b>\$48,420</b>    | <b>\$297,951</b>   | <b>\$60,000</b>    | <b>\$0</b>         | <b>\$155,000</b>   |
| Interfund Transfers                                |                    |                    |                    |                    |                    |
| TRANSFER TO FUND 69 - UTILITY CAPITAL IMPROVEMENTS | \$417,991          | \$95,000           | \$0                | \$100,000          | \$470,000          |
| <b>INTERFUND TRANSFERS TOTAL</b>                   | <b>\$417,991</b>   | <b>\$95,000</b>    | <b>\$0</b>         | <b>\$100,000</b>   | <b>\$470,000</b>   |
| <b>EXPENSES TOTAL</b>                              | <b>\$1,900,303</b> | <b>\$2,048,547</b> | <b>\$2,003,512</b> | <b>\$2,077,804</b> | <b>\$2,671,029</b> |

# Wastewater Collection

## Wastewater Collection

|                                    | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>                    |                  |                  |                  |                  |                  |
| Personnel                          |                  |                  |                  |                  |                  |
| OVERTIME COMPENSATION              | \$21,174         | \$14,000         | \$12,000         | \$12,000         | \$12,000         |
| SALARIES                           | \$453,270        | \$474,000        | \$564,742        | \$594,896        | \$627,754        |
| FICA                               | \$35,789         | \$36,600         | \$43,203         | \$45,510         | \$48,024         |
| INSURANCE - HEALTH                 | \$68,554         | \$66,250         | \$97,892         | \$104,384        | \$111,380        |
| INSURANCE - LIFE/DISABILITY/VISION | \$815            | \$810            | \$1,232          | \$1,357          | \$1,487          |
| INSURANCE - DENTAL                 | \$2,050          | \$1,930          | \$2,610          | \$2,970          | \$3,240          |
| RETIREMENT                         | \$65,326         | \$70,290         | \$85,502         | \$94,529         | \$104,459        |
| 401(K) RETIREMENT SUPPLEMENT       | \$25,064         | \$24,200         | \$28,238         | \$29,745         | \$31,388         |
| <b>PERSONNEL TOTAL</b>             | <b>\$672,043</b> | <b>\$688,080</b> | <b>\$835,419</b> | <b>\$885,391</b> | <b>\$939,732</b> |
| Operating                          |                  |                  |                  |                  |                  |
| TRAINING/CONF/CONV                 | \$8,437          | \$5,000          | \$5,800          | \$5,800          | \$5,800          |
| TELEPHONE/INTERNET                 | \$4,073          | \$4,140          | \$4,140          | \$4,140          | \$4,140          |
| POSTAGE                            | –                | \$50             | \$50             | \$50             | \$50             |
| LICENSE FEES                       | \$15,533         | \$7,500          | \$9,000          | \$9,000          | \$9,000          |
| UTILITIES                          | \$50,594         | \$59,500         | \$60,000         | \$60,000         | \$60,000         |
| TRAVEL/VEHICLE ALLOTMENT           | –                | \$0              | \$1,950          | \$1,950          | \$1,950          |
| MAINTENANCE - BUILDINGS            | \$2,234          | \$2,000          | \$2,500          | \$2,500          | \$2,500          |
| FOG PROGRAM                        | \$12,007         | \$8,000          | \$8,000          | \$8,000          | \$8,000          |
| MAINTENANCE - GROUNDS              | \$35,782         | \$40,000         | \$40,000         | \$40,000         | \$40,000         |
| MAINTENANCE - EQUIPMENT            | \$58,508         | \$51,000         | \$45,000         | \$45,000         | \$45,000         |
| MAINTENANCE - INFRASTRUCTURE       | \$121,774        | \$120,000        | \$180,000        | \$190,000        | \$190,000        |
| GASOLINE                           | \$22,138         | \$25,500         | \$23,400         | \$24,500         | \$25,600         |
| SUPPLIES - OFFICE                  | \$761            | \$2,000          | \$2,000          | \$2,000          | \$2,000          |
| SUPPLIES - LIFT STATION PUMPS      | \$33,635         | \$10,000         | \$12,000         | \$12,000         | \$12,000         |
| SUPPLIES - CHEMICALS               | –                | \$500            | \$500            | \$500            | \$500            |
| SUPPLIES - PATCH                   | \$7,020          | \$8,000          | \$8,000          | \$8,000          | \$8,000          |
| SUPPLIES - DEPARTMENTAL            | \$63,233         | \$48,063         | \$72,000         | \$72,000         | \$72,000         |
| SUPPLIES - SAFETY                  | \$164            | \$1,500          | \$1,500          | \$1,500          | \$1,500          |
| UNIFORMS                           | \$5,614          | \$7,000          | \$7,000          | \$7,000          | \$7,000          |
| RENTAL - EQUIPMENT                 | –                | \$5,000          | \$5,000          | \$5,000          | \$5,000          |
| CS - ROOT CONTROL SERVICE          | –                | \$20,000         | \$20,000         | \$20,000         | \$20,000         |
| CS - INMATES                       | –                | \$3,000          | \$3,000          | \$3,000          | \$3,000          |
| CS - VAC WASTE DUMPSTER            | \$1,143          | \$3,000          | \$2,500          | \$2,500          | \$2,500          |
| DATA PROCESSING SERVICES           | \$977            | \$9,867          | \$0              | \$0              | \$0              |
| CS - PUMP STA MONITORING           | \$10,601         | \$12,000         | \$13,000         | \$14,000         | \$15,000         |
| CS - PLUMBING                      | –                | \$65,000         | \$45,000         | \$45,000         | \$45,000         |
| DUES & SUBSCRIPTIONS               | \$2,285          | \$4,160          | \$2,700          | \$2,700          | \$2,800          |
| MISCELLANEOUS                      | \$1,310          | \$3,000          | \$3,000          | \$3,000          | \$3,000          |
| MISC - TAX, TAGS, ETC              | –                | \$3,000          | \$4,020          | \$0              | \$0              |
| <b>OPERATING TOTAL</b>             | <b>\$457,821</b> | <b>\$527,780</b> | <b>\$581,060</b> | <b>\$589,140</b> | <b>\$591,340</b> |
| Debt Service                       | –                | \$0              | \$359,187        | \$359,182        | \$358,662        |
| Capital                            |                  |                  |                  |                  |                  |
| CAPITAL - INFRASTRUCTURE           | \$83,310         | \$155,942        | \$0              | \$0              | \$0              |
| CAPITAL - BUILDINGS & IMPROVEMENTS | \$57,175         | \$0              | \$0              | \$0              | \$0              |
| CAPITAL - VEHICLES                 | –                | \$168,638        | \$310,000        | \$0              | \$0              |

|  | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| CAPITAL - EQUIPMENT                                | \$57,315           | \$358,280          | \$45,000           | \$45,000           | \$45,000           |
| <b>CAPITAL TOTAL</b>                               | <b>\$197,800</b>   | <b>\$682,860</b>   | <b>\$355,000</b>   | <b>\$45,000</b>    | <b>\$45,000</b>    |
| Interfund Transfers                                |                    |                    |                    |                    |                    |
| TRANSFER TO FUND 69 - UTILITY CAPITAL IMPROVEMENTS | \$218,240          | \$445,000          | \$0                | \$0                | \$0                |
| <b>INTERFUND TRANSFERS TOTAL</b>                   | <b>\$218,240</b>   | <b>\$445,000</b>   | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
| <b>EXPENSES TOTAL</b>                              | <b>\$1,545,904</b> | <b>\$2,343,720</b> | <b>\$2,130,666</b> | <b>\$1,878,713</b> | <b>\$1,934,734</b> |

## Wastewater Treatment Plant

### Wastewater Treatment Plant

|                                    | FY25 Actual      | FY26 Estimate    | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>                    |                  |                  |                  |                  |                  |
| Personnel                          |                  |                  |                  |                  |                  |
| OVERTIME COMPENSATION              | \$4,620          | \$19,000         | \$5,000          | \$5,000          | \$5,000          |
| SALARIES                           | \$559,489        | \$621,800        | \$623,062        | \$654,919        | \$689,551        |
| FICA                               | \$42,442         | \$49,500         | \$47,665         | \$50,102         | \$52,751         |
| INSURANCE - HEALTH                 | \$70,924         | \$75,000         | \$82,604         | \$88,253         | \$94,344         |
| INSURANCE - LIFE/DISABILITY/VISION | \$948            | \$980            | \$1,203          | \$1,313          | \$1,426          |
| INSURANCE - DENTAL                 | \$1,886          | \$2,070          | \$2,071          | \$2,357          | \$2,571          |
| RETIREMENT                         | \$76,971         | \$91,800         | \$94,332         | \$104,067        | \$114,742        |
| 401(K) RETIREMENT SUPPLEMENT       | \$28,731         | \$32,000         | \$31,154         | \$32,746         | \$34,478         |
| <b>PERSONNEL TOTAL</b>             | <b>\$786,011</b> | <b>\$892,150</b> | <b>\$887,091</b> | <b>\$938,757</b> | <b>\$994,863</b> |
| Operating                          |                  |                  |                  |                  |                  |
| TRAINING/CONF/CONV                 | \$1,687          | \$2,500          | \$2,500          | \$2,500          | \$2,500          |
| TELEPHONE/INTERNET                 | \$1,642          | \$1,638          | \$1,638          | \$1,638          | \$1,638          |
| POSTAGE                            | \$61             | \$50             | \$50             | \$50             | \$50             |
| UTILITIES                          | \$168,768        | \$195,000        | \$214,000        | \$235,000        | \$258,500        |
| TRAVEL/VEHICLE ALLOTMENT           | –                | \$0              | \$741            | \$741            | \$741            |
| MAINTENANCE - BUILDINGS            | \$940            | \$15,100         | \$4,460          | \$4,570          | \$5,715          |
| MAINTENANCE - GROUNDS              | –                | \$1,230          | \$1,260          | \$1,290          | \$1,320          |
| MAINTENANCE - EQUIPMENT            | \$84,064         | \$118,810        | \$82,470         | \$109,760        | \$106,260        |
| MAINTENANCE - LAB EQUIPMENT        | \$2,590          | \$8,320          | \$8,547          | \$8,750          | \$8,980          |
| MAINTENANCE - INSTRUMENTATION      | \$20,451         | \$26,390         | \$28,303         | \$28,980         | \$29,660         |
| MAINTENANCE - INFRASTRUCTURE       | –                | \$38,630         | \$9,860          | \$5,100          | \$5,350          |
| GASOLINE                           | \$3,705          | \$7,370          | \$8,100          | \$8,910          | \$9,805          |
| SUPPLIES - OFFICE                  | \$499            | \$620            | \$650            | \$680            | \$710            |
| SUPPLIES - CHEMICALS               | \$73,243         | \$102,920        | \$129,890        | \$132,910        | \$135,980        |
| SUPPLIES - LAB                     | \$16,093         | \$13,840         | \$14,190         | \$14,540         | \$14,890         |
| SUPPLIES - DEPARTMENTAL            | \$2,847          | \$2,000          | \$4,000          | \$4,000          | \$4,000          |
| SUPPLIES - SAFETY                  | \$1,169          | \$2,250          | \$1,500          | \$2,250          | \$2,250          |
| SUPPLIES - DATA PROCESSING         | \$230            | \$500            | \$500            | \$500            | \$500            |
| OUTSIDE LAB SERVICES               | \$24,721         | \$31,750         | \$32,750         | \$33,470         | \$34,210         |
| UNIFORMS                           | \$1,869          | \$3,490          | \$3,580          | \$3,670          | \$3,760          |
| CS - DI WATER SYSTEM SERVICE       | \$4,553          | \$4,965          | \$4,840          | \$4,960          | \$5,080          |
| CS - ENGINEERING                   | \$69,157         | \$12,000         | \$0              | \$0              | \$0              |
| CS - DUMPSTER SERVICE              | \$2,094          | \$2,360          | \$2,420          | \$2,480          | \$2,540          |
| DATA PROCESSING SERVICES           | \$1,605          | \$1,660          | \$1,700          | \$1,740          | \$1,780          |
| MAINT - CONTRACTS                  | \$30,324         | \$22,520         | \$23,060         | \$35,580         | \$24,170         |
| CS - ALARM                         | \$1,159          | \$2,220          | \$2,280          | \$2,340          | \$2,400          |
| DUES & SUBSCRIPTIONS               | \$7,977          | \$8,940          | \$8,940          | \$8,940          | \$8,940          |
| SLUDGE REMOVAL                     | \$114,907        | \$256,000        | \$162,000        | \$168,500        | \$175,000        |

|  | FY25 Actual        | FY26 Estimate      | FY27 Budget        | FY28 Projection    | FY29 Projection    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| MISCELLANEOUS                                      | \$399              | \$4,310            | \$4,420            | \$4,530            | \$4,640            |
| <b>OPERATING TOTAL</b>                             | <b>\$636,753</b>   | <b>\$887,383</b>   | <b>\$758,649</b>   | <b>\$828,379</b>   | <b>\$851,369</b>   |
| Debt Service                                       | \$1,109,118        | \$1,087,258        | \$1,065,397        | \$1,043,535        | \$1,021,673        |
| Capital  |                    |                    |                    |                    |                    |
| CAPITAL - BUILDINGS & IMPROVEMENTS                 | –                  | \$30,900           | \$0                | \$0                | \$0                |
| CAPITAL - EQUIPMENT                                | \$49,430           | \$83,452           | \$197,240          | \$50,000           | \$0                |
| <b>CAPITAL TOTAL</b>                               | <b>\$49,430</b>    | <b>\$114,352</b>   | <b>\$197,240</b>   | <b>\$50,000</b>    | <b>\$0</b>         |
| Interfund Transfers                                |                    |                    |                    |                    |                    |
| TRANSFER TO FUND 69 - UTILITY CAPITAL IMPROVEMENTS | –                  | \$0                | \$0                | \$0                | \$10,000           |
| <b>INTERFUND TRANSFERS TOTAL</b>                   | <b>–</b>           | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$10,000</b>    |
| <b>EXPENSES TOTAL</b>                              | <b>\$2,581,313</b> | <b>\$2,981,143</b> | <b>\$2,908,377</b> | <b>\$2,860,671</b> | <b>\$2,877,905</b> |

## Contingency

### Contingency

|                        | FY25 Actual | FY26 Estimate | FY27 Budget      | FY28 Projection  | FY29 Projection  |
|------------------------|-------------|---------------|------------------|------------------|------------------|
| <b>Expenses</b>        |             |               |                  |                  |                  |
| Operating              |             |               |                  |                  |                  |
| CONTINGENCY            | –           | \$0           | \$400,000        | \$400,000        | \$400,000        |
| <b>OPERATING TOTAL</b> | <b>–</b>    | <b>\$0</b>    | <b>\$400,000</b> | <b>\$400,000</b> | <b>\$400,000</b> |
| <b>EXPENSES TOTAL</b>  | <b>–</b>    | <b>\$0</b>    | <b>\$400,000</b> | <b>\$400,000</b> | <b>\$400,000</b> |

# Supplemental Information



# Budget Schedule

## FY2027 Operating & Capital Budget

### Budget Schedule

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**October**

28th: Budget kickoff

**November**

21st: CIP requests due

**December**

19th: Operating budget requests due

**January**

21st-27th: Budget review meetings

26th: Budget and planning retreat - #1

**February**

23rd: Budget and planning retreat - #2

**May**

11th: Budget presentation to Board of Commissioners

18th: Budget workshop and public hearing

27th: Second budget workshop (if needed)

**June**

8th: Consider adoption of FY27 Budget & Financial Plan

22nd: Consider adoption of FY27 Budget & Financial Plan (if needed)



# Debt Summary

## FY2027 Operating & Capital Budget

### General Fund

General Fund Debt Service

| Itemization Description                   | FY2027           | FY2028           | FY2029             |
|---|------------------|------------------|--------------------|
| <b>Amount</b>                             |                  |                  |                    |
| Highway 86 North Facility                 | \$376,781        | \$367,058        | \$357,335          |
| North Campus Annex                        | \$200,172        | \$200,171        | \$200,172          |
| 604 and 618 North Churton Street Property | \$44,865         | \$43,684         | \$42,502           |
| Passenger Rail and Multi-Modal Station    | \$0              | \$0              | \$326,119          |
| Fire Station at North Churton Street      | \$0              | \$0              | \$670,026          |
| <b>AMOUNT</b>                             | <b>\$621,818</b> | <b>\$610,913</b> | <b>\$1,596,154</b> |

### Water and Sewer Fund

Water and Sewer Fund Debt Service

| Worksheet Name                                | FY2027             | FY2028             | FY2029             |
|---|--------------------|--------------------|--------------------|
| <b>Amount</b>                                 |                    |                    |                    |
| Adron F. Thompson Renovation                  | \$647,710          | \$647,782          | \$647,210          |
| Dam Repairs at West Fork Eno Reservoir        | \$0                | \$164,967          | \$329,933          |
| Lawndale Basin Rehabilitation                 | \$35,332           | \$35,291           | \$35,057           |
| North Campus Annex                            | \$39,126           | \$39,126           | \$39,126           |
| South Zone Water Tank                         | \$94,122           | \$94,122           | \$94,122           |
| Wastewater Treatment Plant Upgrade            | \$1,065,397        | \$1,043,535        | \$1,021,673        |
| West Fork Eno Reservoir Phase II - 2018 Bonds | \$476,345          | \$474,595          | \$477,720          |
| West Fork Eno Reservoir Phase II - 2020 Bonds | \$363,464          | \$365,810          | \$362,980          |
| <b>AMOUNT</b>                                 | <b>\$2,721,496</b> | <b>\$2,865,228</b> | <b>\$3,007,821</b> |

### Stormwater Fund

No FY27-29 debt service.



# Glossary of Budget Terms

## FY2027 Operating & Capital Budget

**Accrual Basis of Accounting (or Full Accrual):** Accounting method for proprietary funds that recognizes revenues in the accounting period in which they are earned and become measurable. Expenses are recognized in the period incurred, if measurable.

**Ad Valorem Tax:** A tax levied in proportion to the value of real property.

**Amortization:** Paying the principal amount of a debt issue through periodic payments either directly to bondholders or to a sinking fund for later payment to bondholders. Amortization payments include interest and any payment on principal.

**Appropriation:** Authorization granted by the Board of Commissioners to obligate and expend resources for purposes specified in the Budget Document.

**Assessed Valuation:** The value of real estate or personal property as determined by tax assessors and used as a basis for levying taxes. (Note: the County establishes Property values.)

**Authorized Bond:** Bonds that have been legally approved but may or may not have been sold.

**Balanced Budget:** Occurs when planned expenditures equal anticipated revenues. North Carolina state law requires the annual operating budget to be balanced.

**Base Budget:** Those resources necessary to meet an established and existing service level.

**Basis of Accounting:** The accounting method that determines when, for accounting purposes, expenditures, expenses, and revenues are recognized. The two bases of governmental accounting include accrual (or full accrual) and modified accrual.

**Benchmarking:** The systematic process of searching for best practices, innovative ideas and highly effective operating procedures that lead to superior performance; The process of identifying the best-in-class and duplicating or surpassing their performance.

**Board of Commissioners:** A five member governing board elected within districts for four-year terms by the citizens of Hillsborough.

**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, the higher the bond rating, the less risk investors assume resulting in a more favorable interest rate and lower cost of financing capital projects for the governmental unit. The three main bond rating agencies include: Standard and Poor's, Moody's, and Fitch.

**Budget:** The budget translates organizational intentions into actions, allocating resources in support of organizational goals, objectives, and desired service levels.

**Budget Amendment:** A legal procedure used by Town staff and the Board of Commissioners to revise a budget appropriation.

**Budget Document:** A formal document outlining the Town's financial plan for a fiscal year.

**Budget Message:** A written overview of the proposed budget from the Town Manager to the Mayor and Board of Commissioners that discusses the major budget items and changes and the Town's present and future financial condition.

**Budget Ordinance:** The official enactment by the Board of Commissioners to establish legal authority for Town officials to obligate and expend resources.

**Capital Improvement Plan (CIP):** A multi-year plan (10 years for the Town) for the construction or acquisition of major capital items (over \$50,000). The plan usually outlines spending needs, the financing source or sources expected, and the impact of the CIP on future annual operating budgets.

**Capital Outlay:** An expenditure expected to have a useful life greater than one year or a total value of \$5,000 or more resulting in the acquisition of or addition to a fixed asset. Examples of capital outlay expenditures include vehicles, mowing equipment, and buildings.

**Capital Project:** A capital improvement that usually requires a major initial investment, and a significant and continuing financial commitment in the form of operating costs.

**Cash Accounting:** Basis of accounting which recognizes revenues when a government receives cash and costs when it disburses cash.

**Cash Management:** The management of cash necessary to pay for governmental services while investigating temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, and establishing and maintaining banking relationships.

**Certificates of Participation (COPS):** A security created as a part of a lease-purchase agreement. The lender, the holder of the certificate, owns a right to participate in periodic lease payments (interest and return of principal) as they are paid.

**Community Development Block Grant (CDBG):** An entitlement grant from the U.S. Department of Housing and Urban Development (HUD) to assist low and moderate income persons of the Town in targeted neighborhoods. This fund is required by federal regulations to account for the use of these funds.

**Contingency:** An account where funds are set aside for unforeseen expenditures which and become necessary during a fiscal year. Board approval is required for appropriation of these funds.

**Cost Allocations:** Portion of the budget pertaining to payments made to other departments for costs involved in supporting a primary service.

**Cost Center:** An organizational budget / operating unit within each City department or division (e.g. Water Treatment Plant is a cost center within the Water Department).

**Debt Service:** The portion of the budget pertaining to payment of principal and interest requirements on outstanding debts.

**Debt Service Funds:** Funds used for the accumulation and disbursement of financial resources that will be used to make principal and interest payments on general long-term debt.

**Deficit:** The amount by which expenditures exceed revenues during an accounting period.

**Department:** A major administrative division of the Town that has overall management responsibility for an operation within a function area.

**Delinquent Taxes:** Taxes that remain unpaid on or after the due date and on which a penalty for non-payment is attached.

**Depreciation:** The process of estimating and recording the lost usefulness, expired useful life, or diminution of service from a fixed asset that cannot or will not be restored by repair and must be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to the reserve to replace the item at the end of its useful life.

**Designated Fund Balance:** Monies over the years that remain unspent after all budgeted expenditures have been made, but which are reserved for specific purposes and are unavailable for appropriation.

**Effectiveness Measure:** A performance measure identifying quality or extent to which an organization is obtaining its objectives (ex. percentage of yard waste/leaf collection points serviced on time).

**Efficiency Measure:** A performance measure identifying inputs used per unit of output, or unit costs (ex. cost per ton of yard waste/leaves collected).

**Encumbrance:** A financial commitment or earmark for services, contracts, or goods that have not as yet been delivered by a specified time frame, usually the end of the fiscal year.

**Enterprise Fund:** A fund that accounts for a governmental activities supported wholly or partially with user fees or charges and operated using business principles.

**Expenditures:** The measurement focus of governmental fund accounting identifying financial resources expended during a period for operations, capital outlay, and long-term debt principal retirement and interest. With the exception of long-term debt principal retirement expenditures, expenditures reflect the cost incurred to acquire goods and services.

**Expenses:** The measurement focus of proprietary fund accounting identifying costs expired during a period, including depreciation and other allocations as in business accounting. Expenses reflect the cost of goods or services used.

**External Agency:** A non-governmental agency, usually of nonprofit legal status, which may request public funds for use on programs benefiting social, cultural, or economic needs of the Town.

**FICA:** Social Security Tax paid by the Town for each permanent and temporary employee.

**Fiscal Policy:** The financial plan embracing the general goals and acceptable procedures for managing the City's financial resources.

**Fiscal Year:** A 12-month period of time, from July 1 through June 30, to which the annual budget applies.

**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.

**Fringe Benefits:** For budgeting purposes fringe benefits include employer payments for social security, retirement, group health insurance, life insurance, dental insurance, workers compensation, and travel allowances.

**Fiduciary Funds:** Funds used to separate, control, and track financial resources in which the government oversees as a third party, or on behalf of, another public entity. The four fiduciary fund types include: 1) Agency Fund, 2) Pension Trust, 3) Expendable Trust, and 4) Non-Expendable Trust.

**Full Cost Accounting:** Type of accounting concerned with accumulating both direct and indirect costs for financial reporting and decision-making purposes. By using this accounting technique, the Town is able to assess the complete total cost of providing a service and its associated benefits.

**Full-time Equivalent (FTE):** An FTE converts the hours worked by a position into a percentage of a full year's number of hours. Generally, one FTE equals 2080 hours per year per permanent position (based on a 40hr. work week and a 52 week work year; does not include temporary part-time staff).

**Function:** A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a similar broad goal or major service. Examples of functions within the Town of Hillsborough include Public Safety, Public Works, and General Government.

**Fund:** A fiscal and accounting entity that has a self-balancing set of accounts recording cash and other financial resources, as well as related liabilities and residual equity. These are segregated to carry on specific activities or objectives in accordance with special regulations, restrictions or limitations as established by State and Federal governments.

**Fund Balance:** Amounts shown as fund balance represent a running total of monies over the years that remain unspent after all budgeted expenditures have been made. Generally speaking, fund balance includes reserve or "rainy day" monies. North Carolina General Statutes require general fund balance reserves of at least 8% of General Fund expenditures at the end of the fiscal year. The Board of Commissioners requires the Town to maintain a minimum 20% General Fund fund balance reserve with a target balance of 33%.

**Funding Sources:** Identifies fund(s) that will provide money for project expenditures.

**Goal:** A broad policy statement outlining the general direction or intent of an organizational unit's major activities within a medium-range time period, usually 3-5 years.

**Generally Accepted Accounting Principles (GAAP):** Uniform minimum standards and guidelines for financial accounting and reporting. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices.

**General Obligation Bonds (GO Bonds):** Bonds issued by a government that are backed by the full faith and credit of its taxing authority.

**General Fund:** A governmental fund used to account for all financial resources of the Town, except those required to be accounted for in another fund. Revenues to support the General Fund are derived from sources such as property tax, sales tax, franchise fees and service fees.

**Governmental Funds:** Funds used to separate, control, and track financial resources of general government operations. The four governmental fund types include: 1) General Fund, 2) Special Revenue Funds, 3) Capital Projects Funds, and 4) Debt Service Funds.

**Grant:** A contribution by a government or other organization to support a particular function.

**Indirect Cost:** The component of the total cost for a service that is provided by and budgeted within another department or division. Indirect costs are budgeted to more accurately reflect the true total cost for such services such as those provided by the General Government Departments.

**Intergovernmental Revenues:** Revenues from other governments (State, Federal or local) that can be in the form of grants, shared revenues, or entitlements.

**Internal Service Fund:** This fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, on a cost-reimbursement, or cost allocation, basis.

**Lease/Installment-Purchase Financing:** A method of purchasing equipment in which payments are spread over a period of time, usually 3-7 years. The purchased equipment serves as collateral.

**Line-Item:** A budgetary account representing a specific object of expenditure.

**Mayor:** An individual elected at-large for four-year terms to serve as chair the Town's governing body and the leader of the Town.

**Mission:** A broad statement outlining a department's purpose for existing.

**Modified Accrual Basis of Accounting:** Accounting method for governmental funds that recognizes revenues in the accounting period in which they become available and measurable. Expenditures are recognized in the period the fund liability is incurred, if measurable, except for unmatured interest on (and principal of) general long-term debt, which should be recognized when due.

**Objective:** Outcome-based statements that specify - in measurable terms - what will be accomplished within the budget year.

**Operating Budget:** A financial plan for the provision of direct services and support functions.

**Operations:** The portion of the budget pertaining to the daily operations that provides basic governmental services. The operating portion of the budget contains appropriations for such expenditures as supplies, utilities, materials, and travel.

**Outcome Management:** A refinement of the Performance Management concept, Outcome Management is structured to place the focus on the end product, not the process. It is defined by high level, core outcomes that determine the service delivery components.

**Pay-As-You-Go (or Pay-Go):** Financial policy of a government unit that finances capital outlays from current revenues rather than from borrowing.

**Performance Based Budget:** A budget wherein expenditures, planning, and management decisions are based primarily upon measurable performance of activities.

**Performance Indicator:** A performance indicator is a measurement designed to determine whether or not a service objective has been met. It measures the effectiveness of achieving the objective or how well the objective has been accomplished.

**Performance Measurement:** The regular collection of quantifiable information regarding the results of town services. It includes the measurement of the kind of job we are doing and includes the effects our efforts are having in our community

**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 fringe benefits paid for employees.

**Policy:** A direction that must be followed to advance toward a goal. The direction can be a course of action or a guiding principle.

**Powell Bill Funds:** Funding from state-shared gasoline taxes that are restricted for use on maintenance of local streets and roads.

**Productivity Measure:** A performance measure combining efficiency and effectiveness measures into a single factor (ex. cost per ton of on-time yard waste/leaf collection)

**Program:** A well-defined portion of the operating plan for which a distinct set of goals and outcomes may be developed.

**Proprietary Funds:** Funds used to separate, control, and track financial resources of business-type activities carried out by a government. The two proprietary fund types include: 1) Enterprise Funds and 2) Internal Service Fund.

**Public Safety:** A group of expenditure related to the provision and enforcement of law enforcement, fire, disaster protection, traffic safety, and communication.

**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.

**Reserve:** An account designated for a portion of the fund balance that is to be used for a specific purpose.

**Retained Earnings:** Amounts shown as retained earnings represent accumulated earnings of proprietary funds after all budgeted business expenses have been made.

**Revenue:** Funds the Town receives as income. It includes tax payments, fees for services, grants, fines, forfeitures and interest income.

**Revenue Bonds:** Bonds issued by a government that are backed by a specific revenue source – such as special assessments and water/sewer fees.

**Taxes:** Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments. This term, also, does not refer to user charges for enterprise type services (i.e. water/sewer) or special or enhanced services or products benefiting a single party. See also "User Fees/Charges."

**Tax Levy:** The resultant product when the tax rate per one-hundred dollars valuation is multiplied by the total taxable valuation, or tax base.

**Town Manager:** An individual appointed at the discretion of the Mayor and Board of Commissioners to serve as the chief administrative officer of the Town.

**Special Revenue Fund:** A fund used to account for the revenues from specific sources that are to be used for legally specified expenditures.

**Surplus:** The amount by which revenues exceed expenditures.

**Undesignated Fund Balance/Undesignated Retained Earnings:** The portion of a fund's unspent monies, or reserves that are not restricted for a specific purpose and are available for general appropriation.

**User Fee/Charge:** The payment for direct receipt of a service by the party benefiting from the service.

**Workload Measure:** A performance measure identifying how much or how many products or services were produced (ex. number of yard waste/leaf collection points served).

#### **Common Budget & Performance Measurement Acronyms**

**CDBG** Community Development Block Grant

**CIP** Capital Improvement Plan

**FTE** Full-time Equivalent

**FY** Fiscal Year

**GAAP** Generally Accepted Accounting Principles

**GASB** Governmental Accounting Standards Board

**GFOA** Government Finance Officers Association

**GO Bonds** General Obligation Bonds

**NCGS** North Carolina General Statute

**ORFD** Orange Rural Fire Department

**PM** Performance Measurement