



FY 2025-26 RECOMMENDED BUDGET WORK SESSION

MAY 22, 23, 28, 2025





RETREAT REVIEW



Expected Conditions

- 2024 was a stable year with moderate unemployment, job growth, and expanding economy
- Many households still struggling to regain their pre-pandemic financial footing
 - Real wages have not yet caught up with the rising cost of living
- President has proposed major changes in US trade policy
 - Higher tariffs would likely increase inflation and reduce economic growth
 - Projected inflation and unemployment increases of 0.5-0.8%
- Inflation likely to remain stuck above Fed's target in 2025
- Ongoing strains to housing affordability are weighing on new residential construction
- Lower borrowing rates should help business investment perk up in the coming quarters

Capital Improvement Plan

Debt Reserve Impacts

- **FY 2026** Budget recommends contribution of **8.5** cents for future debt-funded projects
 - Decrease from FY 2025 contribution of 9.7 cents (-1.2 cents)
 - Increase from “revenue neutral” contribution rate of 6.68 cents (+1.82 cents)

New Pay-Go Projects

- Schools – **Siler City Elementary Roof Replacement** [\$3,850,000]

Retreat Guidance

- Prepare the General Fund operating budget with a property tax increase (above revenue neutral) if needed
- If preparing a recommended budget that is above the revenue neutral rate, the Board wanted to see different options/scenarios for what could be funded at different tax rates.



CORRECTIONS TO RECOMMENDED BUDGET



Corrections to Recommended Budget

Revenues

Approp. Fund Balance (restricted)
+\$924,610

Expenditures

Non-Departmental (Debt)
+\$924,610



REVENUE



New, Altered, or Increased Fees

Planning

- Significant changes to fee structure to increase equity and consistency of fee charges and to account for increasing cost of service provision

Aging Services

- Senior Center Day Trips – new fee to allow Aging Services staff to take advantage of group rates for events/trips
 - Recommended fee is equal to the cost of admission for the specific event
- Senior Games - \$5 increase to early registration and registration fee; inclusion of new fee for participants who do not want a T-Shirt (\$10)

New, Altered, or Increased Fees

Solid Waste and Recycling

- **Solid Waste Fee** – \$20 Increase (from \$137 to \$157 annually), increase is necessary for the enterprise fund to continue to recoup costs generated to run the service
- **Yard Waste Disposal Fee** – \$5/ton increase (from \$20/ton to \$25/ton), increase is necessary due to the increasing amount of yard waste incoming and the additional handling costs associated with moving older mulch/waste to make room for additional disposal
- **Land Clearing and Inert Debris Disposal Fee** – \$15/ton increase (from \$20/ton to \$35/ton), increase is needed to fund the costs associated with the necessary permit and required maintenance costs of the LCID landfill
 - If not permitted, the LCID landfill will be required to cease operations

General Fund Revenue Summary

Revenue Category	2025 Amended	2025 Estimated	2026 Recommended	Total Inc/Dec
Permits & Fees	3,246,186	2,704,571	3,606,186	11%
Intergovernmental	14,630,544	13,908,960	13,552,038	-7%
Interest	710,000	2,037,700	861,466	21%
Contributions from others	961,812	915,340	402,062	-58%
Miscellaneous	400,310	407,746	302,992	-24%
Lease Proceeds	0	170,000	65,126	0%
Other Taxes/Licenses	1,788,071	1,318,000	1,291,071	-28%
Property Tax	113,155,908	115,604,500	135,893,720	20%
Charges for Services	2,973,494	2,936,889	2,861,147	-4%
Sales Tax	30,555,483	31,184,000	30,455,000	0%
Transfers In	20,578,305	20,578,305	18,619,239	-10%
Appropriated Fund Balance	17,041,889	0	3,890,184	-77%
Total Revenues	206,042,002	191,766,011	211,800,231	3%

Permits and Fees

Overall, Permits and Fees are expected to increase 11%

- Building Inspection fees – increase of 14% from current year
 - Single-family residential continues to be slow; however, commercial/industrial activity is consistent and there are several multi-family residential complexes pending
- Register of Deeds fees – decrease of 10% from current year
 - Recommended budget is based on current activity levels in the Register of Deeds office

Other Taxes/Licenses

Overall, Other Taxes and Licenses are expected to decrease by 28%

- Occupancy Tax – increase of 33% from current year
- Register of Deeds Excise – decrease of 33% from current year
 - Slower residential real estate market continues
 - Previously projected increase in real estate transactions (in FY25 budget) did not occur, FY26 recommended budget takes a more cautious approach

Charges for Service

Overall, Charges for Service are expected to decrease 4%

- Medicaid charges – decrease of 28% from current year
 - Medicare and Medicaid revenues across the board are decreasing
- Fire Inspection fees – increase of 108%
 - Increased revenue collection and cost recovery (approved in FY25)
- Planning fees – increase of 76% from current year
 - Increased revenue due to recommended fee change implementation
- Indirect Cost Utilities – decrease of 100% from current year
 - Utility enterprise fund will not be a county department in FY26

Sales Tax

Overall, Sales Tax is expected to decrease less than 1%

- Through February sales, Articles 39 and 42 are trending 4% below the same time period last year.
 - Article 40 – based on statewide collection, trending 3% over prior year
 - Article 46 – 66% of budget collected through 7 months of collections this year
- Assuming minimal growth in FY 2026, to hopefully protect the County from serious harm in the event of further economic slowdown or downturn.
 - Projecting FY 2026 sales tax collections will be approximately 2% below FY 2025 year-end estimated collections

Transfers In

Overall, Transfers In are decreasing by 10%

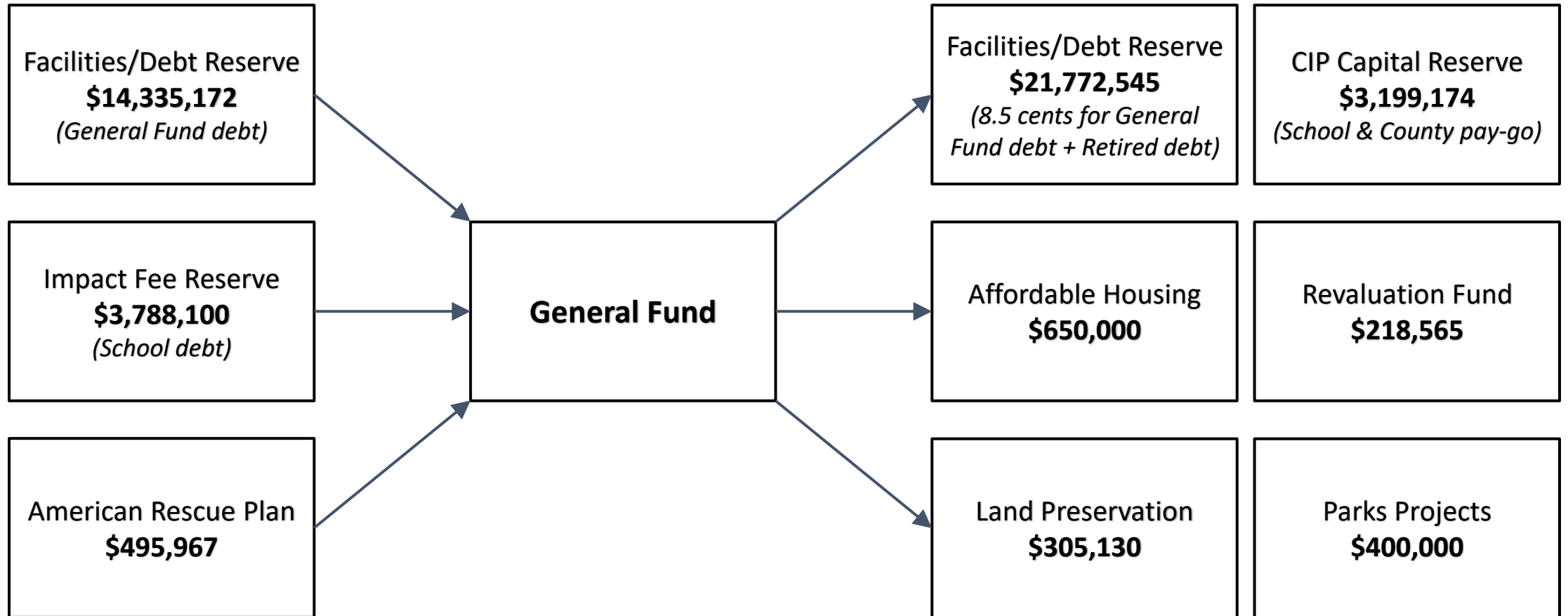
Impact Fees

- No change in budget from FY 2025
- Needed to cover debt payments for multiple schools as well as several smaller projects

Debt Reserve

- Decrease of 12% in transfer in
- Impact of staggered principal (due to refunding) in FY 2026 and reducing total General Fund debt burden

General Fund Transfers In and Out



Appropriated Fund Balance

General Fund	
General Fund One Times	1,278,153
Replacement Capital	1,088,192
Expansion Capital	315,600
General Fund Transfer to CIP Reserve	1,885,000
School Transfer to CIP Reserve	1,314,174
Total One Time Expenses	5,881,119
Fund Balance Appropriated for One Time Expenses	3,890,184

Property Tax

Overall, Property Tax is expected to increase approximately 20%.

	FY 2025 Values Budgeted	FY 2026 Values Budgeted	Total Increase/ (Decrease)
Real Property	13,218,072,718	19,855,008,903	50.21%
Personal Property	844,271,713	1,077,888,244	27.67%
Utilities	294,000,000	321,000,000	9.18%
RMV	1,298,918,983	1,491,002,843	14.79%
Total	15,655,263,414	22,744,899,990	45.29%

Tax Rate

This budget recommends an Ad Valorem property tax rate of **60 cents** per \$100 of valuation

A 12.5-cent decrease from the current year (72.5 cents per \$100 of valuation)

A 7.04-cent increase from the revenue neutral rate (52.96 cents per \$100 of valuation)

Increased revenues of about 4.5% due to increases in valuation

Questions?



GENERAL FUND EXPENSE

Review of Departments



General Fund Expenditure Summary

Expenditures	2025 Amended	2025 Estimated	2026 Total Request	2026 Recommended	Total Inc/Dec
Salaries	43,218,240	40,840,331	48,432,831	46,552,981	8%
Benefits	20,193,669	19,190,711	22,917,840	22,030,305	9%
Operating	25,149,588	21,932,165	27,706,725	26,446,961	5%
Debt	23,950,145	23,954,637	23,063,490	23,063,490	-4%
Lease	156,200	68,882	406,073	406,073	160%
Lease Subscription	738,995	560,455	876,429	876,429	19%
Transfers Out	23,305,398	23,305,398	26,222,435	26,145,414	12%
Allocations/Programs	66,922,944	60,016,859	64,911,893	64,821,293	-3%
Capital Outlay	2,360,015	2,186,724	2,034,172	1,457,285	-38%
Total Expenditures	205,995,194	192,056,163	216,571,888	211,800,231	3%



ADMINISTRATION

Departments that provide support functions for departments that deliver services. It also includes non-departmental expense.



Administration Summary

Expenditures	2023 Actual	2024 Actual	2025 Amended	2025 Estimated	2026 Total Req.	2026 Total Rec.	Variance	Total Inc/Dec
Salaries	3,861,613	4,852,698	5,502,865	5,436,740	6,286,214	6,094,593	591,728	10.8%
Benefits	1,778,355	2,125,082	2,555,677	2,519,071	2,868,969	2,771,175	215,498	8.4%
Operating	5,390,186	4,957,197	6,500,248	6,212,468	6,524,683	6,260,599	(239,649)	-3.7%
Allocations/ Programs	203,942	1,266,800	3,970,038	310,500	246,500	246,500	(3,723,538)	-93.8%
Capital	149,540	196,068	138,275	64,956	70,166	28,681	(109,594)	-79.3%
Debt	2,218,645	2,666,957	2,605,083	2,605,083	2,074,723	2,074,723	(530,360)	-20.4%
Transfers Out	27,712,291	19,834,342	20,503,699	20,503,699	24,212,675	24,212,675	3,708,976	18.1%
Lease	2,338	34,088	29,991	4,350	142,318	142,318	112,327	374.5%
Lease – Subscription	742,212	394,078	532,041	354,733	655,312	655,312	123,271	23.2%
Total Expenditures	42,059,103	36,327,310	42,337,917	38,011,600	43,081,560	42,486,576	148,659	0.4%

Agriculture & Conference Center

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	180,500	0	180,500	180,500
Expenditures	1,322,148	79,516	1,401,664	1,393,811
Net Cost	1,141,648	79,516	1,221,164	1,213,311

Continuation

Slight reduction in continuation expenditures based on trend analysis and historical spending.

This division's budget includes \$4,500 in one-time expenditures.

Expansion

One expansion was requested for this department.

One expansion was recommended for FY2026:

- An Event Services Leader [79,516]

County Attorney

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	344,306	0	344,306	336,306
Net Cost	344,306	0	344,306	336,306

Continuation

The recommended budget includes a decrease in the Professional Services- Legal line.

Slight reduction in continuation expenditures based on trend analysis and historical spending.

Expansion

There were no expansions requested for this department.

County Manager

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	1,918,317	127,102	2,045,419	1,910,817
Net Cost	1,918,317	127,102	2,045,419	1,910,817

Continuation

Requested continuation increases related to travel and training were recommended at a decreased amount.

Some requested continuation increases were not recommended based on expenditure trend analysis.

Expansion

Three expansions were requested for this department.

Expansions not recommended:

- Communications and Marketing Specialist [71,872]
- Art Installation at CCACC [50,000]
- Communications Software (SMS) [5,230]

Court Facilities (Justice Center)

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	56,000	0	56,000	56,000
Expenditures	1,239,894	0	1,239,894	1,239,894
Net Cost	1,183,894	0	1,183,894	1,183,894

Continuation

The recommended budget includes funds for the transition of our current jury management software to a new software system. During the transition period, we must have both systems operating simultaneously until the Clerk of Court has confirmed that the new system is functioning correctly.

Expansion

No expansions were requested.

Facilities Management

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	4,729,324	114,172	4,843,496	4,723,324
Net Cost	4,729,324	114,172	4,843,496	4,723,324

Continuation

Slight reduction in continuation expenditures based on trend analysis and historical spending.

Expansion

Two expansions were requested for this department.

Expansions recommended:

- Staff progression plan [0 first year cost]

Expansions not recommended:

- Maintenance Technician I [114,172]

Facilities – Fleet

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	239,526	0	239,526	239,526
Net Cost	239,526	0	239,526	239,526

Continuation

Slight increase in operating expenses

Expansion

No expansions were requested.

Finance

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	1,938,228	0	1,938,228	1,926,228
Net Cost	1,938,228	0	1,938,228	1,926,228

Continuation

Changes in the budget reflect increases in contracted services and training, in addition to increases in salary and benefits.

Some requested continuation increases were not recommended based on expenditure trend analysis.

Expansion

No expansions were requested.

General Services

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	671,213	0	671,213	671,213
Expenditures	25,698,093	0	25,698,093	25,698,093
Net Cost	25,026,880	0	25,026,880	25,026,880

Continuation

The recommended budget includes the transfer to the debt and capital reserves as well as two of the transfers related to the Article 46 sales tax revenues (Affordable Housing and Agricultural Preservation & Enhancement).

The recommended transfer to the debt reserve is increasing by \$4,106,631 to remain consistent with our funding model and to account for the planned additional debt that the county will be incurring over the next 4-5 fiscal years.

Expansion

No expansions were requested.

Geographic Information Systems (GIS)

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	691,054	0	691,054	691,054
Net Cost	691,054	0	691,054	691,054

Continuation

The recommended budget for this new department is comprised of GIS costs included within the MIS budget in previous years.

Increases for the GIS budget include salary and benefits and software, such as GIS Hub licensing and additional indoor facility mapping features.

This department's budget includes \$2,820 in one-time expenditures.

Expansion

No expansions were requested by this department.

Human Resources

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	1,036,253	103,440	1,139,693	1,114,922
Net Cost	1,036,253	103,440	822,110	1,114,922

Continuation

Increases in software and training expenses along with increases in salary and benefits.

Expansion

Two expansions were requested for this department.

Expansions recommended:

- HR Analyst [82,157]
- On-Call rate increase [60,000]

Information Technology

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	3,023,658	476,529	3,500,187	3,212,601
Net Cost	3,023,658	476,529	3,500,187	3,212,601

Continuation

Changes to this budget include increases to salary and benefits, as well as operating expenses due to rising software contract costs.

This department's continuation budget includes \$48,544 in one-time expenditures.

Expansion

Four expansions were requested by this department.

Two expansions were recommended:

- **IT Security Analyst** [78,853] effective 10/1
- **Mobile Device Management Software** [104,000].

Expansion not recommended:

- AV Support Technician
- Ticketing System Software Replacement

Recommended expansion includes an increase to on the call rate.



EDUCATION, CULTURE, & RECREATION

Departments that provide education, library services, and recreation.



Culture, Education, and Recreation

Expenditures	2023 Actual	2024 Actual	2025 Amended	2025 Estimated	2026 Total Req.	2026 Total Rec.	Variance	Total Inc/Dec
Salaries	1,562,383	1,927,185	2,111,511	2,083,440	2,400,228	2,295,779	184,268	8.7%
Benefits	680,211	803,095	885,742	871,152	1,038,560	1,001,595	115,853	13.1%
Operating	1,240,810	1,396,791	1,974,762	1,435,765	1,669,137	1,652,260	(322,502)	-16.3%
Allocations/ Programs	43,122,183	48,508,233	53,907,560	53,442,600	56,650,912	56,650,912	2,743,352	5.1%
Capital	58,339	146,615	83,221	127,095	100,795	43,795	(39,426)	-47.4%
Debt	16,884,129	16,290,010	16,134,710	16,139,202	15,465,500	15,465,500	(669,210)	-4.1%
Transfers Out	1,356,667	1,994,033	2,506,113	2,506,113	1,714,174	1,714,174	(791,939)	-31.6%
Total Expenditures	64,904,721	71,065,962	77,603,619	76,605,367	79,039,306	78,824,015	(1,220,396)	1.6%

Central Carolina Community College (CCCC)

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	3,911,109	0	3,911,109	3,911,109
Net Cost	3,911,109	0	3,911,109	3,911,109

Continuation

The recommended budget includes increases related to salary and benefit increases associated with locally funded positions, utility cost increases and facility and equipment repairs.

This division's budget includes \$150,000 in capital outlay expenditures. These funds will be used for a new vehicle for campus travel, exterior door replacements on Building 41, interior painting in Lucier Hall and Building 42 multipurpose room, sprinkler repair in the library, bathroom flooring repair and window repairs in Buildings 41 and 42, and landscaping and pressure washing at Chatham Health Sciences.

Expansion

No expansions were requested.

Chatham County Schools

County Budget Detail	2025 Amended	2025 Estimated	2026 Request	2026 Recommended	Variance	Total Inc/Dec
Current Expense	36,791,370	36,791,370	38,946,170	38,946,170	2,154,800	6%
Supplement	12,000,000	12,000,000	12,550,000	12,550,000	550,000	5%
Capital Outlay	2,415,000	2,415,000	2,665,000	2,665,000	250,000	10%
Capital Improvements Program	1,314,174	1,314,174	1,314,174	1,314,174	0	0%
Debt Service	13,961,811	13,966,303	13,542,063	13,542,063	-419,748	-3%
Total	66,482,355	66,486,847	67,623,355	67,623,355	2,535,052	4%

Cooperative Extension

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-92,900	0	-92,900	-92,900
Expenditures	692,516	0	692,516	692,516
Net Cost	599,616	0	599,616	599,616

Continuation

Changes in the Cooperative Extension budget are associated with changes in salary and benefits set by the state.

This department's budget includes \$1,200 in one-time and expenditures.

Expansion

There were no expansions requested by this department.

Library

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	258,653	0	258,653	258,653
Expenditures	2,461,896	43,546	2,505,442	2,459,396
Net Cost	2,203,243	43,546	2,246,789	2,200,743

Continuation

Changes in the library budget reflect the increase in cost of supplies (books and other media), contracted services and increases to salaries and benefits.

Expansion

Two expansions were requested for this department.

Expansions not recommended:

- Library Assistant PT (Goldston) [21,773]
- Library Assistant PT (Wren) [21,773]

Parks, Recreation, and Cultural Resources

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-212,850	0	-212,850	-212,850
Expenditures	2,755,693	157,139	2,912,832	2,743,587
Net Cost	2,542,843	157,139	2,699,982	2,530,737

Continuation

The recommended budget includes inflationary operating increases and increases to salary and benefits. Additionally, there is an increase to recreation funds to towns based on population estimates.

Some requested continuation increases were not recommended based on expenditure trend analysis.

This budget also includes \$112,711 in one-time and capital outlay funding. These includes expenses for an erosion study for the South Bynum river access, storage sheds, and facility and equipment maintenance.

Expansion

Two expansions were requested by this department.

Recommended:

- **On Call Pay** [9,000]

Not Recommended:

- Parks Crew Supervisor

New on call pay will align with on call rate increase



GENERAL GOVERNMENT

Departments that carry out mandated functions and support the overall governance of the county.



General Government

Expenditures	2023 Actual	2024 Actual	2025 Amended	2025 Estimated	2026 Total Req.	2026 Total Rec.	Variance	Total Inc/Dec
Salaries	1,871,080	2,305,424	2,815,515	2,392,687	3,132,990	2,919,099	103,584	3.7%
Benefits	881,111	1,059,407	1,264,087	1,242,637	1,438,899	1,355,244	91,157	7.2%
Operating	853,890	605,669	1,173,349	651,676	1,387,663	1,148,913	(24,436)	-2.1%
Allocations/ Programs	0	0	0	0	0	0	0	0
Capital	456,302	32,060	32,100	32,083	0	0	(32,100)	-100%
Transfers Out	500,000	500,000	295,586	295,586	295,586	218,565	(77,021)	-26.1%
Lease	5,273	71,815	72,000	0	144,000	144,000	72,000	100%
Lease – Subscription	3,164	186,849	91,264	90,399	82,768	82,768	(8,496)	-9.3%
Total Expenditures	4,570,820	4,761,223	5,743,901	4,705,068	6,481,906	5,868,589	124,688	2.2%

Elections

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-1,338	0	-1,338	-1,338
Expenditures	1,304,086	99,433	1,403,519	1,263,582
Net Cost	1,302,748	99,433	1,402,181	1,262,244

Continuation

The recommended budget includes increases in salary and benefits, as well as printing, and supplies for election needs in the upcoming fiscal year.

Budget and Election staff worked together to more accurately estimate temporary salary needs for FY 26, resulting in a decrease of \$56,504.

This department's budget includes \$21,000 in one-time expenditures

Expansion

Two expansions were requested by this department.

Recommended:

- **Poll Worker Maintenance Software [16,000]**

Not Recommended:

- Elections Coordinator

Governing Board

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	588,159	0	588,159	586,909
Net Cost	588,159	0	588,159	586,909

Continuation

The Governing Board budget reflects an increase in contracted services as well as increases in salary and benefits.

Some requested continuation increases were not recommended based on expenditure trend analysis.

Expansion

No expansions were requested.

Register of Deeds

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-1,360,000	0	-1,360,000	-1,360,000
Expenditures	869,607	0	869,607	869,307
Net Cost	-490,393	0	-490,393	-490,693

Continuation

The recommended budget includes increases in salaries and benefits and slight inflationary increases to operating expenses.

This department's budget includes no one-time or capital outlay expenditures.

Expansion

No expansions were requested by this department.

Tax Administration and Revaluation

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-322,000	0	-322,000	-322,000
Expenditures	3,144,758	475,863	3,620,621	3,148,791
Net Cost	2,822,758	475,863	3,298,621	2,826,791

Continuation

The recommended budget for Administration includes increases in salaries and benefits and increased contracted services costs due to county population increases

For Revaluation, changes include increases in salary and benefits and contracted services for software, along with a decrease in the transfer out to the revaluation fund.

This department's budget includes \$12,960 in one-time expenditures for computer replacements

Expansion

Four expansions were requested by this department.

Recommended:

- **Revenue Supervisor** [91,254] effective 7/1

Not recommended:

- Accounting Technician
- Real Estate Appraiser
- Imagery Contract Increase



HUMAN SERVICES

Departments and agencies that enhance the health and welfare of the county's residents.



Human Services

Expenditures	2023 Actual	2024 Actual	2025 Amended	2025 Estimated	2026 Total Req.	2026 Total Rec.	Variance	Total Inc/Dec
Salaries	9,362,703	11,256,983	12,831,765	11,767,116	13,777,201	13,582,714	750,949	5.9%
Benefits	4,542,803	5,313,267	6,048,897	5,276,661	6,604,875	6,518,023	469,126	7.8%
Operating	1,489,708	2,030,315	4,245,187	2,956,033	3,951,360	3,911,400	(333,787)	-7.9%
Allocations/ Programs	4,241,466	4,882,456	6,520,784	4,298,152	3,729,788	3,704,788	(2,815,996)	-43.2%
Capital	84,811	193,588	162,377	105,090	33,493	33,493	(128,884)	-79.4%
Debt	470,981	260,202	256,638	256,638	442,141	442,141	185,503	72.3%
Transfers Out	664,474	925,827	0	0	0	0	0	-
Lease	16	3,343	2,458	2,458	4,281	4,281	1,823	74.2%
Lease – Subscription	0	7,683	7,500	7,500	25,040	25,040	17,540	233.9%
Total Expenditures	20,856,963	24,873,664	30,075,606	24,669,647	28,568,179	28,221,880	(1,853,726)	-6.2%

Aging Services

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-1,365,202	0	-1,365,202	-1,366,202
Expenditures	3,404,888	90,233	3,495,121	3,430,873
Net Cost	2,039,686	90,233	2,129,919	2,064,671

Continuation

The recommended budget includes increases to salaries and benefits and changes in grant-related expenses.

Additionally, the FY 2026 recommended budget includes expected revenue for a transit-related grant previously applied for by Chatham Transit. Application through Aging Services reduces the required match for the grant.

This department's budget includes \$4,445 in one-time expenditures.

Expansion

Two expansions were requested by this department.

Recommended:

- **Part-Time Office Administrator** [25,985] effective 8/1

Not Recommended:

- Increased staffing for in-house meal preparation

Chatham Trades

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	267,000	0	267,000	267,000
Net Cost	267,000	0	267,000	267,000

Continuation

No increase for FY26

Expansion

No expansions were requested.

Chatham Transit

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	32,712	0	32,712	32,712
Expenditures	208,802	0	208,802	208,802
Net Cost	176,090	0	176,090	176,090

Continuation

Chatham Transit's budget fluctuates according to the cost of the vehicles that need replacement.

Expansion

No expansions were requested.

Department of Social Services (DSS)

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-5,628,867	-94,458	-5,723,325	-5,699,710
Expenditures	14,893,663	158,623	15,052,286	15,003,859
Net Cost	9,264,796	64,165	9,328,961	9,304,149

Continuation

The recommended budget includes changes according to fluctuations in federal and state funding.

Some requested continuation increases were not recommended based on expenditure trend analysis.

This department's budget includes \$103,163 in one-time and capital expenditures.

Expansion

Two expansions were requested and recommended.

- **Food & Nutrition Services Supervisor** [29,242]
- **Family Services Processing Assistant** [25,511]

Both positions are recommended with an effective date of 10/1.

The costs of both positions are offset by revenue as they are approximately 50% reimbursable by the state.

Public Health

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-1,423,570	0	-1,423,570	-1,423,570
Expenditures	8,055,962	401,637	8,457,599	8,248,975
Net Cost	6,632,392	401,637	7,034,029	6,825,405

Continuation

The recommended budget includes changes according to fluctuations in federal and state funding.

Some requested continuation increases were not recommended based on expenditure trend analysis.

This department's budget includes \$26,190 in one-time expenditures.

Expansion

Four expansions were requested by this department.

Recommended:

- **Adult Day Program (Contracted Services)** [200,000]
- **Car Seats for Child Passenger Safety Program** [5,000]

Not Recommended:

- Deputy Health Director
- An additional Community Health Worker (System Navigator)

Recommended expansion includes an increase to on the call rate.

Nonprofit Allocations

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	632,543	0	632,543	607,543
Net Cost	632,543	0	632,543	607,543

Continuation

The total \$528,000 available for funding in the competitive process has been awarded.

A list of agencies awarded funds for services is shown on the next slide.

Organization	Program Name	Requested	Allocation
Chatham Arts Council	Creative Placemaking : Arts for Resilient Grown-Ups; Creative Placemaking Pilot	\$20,000	\$20,000
Chatham Arts Council	Arts for Resilient Kids	\$80,000	\$55,000
Chatham Cares Community Pharmacy	Pharmacy Cares	\$46,000	\$34,856
Chatham Literacy Council, Inc.	Chatham Literacy Transforming Lives Through ESOL	\$37,000	\$5,000
Chatham Partnership for Children	Rebuilding Early Learning Workforce Capacity	\$198,818	\$35,000
Chatham Partnership for Children	Empowering Parents as First Teachers	\$65,235	\$20,000
Chatham Partnership for Children	Strengthening Family Connections	\$49,920	\$15,000
Chatham Habitat for Humanity	Homebuyer Education Program	\$2,500	\$2,500
Chatham Outreach Alliance, Inc.	CORApacks; Food Pantry Food	\$80,000	\$80,000
Communities In Schools of Chatham	Youth F.I.R.S.T. (Finding Integrated Resources for Students Together)	\$50,000	\$33,750
Families & Communities Rising Inc. - KidSCOpe Program	Healing Roots Initiative	\$30,500	\$28,000
El Futuro	Chatham Co Child and Family Mental Health Treatment Program	\$75,000	\$20,460
Hispanic Liaison / El Vínculo Hispano	Orgullo Latinx Pride Youth Program	\$35,000	\$35,000
Hispanic Liaison / El Vínculo Hispano	Community Empowerment Program	\$15,000	\$15,000
Inter-Faith Food Shuttle	Pathways to Ending Hunger in Chatham County - the Food Rescue Distribution Program	\$11,250	\$11,250
Love Chatham	Love Chatham	\$39,500	\$25,000
Second Bloom	Bilingual Advocacy Services for Survivors of Domestic and Sexual Violence	\$55,000	\$30,000
The Confidence Project	Confidence Kits	\$34,872	\$10,000
The Learning Trail, Inc.	Early Childhood Program	\$20,800	\$20,800
The Quiltmaker Cafe	Donate-what-you-can Meals	\$21,500	\$10,000
The Salvation Army	Housing Crisis: Pathway to Success Program	\$100,000	\$61,344
Chatham Park YMCA	Y Excel Out-of-School Academic Support Programs	\$25,000	\$18,000
United Way of Chatham County	Bold Goal Program	\$100,000	\$30,000
WEBB Squared	Accelerating Equity in Economic Development in Chatham's Communities of Color	\$110,000	\$5,000
XDS, Inc (Cross Disability Services)	Youth Mental Health Resiliency (YMHR) Initiative at The Farm at Penny Lane	\$105,000	\$2,500

Vaya Health – Mental Health

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	19,000	0	19,000	19,000
Expenditures	454,828	0	454,828	454,828
Net Cost	435,828	0	435,828	435,828

Continuation

Vaya Health is Chatham County's managed care organization (MCO) (replaced Cardinal Innovations).

Expansion

No expansions were requested.



NATURAL RESOURCE MANAGEMENT

Departments that regulate and permit development or are charged with increasing certain types of development, such as tourism or economic development.



Natural Resource Management

Expenditures	2023 Actual	2024 Actual	2025 Amended	2025 Estimated	2026 Total Req.	2026 Total Rec.	Variance	Total Inc/Dec
Salaries	2,653,657	3,373,802	4,002,983	3,701,299	4,405,191	4,217,400	214,417	5.4%
Benefits	1,201,239	1,523,883	1,773,843	1,699,463	1,976,601	1,887,379	113,536	6.4%
Operating	825,516	824,031	1,091,317	821,926	942,516	880,082	(211,235)	-19.4%
Allocations/ Programs	1,028,968	1,200,916	1,483,031	1,481,746	3,875,092	3,785,492	2,302,461	155.3%
Capital	337,223	155,310	167,982	131,077	160,000	90,000	(77,982)	-46.4%
Debt	588,725	322,406	318,014	318,014	552,677	552,677	234,663	73.8%
Lease – Subscription	706	94,874	94,915	94,548	100,034	100,034	5,119	5.4%
Total Expenditures	6,636,034	7,495,221	8,932,085	8,248,073	12,012,111	11,513,064	2,580,979	28.9%

Central Permitting

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	3,200,000	0	3,200,000	3,200,000
Expenditures	3,453,201	357,472	3,810,673	3,455,971
Net Cost	600,356	357,472	610,673	255,971

Continuation

The overall Central Permitting budget includes increases in salary and benefits and some inflationary increases. A decrease in revenue from previous year's amount is expected due to the front-loaded payments of large industrial projects.

This department's budget includes \$90,000 in one-time and capital outlay expenditures.

Expansion

Two expansions were requested for this department.

Expansions not recommended:

- OpenGov Administrator [88,180]
- Building Inspector (2) [269,292]

Convention and Visitor's Bureau (CVB)

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-266,071	0	-266,071	-266,071
Expenditures	270,923	18,393	289,316	266,071
Net Cost	4,852	18,393	23,245	0

Continuation

The recommended budget, funded by occupancy tax, includes increases to salary and benefits.

FY26 holds budgeted revenue flat as occupancy tax has performed below expectations in FY25.

Expansion

One expansion was requested, but not recommended for this department

Not Recommended:

- Part-time Marketing Temp

Economic Development Corporation (EDC)

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-7,784	0	-7,784	-7,784
Expenditures	4,379,395	89,600	4,468,995	4,379,395
Net Cost	4,371,611	89,600	4,461,211	4,371,611

Continuation

The recommended budget includes continued funding for the Business Retention and Expansion position added in FY 2024.

Also included within this budget is the allocation for economic development incentives, which is increasing in FY 2026 due to payments beginning for incentive agreement with Wolfsped.

Expansion

Two expansions were requested, but not recommended, for the EDC.

Not Recommended:

- Funding to lease new office space [69,600]
- Website Redevelopment [20,000]

Planning

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	90,000	0	90,000	220,000
Expenditures	1,669,312	10,000	1,679,312	1,676,812
Net Cost	1,579,312	10,000	1,589,312	1,456,812

Continuation

The budget reflects a decrease in operating expense (UDO consulting fees) and increases in salary and benefits.

Expansion

There was one expansion requested and recommended for this department.

Funding for a contracted arborist/landscape architect [10,000] is recommended.

Soil & Water

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-32,281	0	-32,281	-32,281
Expenditures	461,167	0	461,167	460,667
Net Cost	428,886	0	428,886	428,386

Continuation

The recommended budget includes an increase to salaries and benefits and some inflationary increases.

This department's budget includes no one-time or capital outlay expenditures due to one-time and capital items purchased in the current fiscal year.

Expansion

No expansions were requested by this department.

Sustainability

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-8,586	0	-8,586	-8,586
Expenditures	66,666	0	66,666	66,666
Net Cost	58,080	0	58,080	58,080

Continuation

The recommended budget includes increases for electricity and supplies related to EV charging stations, Enpira, as well as training events and workshops for staff.

This department has no one-time or capital outlay expenditures.

Expansion

No expansions were requested for this department.

Watershed Protection

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	751,800	0	751,800	751,800
Expenditures	1,235,982	0	1,235,982	1,207,482
Net Cost	484,182	0	484,182	455,682

Continuation

Changes in the budget reflect decreases in operating expenses and increases to salaries and benefits.

Some requested continuation increases were not recommended based on expenditure trend analysis.

Expansion

There were no expansions requested for this department.



PUBLIC SAFETY

Departments that respond to emergency situations, prevent crime and other public safety hazards, and generally protect the safety of county residents and property.



Public Safety

Expenditures	2023 Actual	2024 Actual	2025 Amended	2025 Estimated	2026 Total Req.	2026 Total Rec.	Variance	Total Inc/Dec
Salaries	10,710,442	13,581,888	15,903,601	15,459,050	18,431,007	17,443,396	1,539,795	9.7%
Benefits	5,659,342	6,593,087	7,665,423	7,581,728	8,989,936	8,496,889	831,466	10.8%
Operating	7,577,972	8,374,698	10,267,451	9,854,297	13,231,366	12,593,707	2,326,256	22.7%
Allocations/ Programs	455,824	406,106	1,026,587	548,162	434,601	433,601	(592,986)	-57.8%
Capital	1,596,365	1,218,648	1,758,994	1,726,423	1,669,718	1,261,316	(497,678)	-28.3%
Debt	4,899,037	4,701,966	4,635,700	4,635,700	4,528,449	4,528,449	(107,251)	-2.3%
Transfers Out	27,218	(17,338)	0	0	0	0	0	0%
Lease	2,359	53,273	51,751	62,074	115,474	115,474	63,723	123.1%
Lease - Subscription	138.04	5512.05	13275	13275	13275	13275	0	0%
Total Expenditures	30,928,697	34,917,840	41,322,782	39,880,708	47,413,826	44,886,107	3,563,325	8.6%

Diversion & Advocacy Programs

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	-477,834	0	-477,834	-477,834
Expenditures	2,141,649	121,089	2,262,738	2,148,938
Net Cost	1,663,815	121,089	1,784,904	1,671,104

Continuation

The recommended budget, which includes four divisions, reflects increases in salaries and benefits and some increases for contracted services. Additionally, the Family Visitation program received a new iteration of a federal grant.

Some requested continuation increases were not recommended based on expenditure trend analysis.

This department's budget includes \$2,800 in one-time expenditures.

Expansion

Two expansions were requested by this department.

Recommended:

- **Part-Time Parenting Educator** [18,597]

Not Recommended:

- Full-Time Parenting Educator

Recommended expansion includes an increase to on the call rate.

Emergency Communications

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	6,239,393	77,162	6,316,555	6,103,893
Net Cost	6,239,393	77,162	6,316,555	6,103,893

Continuation

The budget includes an increase in salaries and benefits.

Some requested continuation increases were not recommended based on expenditure trend analysis.

Expansion

One expansion was requested for this department.

Expansion not recommended:

- Telecommunicator II [77,162]

Emergency Operations

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	110,000	0	110,000	110,000
Expenditures	2,718,526	344,388	3,062,914	2,865,260
Net Cost	2,608,526	344,388	2,952,914	2,755,260

Continuation

Changes in the Emergency Management budget reflect increases in salary and benefits.

Expansion

Two expansions were requested for this department.

Expansions recommended:

- **Emergency Operations Systems Tech** [153,059]

Expansions not recommended:

- Emergency Management Specialist [172,194]

Emergency Medical Service

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	0	0	0	0
Expenditures	5,850,792	0	5,850,792	5,850,792
Net Cost	5,850,792	0	5,850,792	5,850,792

Continuation

Changes in the Emergency Medical Service budget reflects an increase to the contract with First Health.

Expansion

No expansions were requested.

Fire Inspections

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	125,000	0	125,000	125,000
Expenditures	517,046	0	517,046	517,046
Net Cost	392,046	0	392,046	392,046

Continuation

This budget shows an increase for salary and benefits.

Expansion

There were no expansions requested for this department.

Sheriff – Animal Resources

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	16,638	0	16,638	18,500
Expenditures	2,828,147	3,816	2,831,963	2,802,509
Net Cost	2,811,509	3,816	2,815,325	2,784,009

Continuation

The recommended budget includes the replacement of 2 Animal Resources trucks (including the animal containment boxes for the vehicles) and a commercial washer and dryer for the shelter.

The recommended budget includes significant increases in medical supplies, general supplies (including animal food and cleaning supplies), and contract services (including veterinary services)

This division's budget includes \$181,802 in one-time and capital outlay expenditures.

Expansion

There were no expansions requested for this division. The recommended expansion funding includes the increase in on-call pay that was requested by Human Resources for departments/agencies that have on-call pay.

Sheriff – Detention

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	30,350	0	30,350	30,350
Expenditures	7,197,697	8,935	7,206,632	7,175,004
Net Cost	7,167,347	8,935	7,176,282	7,144,654

Continuation

The recommended budget includes increases in jail supplies, food costs, and vehicle replacement, for the replacement of a detention transportation van.

This division's budget includes \$55,000 in one-time and capital outlay expenditures.

Expansion

There were no expansions requested for this division. The recommended expansion funding includes the increase in on-call pay that was requested by Human Resources for departments/agencies that have on-call pay.

Sheriff – Law Enforcement

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	650,988	0	650,988	650,988
Expenditures	16,233,157	3,132,029	19,365,186	17,422,665
Net Cost	15,582,169	3,132,029	18,714,198	16,771,677

Continuation

The recommended budget includes the replacement of 14 vehicles, including all after-market upfits needed to prep the vehicles for use.

Some requested continuation increases were not recommended based on expenditure trend analysis.

This division's budget includes \$1,323,749 in one-time and capital outlay expenditures.

Expansion

There were 22 expansions requested for this division and 11 are recommended.

- Additional hardware and software systems, including **Cellebrite Premium**, **Berla**, and **Penlink** to assist in criminal investigations [98,717].
- Enhanced mental health services [100,000] to provide on and off-site services for Sheriff's Office employees.
- **1 Accreditation Support Analyst** [44,695] to assist in attaining and maintaining accreditation.
- **6 Deputy Sheriffs** [975,127] to increase the law enforcement presence within the county.



ENTERPRISE FUND



Enterprise Fund Summary

Enterprise Fund	FY25 Amended	FY26 Recommended	Total Inc/Dec
Solid Waste & Recycling	5,267,656	5,579,623	5.92%

Solid Waste & Recycling

	Continuation Request	Expansion Request	Total Request	Total Recommend
Revenue	4,288,198	0	4,288,198	4,551,618
Expenditures	4,481,910	69,708	4,551,618	4,551,618
Net Cost	193,712	66,708	263,420	0

Continuation

The FY 2026 budget includes anticipated revenue from a recommended increase to the Solid Waste Fee from \$137 to \$157, a \$10 per ton increase to the Land Clearing and Inert Debris Disposal Fee, and a \$5 per ton increase to the Yard Waste Disposal Fee.

One-time and capital expenditures, \$458,025, include funding for a roll-off truck, paving the Asbury collection center, and other equipment. Enterprise fund balance was appropriated to cover these costs.

Expansion

No expansions were requested by the enterprise fund.



OTHER FUNDS



Fire Department Tax Rates

Fire District	FY 25 Appr. Rate	Revenue Neutral	FY 26 Request	FY 26 Recommended	Variance	FY 26 Contract
Bells Annex	0.1280	0.0938	0.1020	0.1020	-0.0260	262,552
Bennett	0.1100	0.0875	0.1100	0.1100	0.0000	296,130
Bonlee	0.0700	0.0549	0.0700	0.0700	0.0000	392,853
Central	0.1200	0.0918	0.1200	0.1200	0.0000	852,212
Circle City	0.1425	0.1081	0.1100	0.1100	-0.0325	2,396,408
Goldston	0.1100	0.0858	0.1000	0.1000	-0.0100	502,817
Hope	0.0975	0.0743	0.0975	0.0975	0.0000	1,070,655
Moncure	0.1375	0.1122	0.1375	0.1375	0.0000	1,288,973
North Chatham	0.1280	0.0945	0.1020	0.1020	-0.0260	10,967,011
Northview	0.0900	0.0681	0.0900	0.0900	0.0000	57,966
Parkwood	0.1100	0.0844	0.0844	0.0844	-0.0256	444,255
Staley	0.1000	0.1000	0.1000	0.1000	0.0000	86,440

Fire Departments

Four (4) departments are reducing their tax rate:

- **Pittsboro** - The Circle City District, which serves the town of Pittsboro proposed a 3.25 cent reduction from FY25. This would bring their FY26 tax rate to 11 cents. Additional revenue would all be devoted to personnel.
- **Goldston** - The Goldston District proposed a 1 cent reduction from FY25. This would bring their FY26 tax rate to 10 cents. The additional revenue will be used to add weekend staff.
- **N Chatham/Bells Annex** - Bells Annex along with North Chatham proposed a 2.6 cent reduction from FY25. This would bring their FY26 tax rate to 10.2 cents. The additional revenue will be used to add six (6) full time positions, add electronic security to stations, transfer switch for generators, additional radios, fitness equipment, and adding EMT-B services (that increases medical /equipment costs.) Also included in that planning is a septic repair at station 16.
- **Parkview** - The City of Durham Fire Department, which provides service for the Parkwood district, is requesting a slight increase of their contract payment pursuant to the standing interlocal agreement. Maintaining revenue neutral rate for the district.

Fire Departments

Seven (7) departments are maintaining their tax rate:

- **Siler City** - Maintaining current rate. Using additional revenue towards building renovations, adding three new positions.
- **Moncure** - Maintaining current rate. The additional revenue will be expended on insurance increases and significant salary and benefit increases.
- **Hope** - Maintaining current rate. The additional revenue will be expended on training increases, pay increases for volunteers and deposits into land/building funds
- **Bennett** - Maintaining current rate. The additional revenue will be expended on vehicle maintenance, payroll, new truck fund and building fund.
- **Bonlee** - Maintaining current rate. The additional revenue will be expended on building repair, firefighter's pension correction and a concrete bay issue.
- **Staley** - Maintaining current rate to stay the same as portion of district in Randolph to maintain rate continuity.
- **Northview** - Maintaining current rate. This allows them to maintain rate parity with Lee County.



SPECIAL REVENUE FUNDS

Special revenue and reserve funds account for the proceeds of special revenue sources that are legally restricted to expenditures for specific purposes.



Special Revenue Funds Summary

Special Revenue Fund	Fund Balance Beginning FY 2025	Estimated Revenues	Estimated Expenditures	Estimated Fund Balance End of FY 2025
Canoe Access/Easement	15,916	(400)	-	15,516
Coal Ash Settlement	4,998,370	(100,000)	620,000	4,278,370
Courthouse Clock Trust	75,477	(1,800)	-	73,677
Emergency Telephone System	418,316	(460,085)	696,090	(737,859)
Emergency Vehicle Replacement	134,508	(3,200)	-	131,308
Equipment Capital Reserve	26,948,296	(25,048,694)	16,367,045	(14,467,443)
Facility (CIP) Reserve	44,839,591	(3,861,745)	3,450,000	37,527,846
Health Internal Service	11,632,903	(10,785,581)	10,387,321	(9,539,999)
Housing Trust	1,341,565	(682,000)	434,748	224,817
Impact Fees	8,254,801	(1,445,000)	3,788,100	3,021,701
Land Preservation Trust	1,584,188	(314,546)	370,000	899,642
Law Enforcement Pension Trust	1,198,175	(293,000)	162,000	743,175
Library Foundation	13,831	(1,350)	-	12,481
Recreation Payment in Lieu	1,962,481	(144,000)	-	1,818,481
Revaluation	930,566	(295,586)	195,800	439,180
Sheriff Property Seizure	416,882	(26,200)	73,020	317,662
Solid Waste & Recycling Reserve	1,349,128	(32,000)	-	1,317,128

Discussion

Reminder:

We will continue – as always – to monitor revenue and expense and keep the board updated

Other salaries:

Salaries for County Manager, Register of Deeds, Sheriff, Elections Director, and Board of Commissioners are determined by Board and normally included in the budget ordinance

Other discussion

Next Steps

Reach consensus

Approve

Adopt budget ordinance June 16, 2025



THANK YOU!

