

May 12, 2026

FY 2026-27 MANAGER'S RECOMMENDED BUDGET & CAPITAL IMPROVEMENT PLAN (CIP)



TOWN OF CARRBORO • NC



FY 2026-27 RECOMMENDED BUDGET OVERVIEW



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What is the Annual Budget?

**TOWN OF CARRBORO
RECOMMENDED BUDGET
FISCAL YEAR 2026-2027**



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**CAPITAL IMPROVEMENT PLAN
2027-2031**



The Annual Budget is the Town's financial plan for a fiscal year (July 1 – June 30). The budget:

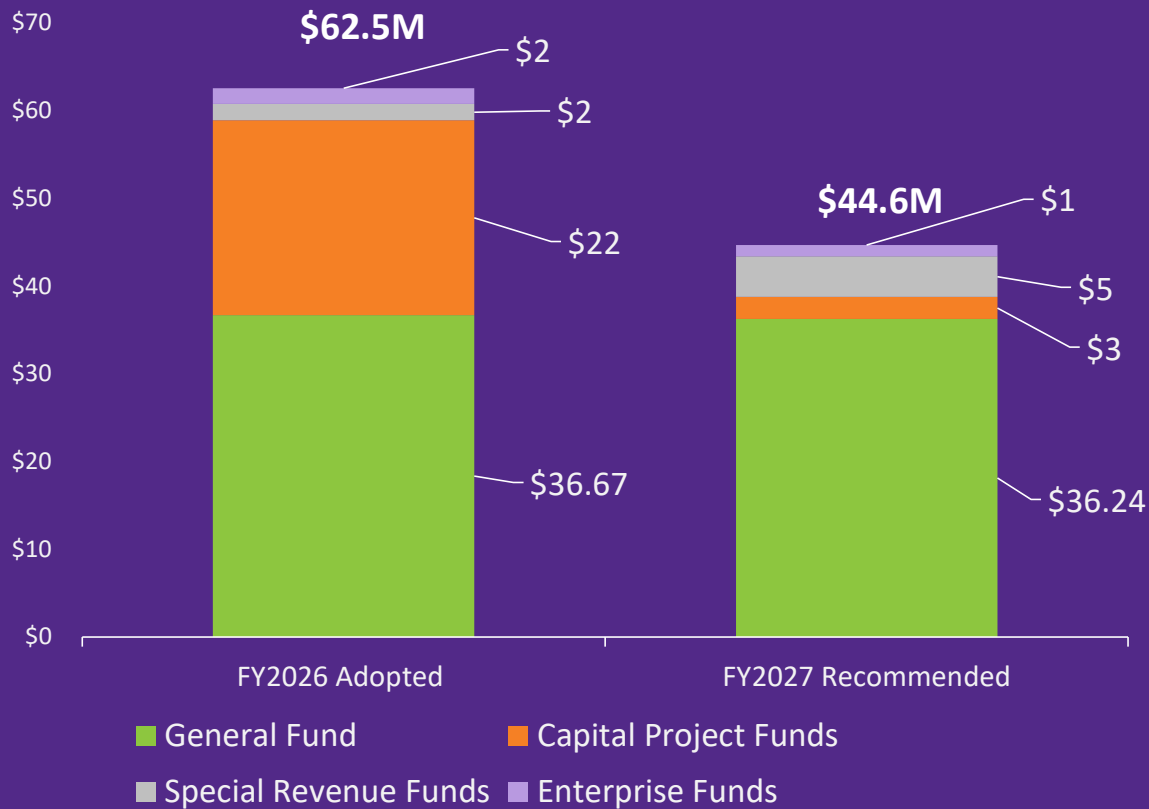
- Identifies expected revenues
- Allocates funding for services and programs
- Supports Council priorities
- By law, each fund in the budget must be balanced:
 - Total revenues + available fund balance = total expenditures

Budget Timeline for submissions:

- Town Manager must submit a recommended budget by June 1
- Town Council adopts annual budget no later than July 1

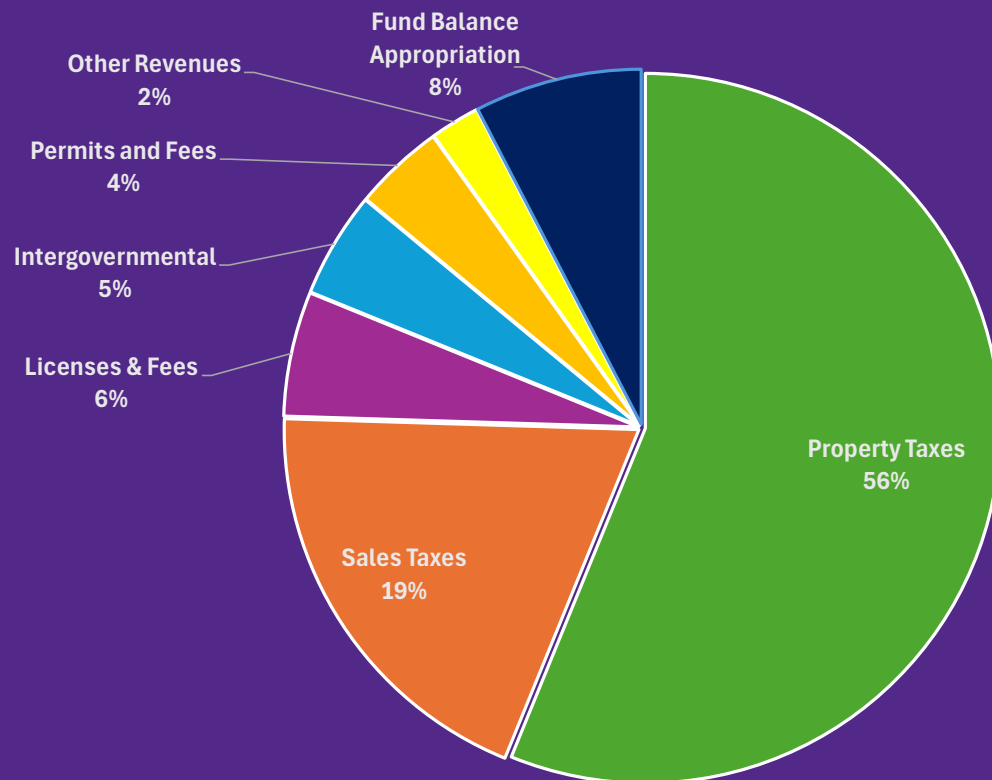
FY2026 Adopted Budget vs. FY 2027 Recommended Budget Expenditures - All Funds

In Millions \$70



FY2027
Recommended
Budget Totals:
**\$44.6M Across All
Funds**

Revenues by Type – General Fund



Recurring Revenue:
\$33,475,731

**Fund Balance
Appropriation:**
\$2,761,597 (8% of
General Fund
budget)

Total: \$36,237,328



Major Revenue Budget Drivers

- “Blue Ridge Loophole” – \$82M decrease in property tax base
 - Mild projected growth in local sales and use taxes
 - Recognition of continued growth in recurring revenue streams – fees/permits
-

Fund balance appropriation of \$2.76M

- One-time Tropical Storm Chantal recovery expenses (\$2.27M)
- Annually recurring revenue/expense gap (\$490k)



General Fund Expenditures by Category

Category	Recommended Budget	% Change
Personnel	\$21,278,504	+2%
Operations	\$8,836,453	-7%
Debt Service	\$1,524,969	-2%
Transportation	\$2,745,000	+15%
Transfers	\$1,852,402	-25%
Total	\$36,237,328	-1%



General Fund Expenditures by Function

Category	FY 2026 Adopted	FY 2027 Recommended	% Change
General Government	\$9,362,385	\$9,106,102	-3%
Public Safety	\$9,683,402	\$9,824,145	1%
Planning, Zoning, & Inspections	\$2,377,052	\$2,194,407	-8%
Transportation	\$2,380,974	\$2,745,000	15%
Public Works	\$5,324,870	\$5,903,600	11%
Recreation, Parks, & Cultural Resources	\$2,368,194	\$2,481,468	5%
Debt Service	\$1,549,262	\$1,524,969	-2%
Non-Departmental	\$1,140,780	\$605,235	-47%
Total Expenditures	\$34,186,919	\$34,384,926	-1%
Interfund Transfer	\$2,480,214	\$1,852,402	-25%
Grand Total	\$36,667,133	\$36,237,328	-1%



Major Expenditure Budget Drivers

Personnel

- Implementation of livable wage
- Rising health insurance costs (+\$750k)
- 2.5% adjustment for cost-of-living (COLA)

Transfers

- Parking Fund (*Fare-free for Town Parking*)
- FEMA recovery capital projects (*Vehicle Replacement and Equipment, and Public Works Facility Design*)

Operations

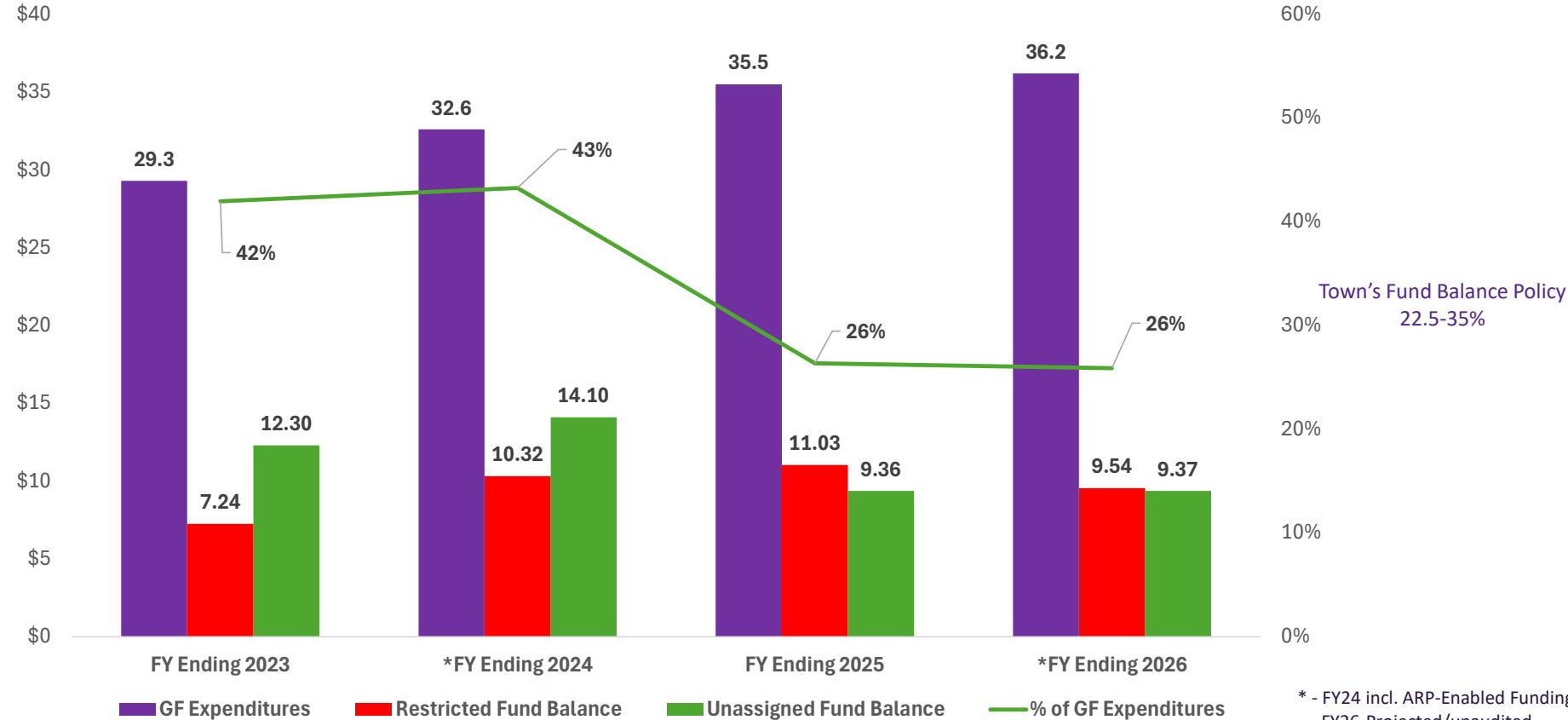
- Maintaining current service levels
- Continuation of fare-free transit services (+\$217k increase)
- Continuation of FEMA recovery (+\$511k increase: *One-time expenses—leases, supplies, equipment*)

Balancing Strategies

- Temporary freeze on non-essential vacancies, effective July 1
- No new positions
- Transition to new health insurance company to mitigate costs
- Targeted reductions in departmental operating budgets
- \$2.76M fund balance for one-time storm recovery and annually recurring expenses
- Debt financing for capital projects to avoid immediate operating impacts

Fund Balance

In Millions





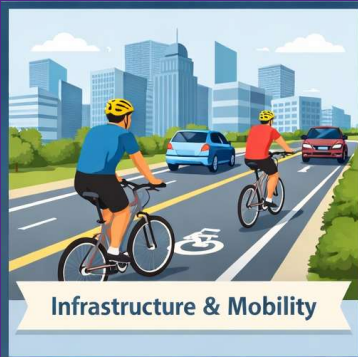
CAPITAL IMPROVEMENT PLAN (CIP)



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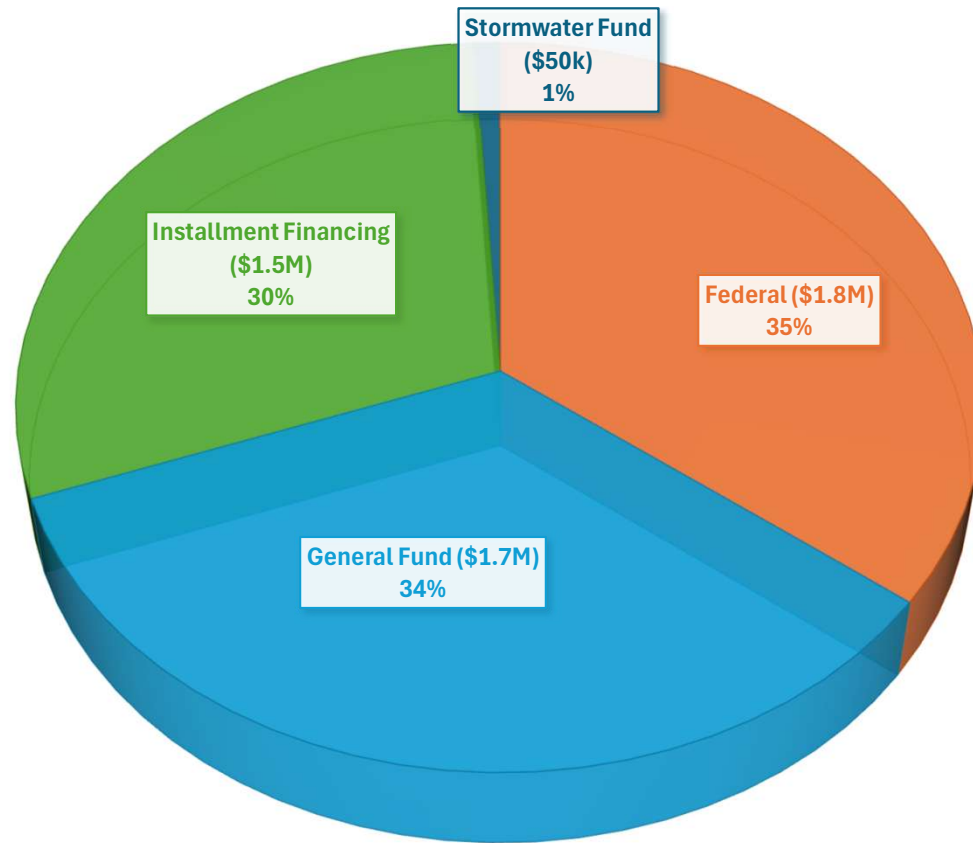
CIP Summary



- Total Recommended Projects: **43**
- FY27 Recommended Capital Budget: **\$5.1M**
- FY27 General Fund Impact : **\$1.7M**
- Total FY27–31 (5-year estimate) Recommended CIP: **\$71.1M**
- **Investment Priorities**
 - ✓ Infrastructure & Mobility
 - ✓ Sustainability Initiatives
 - ✓ ADA Improvements
 - ✓ Storm Recovery/Resilience



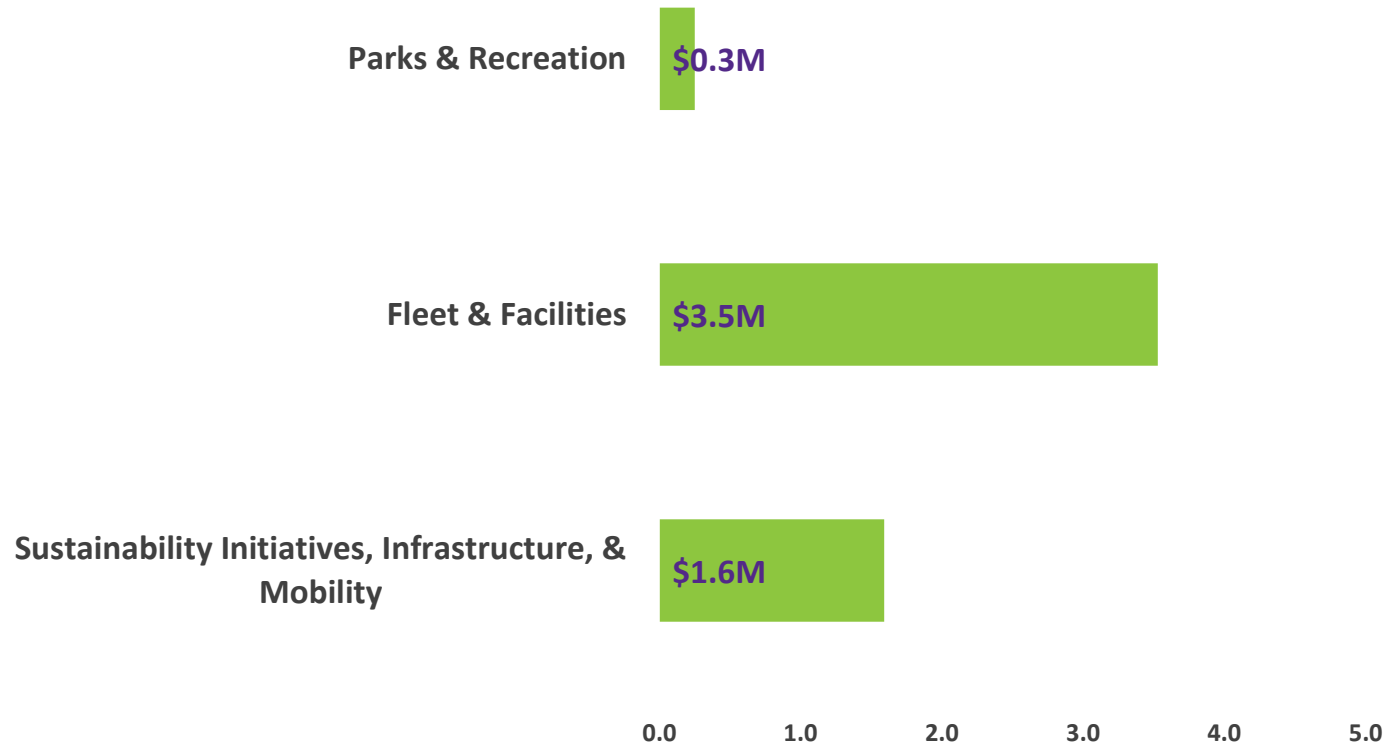
FY 2027 CIP Projects by Funding Source





FY 2027 CIP Proposed Investments by Function Area

(in Millions)



Tropical Storm Chantal Recovery Vehicles and Equipment Replacement

Gas Vehicles & Equipment (13)

Ford F-250

Ford F-550

Solid Waste Side Loader

Solid Waste Front Loader

Front Loader

Freightliner Sweeper

CAT Backhoe

JCB Skid Steer

CAT Mini Excavator

TBD Truck

TBD SUV (3)

Electric Vehicles (EV)

Truck/SUV (7) – 3 PZI, 4 PW



Operational Costs: \$511k

FY2027 Budget (Gas):

- \$1,184,026 (General Fund Contribution)
- \$1,336,374 (Estimated FEMA Reimbursement)

FY2027 Budget (EV):

- \$395,500 (General Fund Contribution)
- Public Works Facility (Design): \$180k

Total: \$2.27M



UPDATES

HOUSING, SUSTAINABILITY, ADA



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HOUSING & COMMUNITY SERVICES



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FY 2026 UPDATE – Affordable Housing

- **NOAH Repairs and Weatherization**
 - Repaired and weatherized 17 homes to date
 - Project Expansion – Rocky Brook community
- **Chantal Recovery**
 - Rehabbed 8 severely damaged homes
- **Longtime Homeowner Tax Assistance**
 - 84 Carrboro homeowners assisted
- **Affordable Housing Plan**
 - Kickoff May/June 2026



FY 2026 UPDATE – Human Services



- \$458,000 awarded
- 39 agencies
- Prioritized food assistance and other programs affected by federal funding cuts
- Agencies meeting or exceeding performance indicators
- Software Implementation

HOUSING

- Affordable Housing Special Revenue Fund (AHSRF)
- Increase and Preserve Affordable Housing
- Project funding - 3 application cycles per year
- Recurring requests and agreements

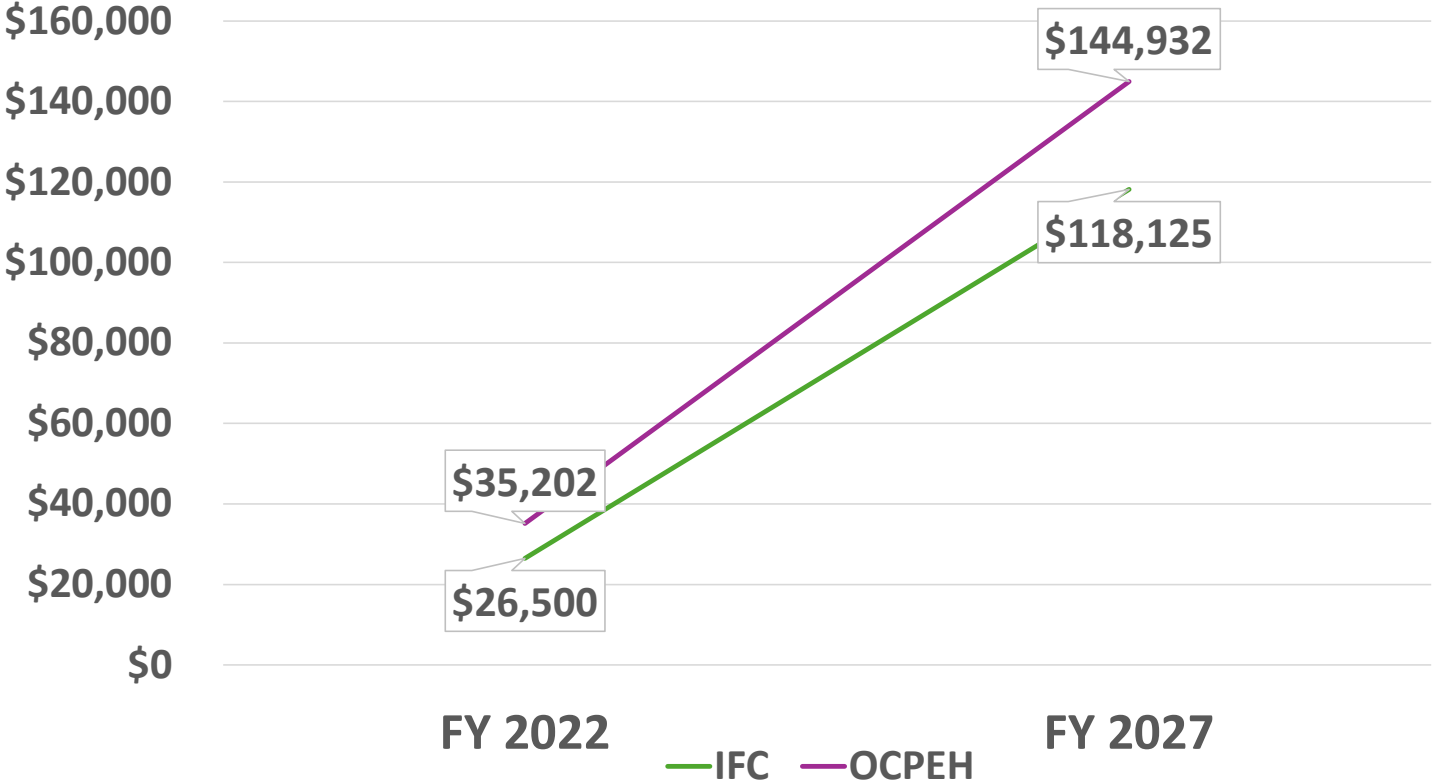
HUMAN SERVICES

- General Fund
- Improve health, economic, and education outcomes for Carrboro residents
- Annual grant application
- Nonprofit agencies

Housing and Human Services Instruments



IFC and OCPEH 5-Year Funding Request History



1. Affordable Housing Special Revenue	FY26 Approved	FY27 Recommended	% Change
Affordable Housing Projects	\$327,340	\$338,234	
Homelessness Programs and Services	\$260,764	\$248,713	
Other (LHA, HOME, CHT)	\$181,896	\$168,209	
	\$770,000	\$755,156	-2%
2. Human Services	\$474,869	\$260,407	-45%



- **AHSRF – revised requests**
- **Human Services – 36% increase in requests**
- **Funding recommendation strategies**

Orange County Low-Barrier Housing Workgroup

County-led workgroup formed in 2025
Identify new strategies for homelessness

1. Focus on permanent solutions.
2. Prioritize Permanent Supportive Housing (PSH).
3. Develop Encampment Strategy
 - Retained consultant



Direct to Housing Encampment Strategy

Disaster-Response Based Model

Surge of focus and resources allows communities to house up to 50 or more people and close an encampment within 4-6 weeks.

- Direct to Housing
- Bringing Rehousing Services on Site
- Public-Private Partnership
- Intensive Focus One Encampment at a Time
- Closure Maintenance

Reduction in unsheltered population

28% in Dallas
24% in New Orleans
43% in Oklahoma City
33% in Houston (127 encampments closed)

Raleigh Pilot Program

- One of largest encampments closed in 3 months (40 people found housing)
- 8 people found employment



Next Steps

- Focus on two “zones” in Carrboro and Chapel Hill – unsheltered residents with complex needs.
- System modeling and initiative planning – June
 - Work with small core leadership team to develop strategy
 - County-dedicated funds
- Preparing for initiative launch – 4 months
 - Planning and operational tasks
 - Initial community workshops and work plans
 - Targeted encampment/unsheltered response test site



CLIMATE ACTION



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Orange County Climate Action Fund Grant:

- **Energy and Water Saving Workshops:** Partner with OWASA
- **Energy Efficiency Loaner Kit:** Everything you need to find where your home or apt is wasting energy
- **Energy Efficiency Giveaways:** LED bulbs, outlet insulators, draft stoppers, window caulk and more
- **Energy Assessments:** Identify issues and develop a plan to install energy efficiency and electrification projects
- **Energy Connectors:** Recruit and resource trusted community members to reach low-income, BIPOC neighbors





REPURPOSING THE ENERGY EFFICIENCY REVOLVING LOAN FUND (EERLF) FOR EQUITABLE CLIMATE ACTION

May 12, 2026



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The Challenge:

Aligning Climate Goals with Community Equity



- **The Emissions Shortfall:** Current projections show a 40% reduction in community emissions by 2030—leaving us **40% short** of our *Carrboro Connects* 80% goal.
- **The Energy Burden:** Low-to-moderate income (LMI) households face rising utility costs that disproportionately impact their financial resilience.
- **The Opportunity:** We have **\$150,000** available in the fully repaid Energy Efficiency Revolving Loan Fund (EERLF).
- **The Goal:** Repurpose these "dormant" funds to solve for equity and climate simultaneously through direct grants and innovation.

The Why?



- **Financial Resilience:** Directly lowers monthly utility bills for those facing high energy burdens.
- **Measurable Climate Progress:** A single gas-to-heat-pump conversion saves **1.6 metric tons of CO₂e** annually.
- **Repurpose Existing Funds:** Uses existing “revolved” funds—no new impact on the municipal budget.
- **Environmental Justice:** Ensures the transition to clean energy is inclusive and accessible to all residents, regardless of income or housing status.

Two-Pronged Strategy: Addressing Energy Burden



1. LMI Homeowner Mini-Grant Program (\$100,000)

- **Target:** Residents at 80%–150% Area Median Income (AMI) who earn too much for traditional aid but cannot afford high upfront costs.
- **Innovation:** Work with a non-profit partner to make high impact energy efficiency and electrification upgrades at low to no cost to the homeowner.
- **Focus:** Heat pumps, heat pump hot water heaters, insulation, air sealing, and induction stoves



Dennis Schroeder, NREL 24441

Two-Pronged Strategy: Empowering Renters

2. Renter Innovation Pilot (\$50,000)

- **Target:** The significant portion of Carrboro residents who rent and cannot make permanent structural changes.
- **Technology:** Pilot "Saddle" heat pumps—window-mounted units that provide efficient heating/cooling without permanent installation.
- **Support:** Free energy-saving kits (LEDs, weatherstripping) distributed via local partners.

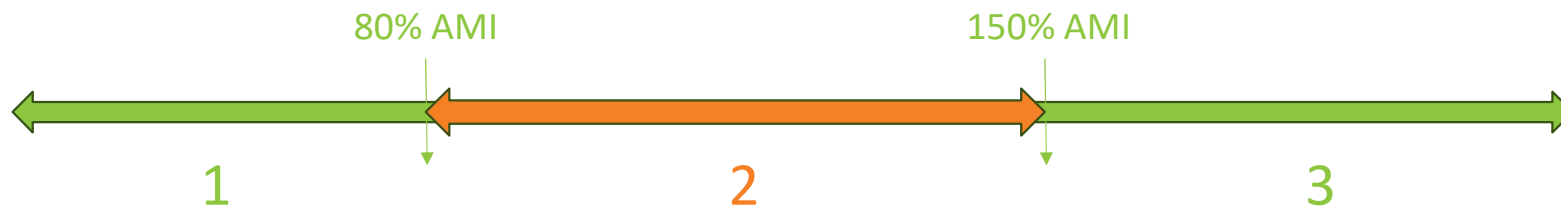


Maximizing Resources through Collaboration



Tiered Support Structure:

1. **<80% AMI:** Refer to Carrboro Affordable Housing Fund, state weatherization programs.
2. **80%–150% AMI:** Town Mini-Grants
3. **>150% AMI:** Connection to *Electrify the Triangle* and low-interest *SURE Loans*.



Leveraging Staff Expertise



The Energy Help Desk:

- Provide 1-on-1 guidance
- Engage Carrboro webpage with information resources on energy efficiency,
- FAQs + links to incentive programs.

Engagement:

- Energy education workshops targeting hard-to-reach groups, such as Refugee Community Partnership
- Outreach at *Carrboro in Motion* and *Carrboro Earth Day* to engage residents.

Energy Connectors:

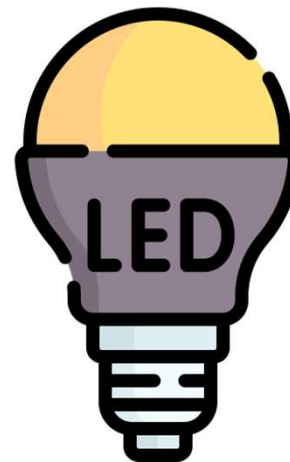
- Leverage **OC Energy Efficiency Grant** to pilot grassroots outreach and engagement



Summary:

Repurposing EERLF to launch the LMI Mini-Grant Program and the Renter Innovation Pilot.

- Aligns with Town Pillars and Comprehensive Plan
- Closes the funding gap for LMI Residents
- Immediate energy burden relief
- Lowering community carbon emissions
- Renter-focused programs
- Local workforce development and economic sustainability opportunities
- Proof of concept pilot programs
- Utilizes dormant Town funds



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May 12, 2026

ADA TRANSITION PLAN UPDATE

Bear Tose' | ADA Coordinator | ada@carrboronc.gov | 919-913-3193



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What is the ADA?

Americans with Disabilities Act

- Federal civil-rights law adopted in 1990 that protects people with disabilities from discrimination
- Purpose is to ensure that everyone has **equal access to public life** – jobs, government services, public spaces, and information

Title II

- Applies directly to towns, cities, counties, and other public entities
- Requires local governments to (1) ensure **“program” access**, (2) remove physical and communication **barriers over time**, and (3) provide **reasonable modifications** when needed so people with disabilities can participate equally

What is an ADA Transition Plan?

- Under Title II, any public entity with **50 or more employees** must complete:
 - **A Self-Evaluation** – reviewing how accessible programs, services, and facilities are today
 - **An ADA Transition Plan** – a formal plan that identifies barriers, outlines the steps to remove them, sets a timeline, and assigns responsibility
- Title II recently expanded to include *digital* accessibility
 - USDOJ rule set compliance deadlines for April 26, 2028
- The Transition Plan is essentially the Town's **roadmap** for long-term ADA compliance

Key Components



Designate
an ADA
Coordinator



Publish
Notice and
Establish
Grievance
Procedures



Evaluate
Programs,
Activities &
Services



Inventory
and Assess
Physical
Barriers



Develop
Schedule
for Barrier
Removal



Adopt a
Transition
Plan



Implement,
Monitor &
Update the
Plan

Community Engagement



Accomplishments to Date

Building Organizational Capacity

- **ADA Coordinator designated**; responding to resident & staff inquiries
- Interdepartmental **ADA workgroup** established to embed accessibility across Town operations

Improving Communications & Access

- **ADA webpage launched** with Notice of Rights & grievance procedures
- Process for requesting **ASL, braille, and other auxiliary aids**
- ADA concerns added to “Report an Issue” form

Assessing Town Facilities

- **In-house ADA assessments completed** for parks, buildings, parking lots, greenways, and associated features (benches, trash cans, signage)
- **Contract in development** for FY26 pedestrian right-of-way inventory (sidewalks, curb ramps, pedestrian signals)

Community Engagement

- Partnership building with disability and senior-serving organizations
- Engage Carrboro [project webpage](#) launched
- **Public Input Survey**
 - **Open March 17 - June 1, 2026**
 - Available online through project website and print copies in Town Hall vestibule
 - ~50 responses to date
- **Accessibility audit** with local disability community members

HELP IMPROVE ADA
ACCESSIBILITY
TOWNWIDE

TAKE
OUR
SURVEY

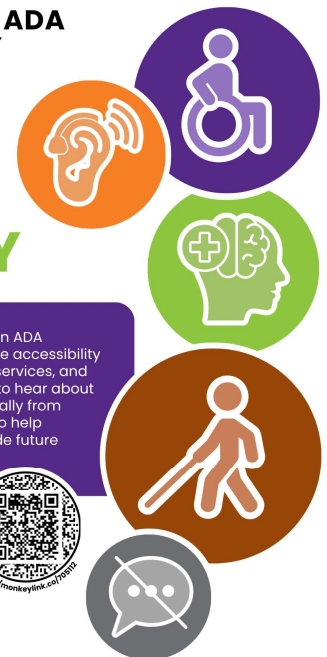
Carrboro is developing an ADA Transition Plan to improve accessibility across Town programs, services, and public spaces. We want to hear about your experiences, especially from people with disabilities, to help identify barriers and guide future improvements.

SCAN
ME!



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FOR QUESTIONS: ADA@CARRBORONC.GOV | 919-913-3193



Timeline & Next Steps

Spring 2026

- **Train staff** on ADA service-delivery requirements
- Departmental **self-evaluations** of programs, services, and activities

Summer 2026

- Complete public right-of-way assessment*
- Analyze public input & survey data to identify **community priorities**

Fall 2026

- **Integrate data** into planning document and establish prioritization schedule
- Adopt Transition Plan*

* = **Opportunity for continued community engagement**

Other ADA-Related Initiatives

- Town Website refresh and **digital accessibility audit** tools
- Public Right-of-Way Assessment
- **Ongoing maintenance** of Town Streets & Grounds (i.e. potholes, tree hazards)
- Transit & Transportation **network upgrades**
 - South Greensboro/Robeson Street phased improvements
- Future Recreation & Parks facilities upgrades
- Future Town Hall accessibility improvements



FY27 Budget & CIP Development Timeline

TOWN OF CARRBORO RECOMMENDED BUDGET FISCAL YEAR 2026-2027

Budget Process	Date
Council Business Meeting <i>Budget Review and Public Feedback</i>	Tuesday, May 19, 2026
Council Business Meeting <i>Budget Public Hearing</i> <i>Motion to Adopt FY 2026-27 Budget & CIP</i> <i>Adoption</i>	Tuesday, June 2, 2026

Visit <https://www.carrboronc.gov/2601/Annual-Operating-Budget> for details on the FY2026-27 recommended Town Budget.



CAPITAL IMPROVEMENT PLAN 2027-2031

Appendix

CAPITAL PROJECTS



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Capital Projects Summary by Department

Department	FY 27 General Fund Contribution	Total FY 27 Budget	Years 2028-2031 Estimate
Fire & Rescue	\$0	\$140,000	\$1,342,031
Public Works	\$1,759,526	\$3,625,900	\$30,440,000
Planning	\$0	\$1,815,000	\$30,081,571
Recreation & Parks	\$0	\$25,000	\$4,186,000
Stormwater	\$0	\$15,000	\$0
Grand Total	\$1,759,526	\$5,620,900	\$66,049,602

Recommended Budget (Capital) – PZI

Department	FY 27 General Fund Contribution	Total FY 27 Budget	Years 2028-2031 Estimate
Planning, Zoning, & Inspections			
1. 203 Connector	\$0	\$0	\$280,925
2. 300 South Greensboro St Multi-use Path	\$0	\$0	\$170,000
3. Barnes Street Sidewalk	\$0	\$175,000	\$1,255,000
4. Bike Plan Bundle - Shelton, E Poplar, Maple Avenue	\$0	\$0	\$0
5. Bolin Creek Phase 2 (Design)	\$0	\$200,000	\$2,799,265
6. Bolin Creek Phases 3 & 4	\$0	\$500,000	\$4,496,897
7. Estes Drive Bike-Ped Improvements Project	\$0	\$0	\$3,025,000
8. Jones Creek Greenway	\$0	\$550,000	\$127,800

Recommended Budget (Capital) – PZI

Department	FY 27 General Fund Contribution	Total FY 27 Budget	Years 2028-2031 Estimate
Planning, Zoning, & Inspections			
9. Jones Ferry Road Sidewalk	\$0	\$0	\$3,038,750
10. Morgan Creek Greenway Phase 1	\$0	\$0	\$449,200
11. Morgan Creek Greenway Phase 2	\$0	\$0	\$2,033,250
12. NC 54 Corridor Study (Comprehensive Plan)	\$0	\$0	\$250,000
13. NC 54 Sidepath	\$0	\$0	\$2,414,357
14. North & South Greensboro Buffered Bike Lane & Americans with Disabilities Act Improvements	\$0	\$0	\$290,000
15. Old NC 86 Bike Lanes & Sidewalk on NW Side	\$0	\$0	\$3,656,709
16. Pedestrian Safety Improvements - North Greensboro Street	\$0	\$0	\$225,000

Recommended Budget (Capital) – PZI

Department	FY 27 General Fund Contribution	Total FY 27 Budget	Years 2028-2031 Estimate
Planning, Zoning, & Inspections			
17. Preparation of New Unified Development Ordinance	\$0	\$0	\$0
18. Safe Routes to School Action Plan Update	\$0	\$0	\$0
19. Safe Streets for All Planning & Demonstration Grant	\$0	\$390,000	\$702,000
20. Seawell School Road Multi-use Path	\$0	\$0	\$2,872,000
21. South Greensboro Street Sidewalk	\$0	\$0	\$1,583,100
22. West Main Street Sidewalk	\$0	\$0	\$412,318
Grand Total	\$0	\$1,815,000	\$30,081,571

Recommended Budget (Capital) – Public Works

Department	FY 27 General Fund Contribution	Total FY 27 Budget	Years 2028-2031 Estimate
Public Works			
1. Century Center/Carrboro Police Station Renovations	\$0	\$0	\$4,150,000
2. Public Works Building	\$180,000	\$180,000	\$20,350,000
3. Stormwater Treatment & Pocket Park	\$0	\$35,000	\$335,000
4. Sustainability Initiatives	\$0	\$200,000	\$920,000
5. Town Hall Renovation	\$0	\$0	\$0
6. Tropical Storm Chantal Recovery: Vehicle Replacement	\$1,579,526	\$2,915,900	\$0
7. Vehicle Replacements & New Vehicle Purchases	\$0	\$295,000	\$4,650,000
8. Westwood Cemetery	\$0	\$0	\$35,000
Grand Total	\$1,759,526	\$3,625,900	\$30,440,000

Recommended Budget (Capital) – Recreation & Parks

Department	FY 27 General Fund Contribution	Total FY 27 Budget	Years 2028-2031 Estimate
Recreation, Parks, & Cultural Resources			
1. Athletic Courts Asset Replacement & Modernization	\$0	\$0	\$50,000
2. Athletic Fields Asset Prolonged Maintenance	\$0	\$0	\$941,000
3. Community Art Additions & Assets	\$0	\$0	\$1,225,000
4. Park Infrastructure Repairs	\$0	\$0	\$135,000
5. Pickleball	\$0	\$25,000	\$300,000
6. Playgrounds	\$0	\$0	\$470,000
7. Sustainable Facility Infrastructure Lighting	\$0	\$0	\$935,000
8. Townwide Signage	\$0	\$0	\$130,000
Grand Total	\$0	\$25,000	\$4,186,000

Recommended Budget (Capital) – Stormwater

Department	FY 27 General Fund Contribution	Total FY 27 Budget	Years 2028-2031 Estimate
Stormwater Enterprise			
1. Fidelity Street Drainage Improvements	\$0	\$0	\$0
2. Stormwater Capital Improvement Plan & Rate Study	\$0	\$0	\$0
3. Shelton Street Regional Control & Improvements	\$0	\$15,000	\$0
Grand Total	\$0	\$15,000	\$0

Recommended Budget (Capital) – Fire

Department	FY 27 General Fund Contribution	Total FY 27 Budget	Years 2028-2031 Estimate
Fire & Rescue			
1. Fire Apparatus	\$0	\$140,000	\$0
2. Fire Engine Replacement	\$0	\$140,000	\$1,342,031
Grand Total	\$0	\$140,000	\$1,342,031