City Council Meeting
May 4, 2026

Mayor Hooks

Call to Order

Sammy Ballard, Pastor FBC Mebane

Invocation

Mayor Hooks

Proclamation-
National Police Week- May 11th-17th

Mayor Hooks

Proclamation-

National Public Works Week- May 17th-23rd

Mayor Hooks

Proclamation-
ALS Awareness Month- May

Mayor Hooks

Proclamation- Preservation Month- May

Mayor Hooks
Councilmember Montrena Hadley

Proclamation-

Public Service Recognition Week- May 3rd -9th

MEBANE POLICE DEPARTMENT RECOGNITION

- Awarded accreditation by the Commission on Accreditation for Law Enforcement Agencies (CALEA), placing the department among fewer than 5% of agencies nationwide to meet this gold standard of professional excellence.
- Kristin Bowers, CALEA Accreditation Manager, successfully completed the CALEA Accreditation Manager Certification Program, further strengthening the department's commitment to best practices and accountability.

Mayor Hooks

Public Comments

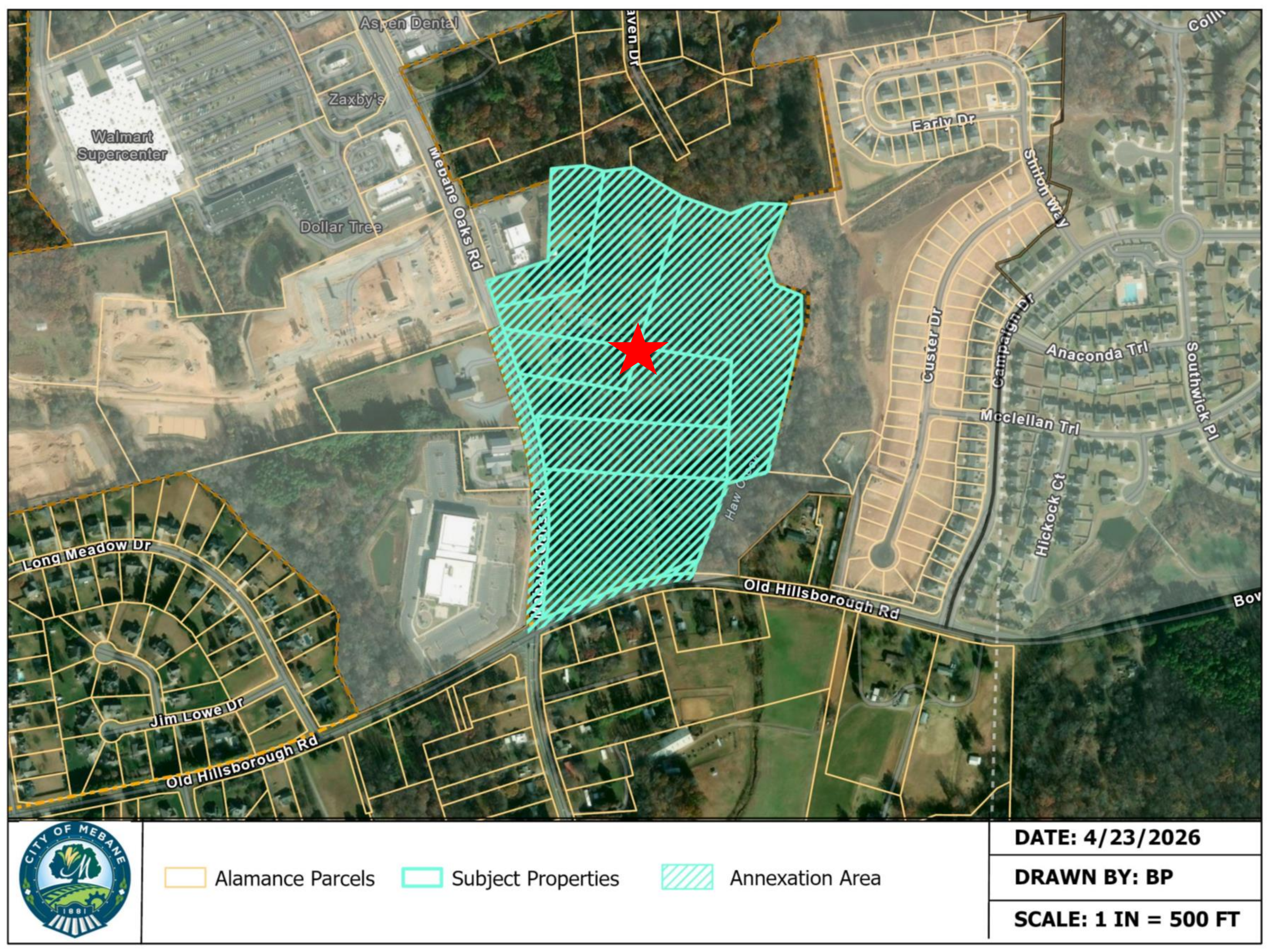
Consent Agenda

a. Approval of Minutes-
   i. March 12, 2026-Special Meeting- Budget Work Session
   ii. March 19, 2026- Special Joint Meeting with Orange County BOCC
   iii. April 6, 2026- Regular Meeting
b. Petition for Voluntary Contiguous Annexation- DR Mebane LLC- Creekside Village
c. Mebane’s Third Quarter Financial Report
d. Mebane FY26 Audit Contract
e. DMDC Third Quarter Report
f. Final Plat Reapproval- Potters Mill

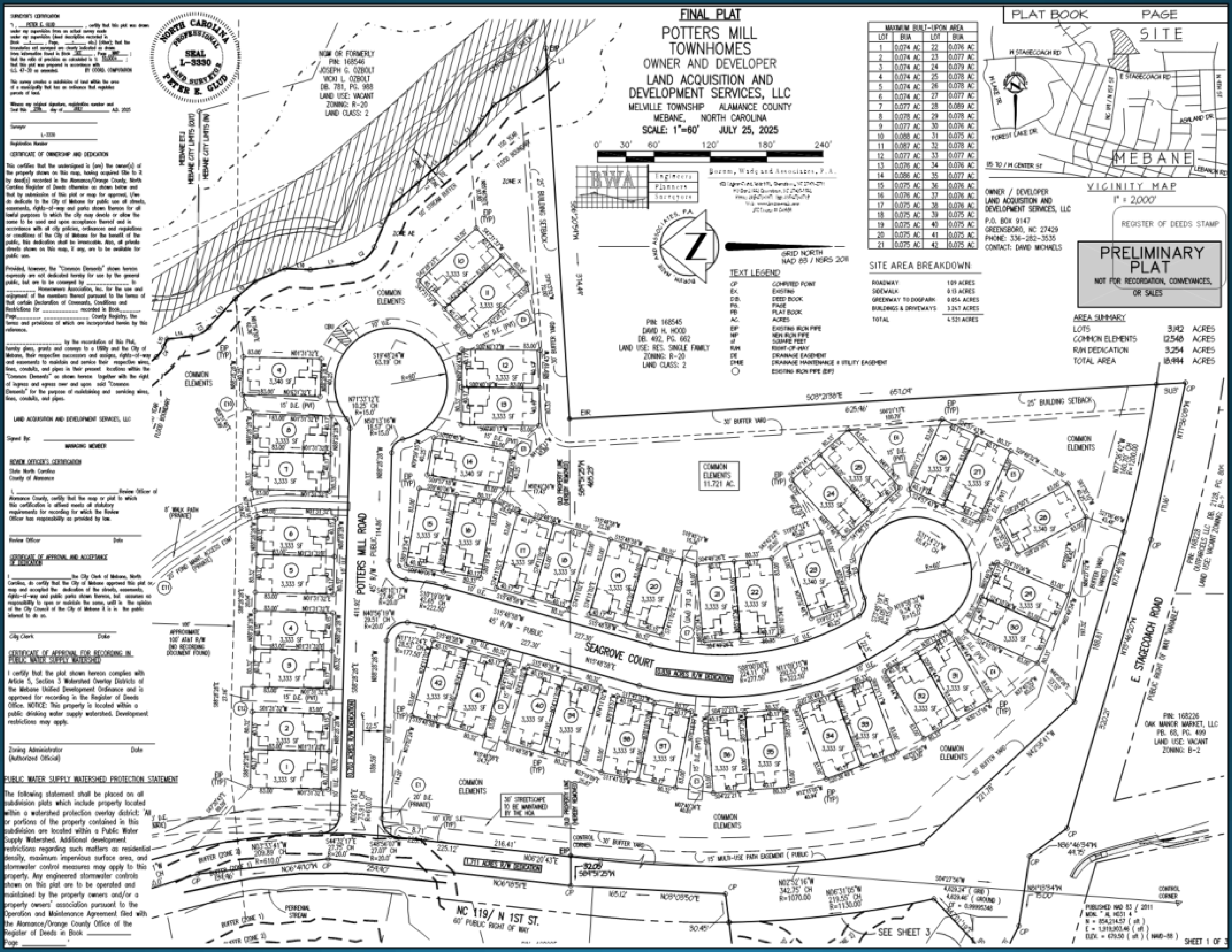
Annexation Petition-

DR Mebane LLC- Creekside Village

- Voluntary Contiguous
- +/- 36.153 acres located in Alamance County off Mebane Oaks Road
- Accept the Petition and the Clerk's Certificate of Sufficiency
- Set a Date for the Public Hearing for June 1, 2026



Final Plat Reapproval - Potters Mill



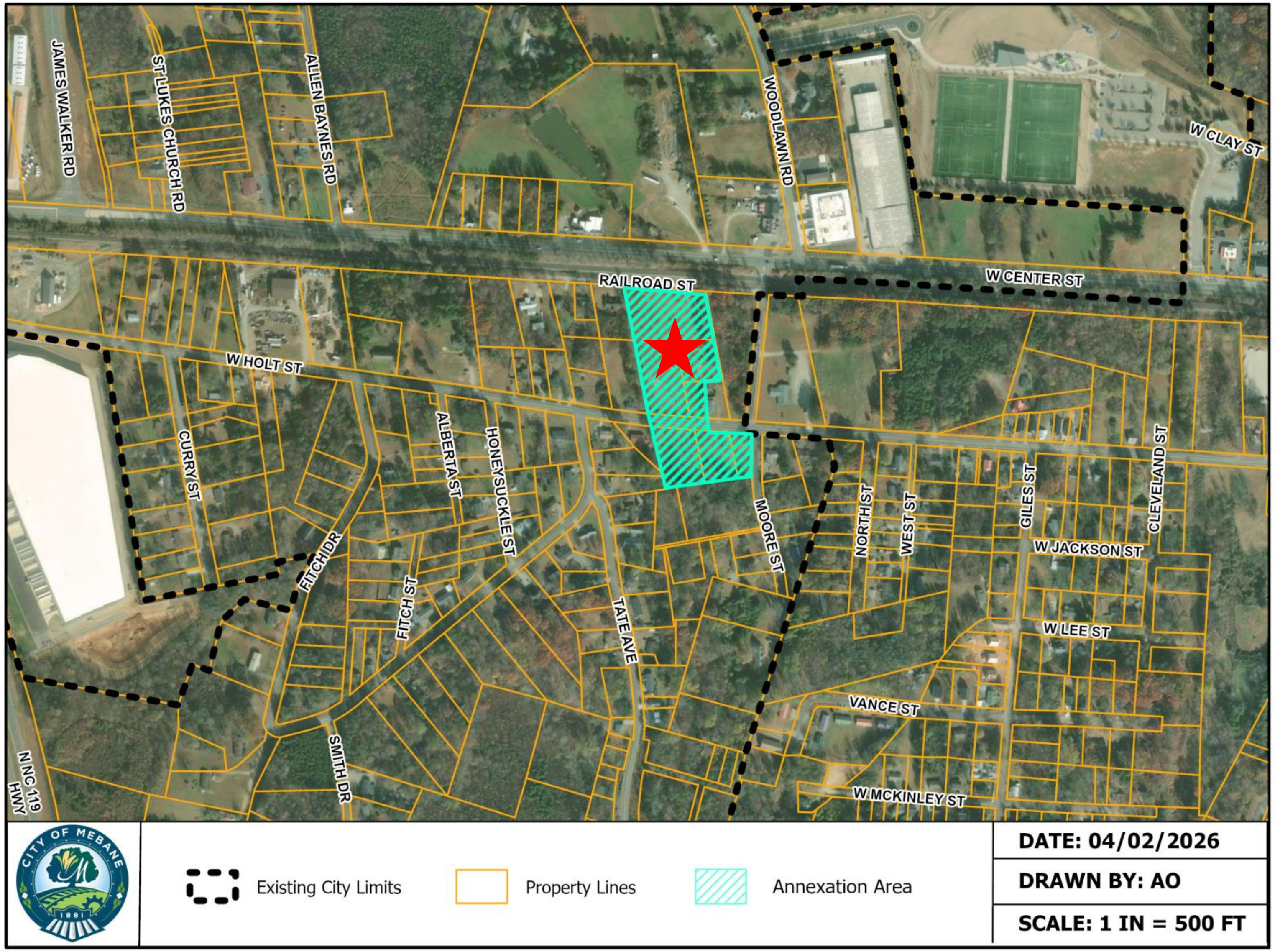
Lawson Brown, City Attorney

Public Hearing- Ordinance to Extend the Corporate Limits Voluntary Contiguous Annexation- Grace Outreach Ministry, Inc.- W. Holt Street

Ordinance to Extend the Corporate Limits-

Grace Outreach Ministry, LLC
W. Holt Street

- Voluntary Contiguous
- +/- 5.10 acres located in Alamance County on W. Holt Street
- Council accepted the Petition and Certificate of Sufficiency and set a date for the Public Hearing for tonight



Mebane
Positively Charming

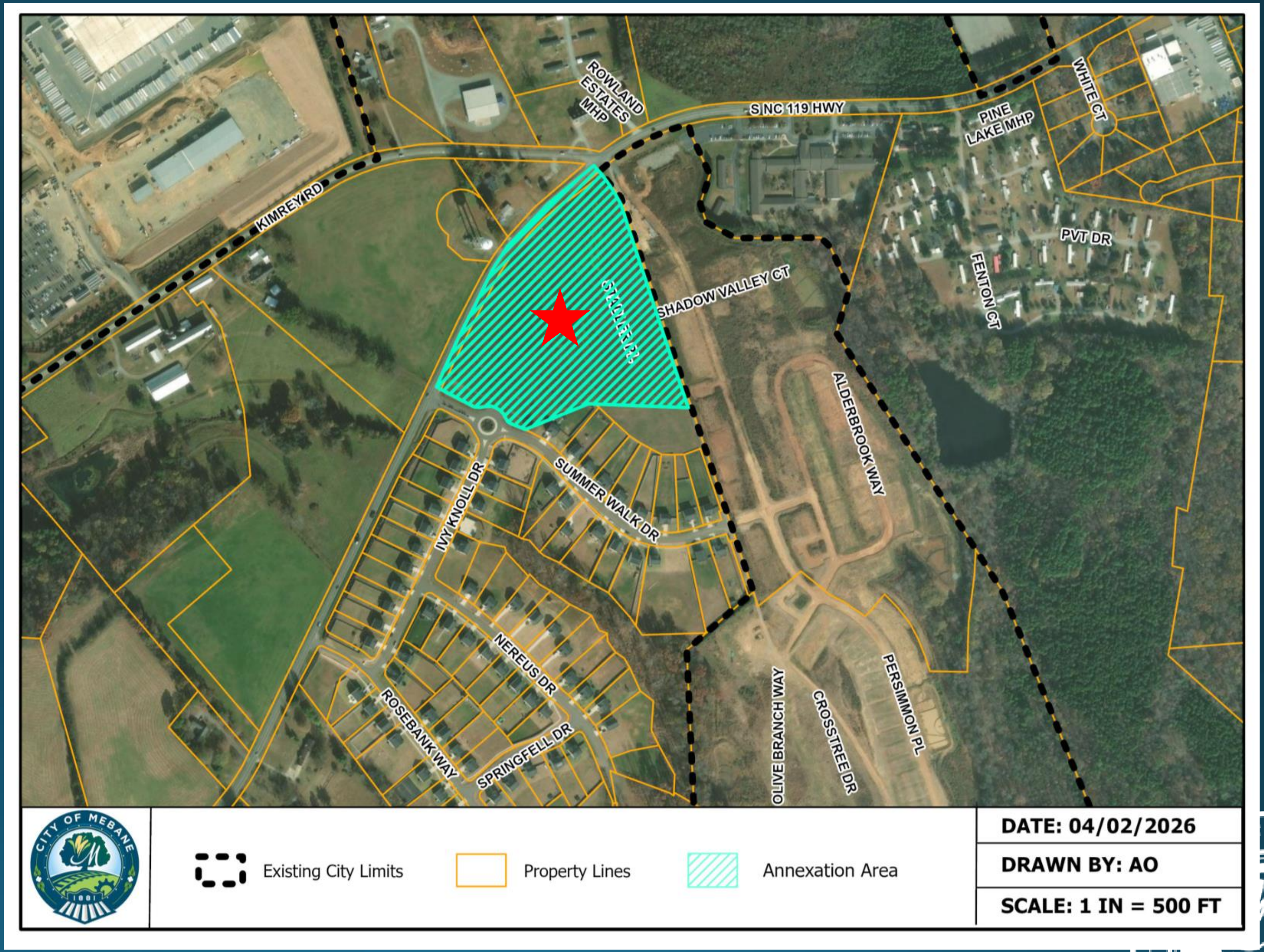
Mr. Brown

Public Hearing- Ordinance to Extend the Corporate Limits Voluntary Non-contiguous Annexation- Christian Education Society of Mebane Inc. and Hawfields BTR Partners LLC- Stadler Place

Ordinance to Extend the Corporate Limits-

Christian Education Society of Mebane Inc. and Hawfields BTR Partners LLC- Stadler Place

- Voluntary Non-Contiguous
- +/- 14.73 acres located in Alamance County off S. NC Hwy 119. 140 apartments previously approved by the Council in July 2025 are planned for this property
- Council accepted the Petition and Certificate of Sufficiency and set a date for the Public Hearing for tonight



Mebane
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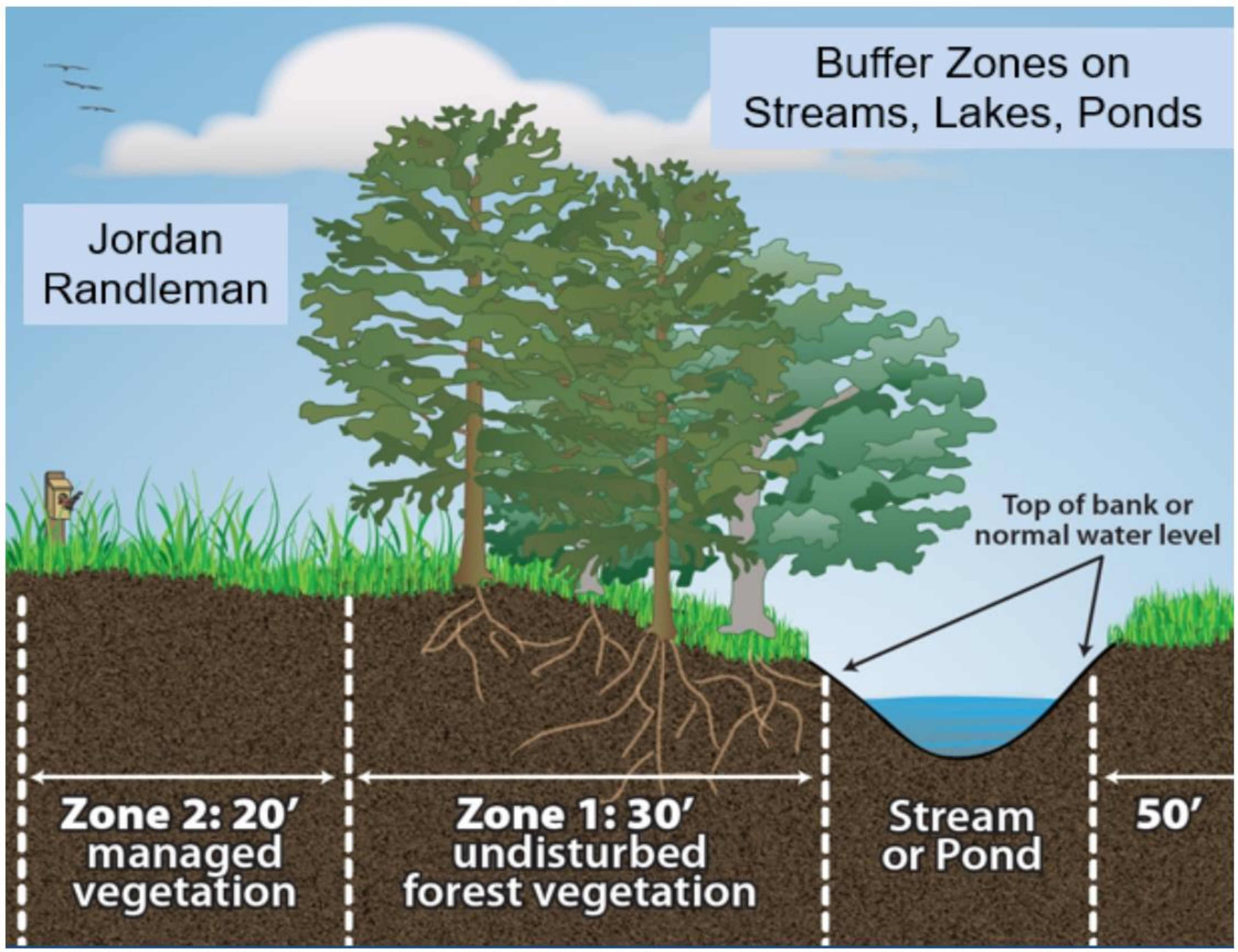
Ashley Ownbey, Development Director

<u>Public Hearing- *Quasi-judicial Board of Adjustment* Minor Variance Request</u>: Zone Two Riparian Buffer Impacts & Setback Variance by Bryan Burney



227 Emerson Drive

Minor Variance Request

Riparian Buffer Ordinance

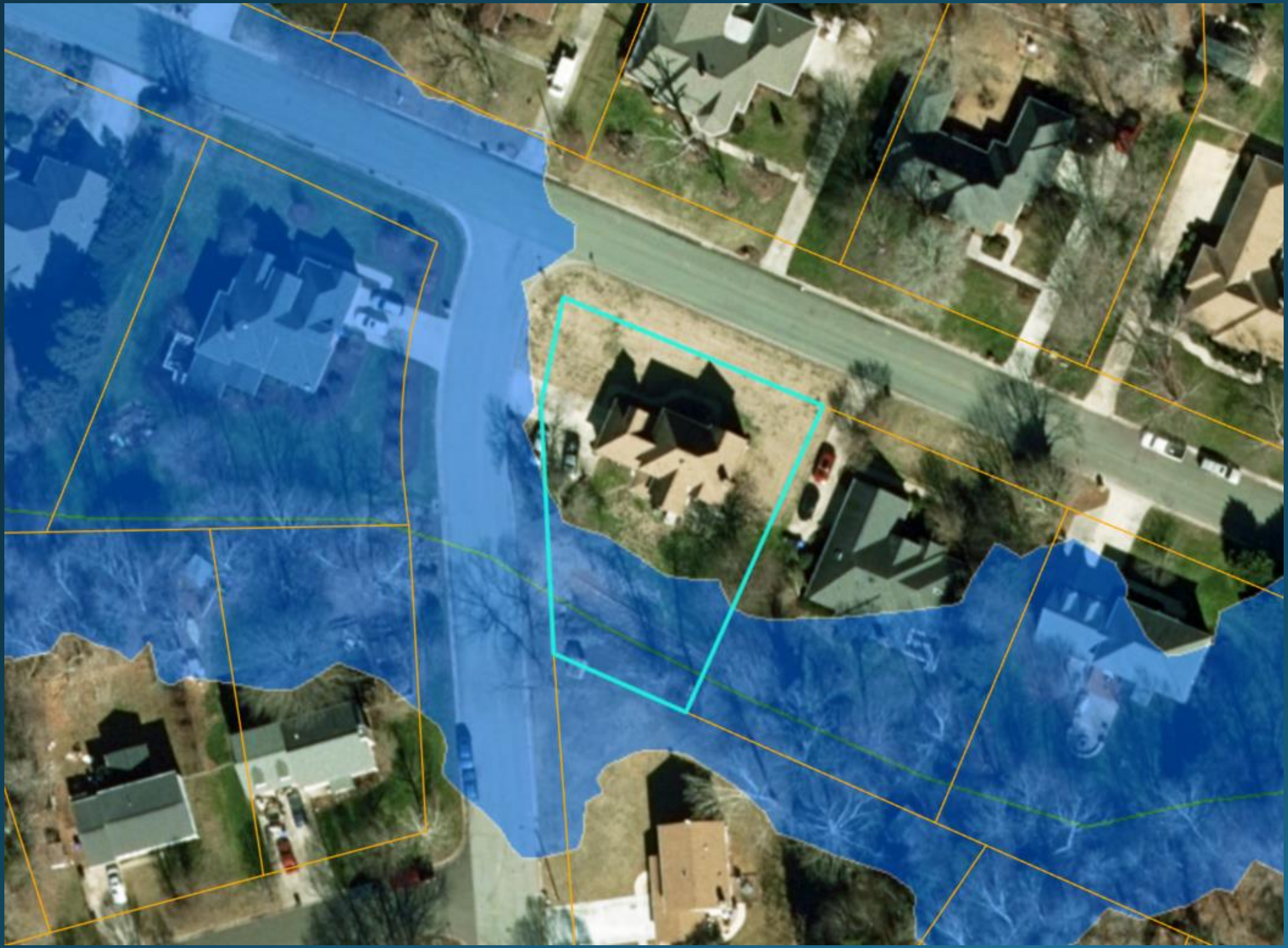
- Adopted November 2010
- Amended as required by the State

Jordan Lake: 50’ Buffer on All Sides

- Zones One and Two
- Table of Uses establishes exempt, allowable, and allowable with mitigation uses

227 Emerson Drive

Minor Variance Request



Mapped stream and FEMA floodplain present on property

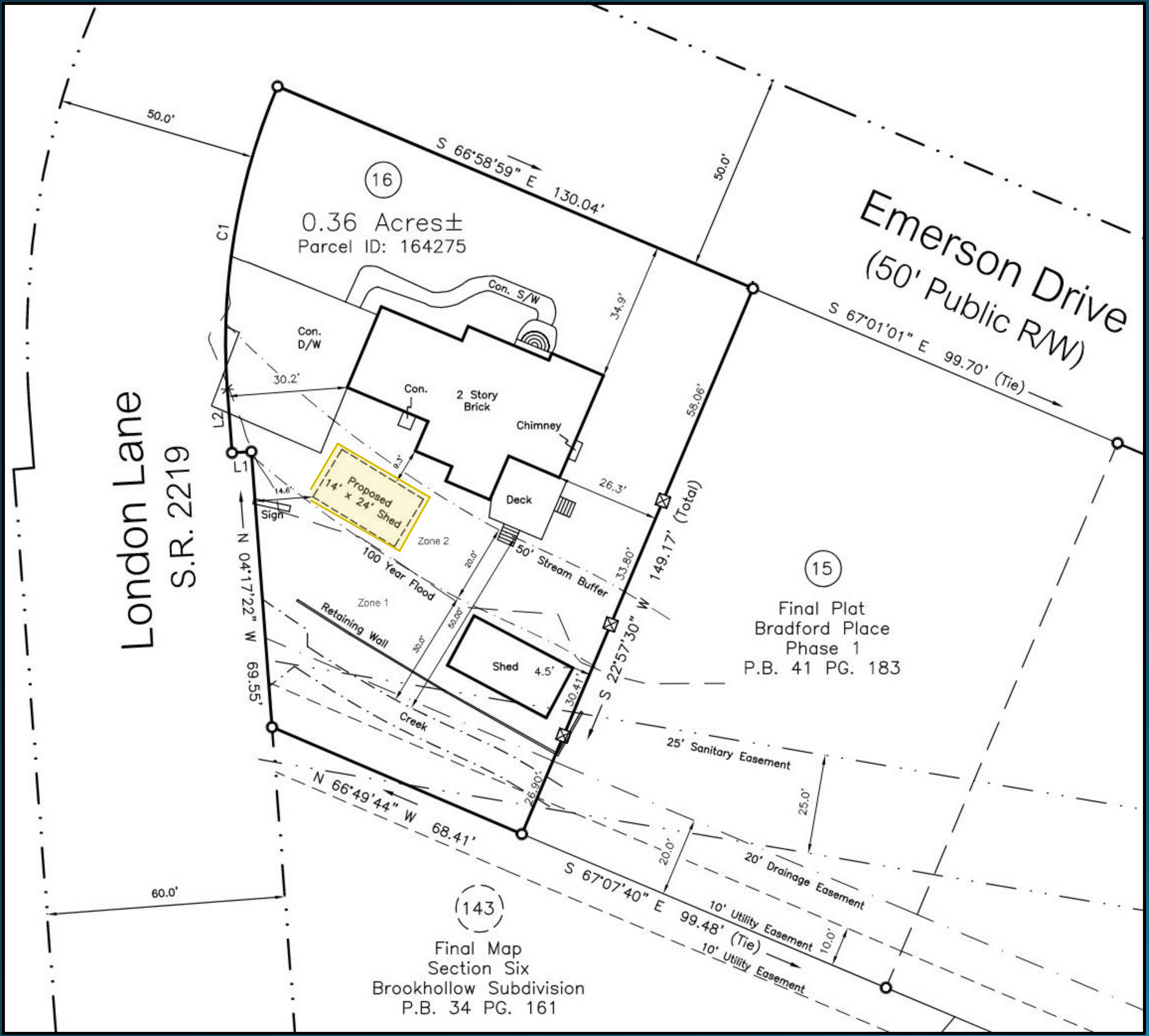
227 Emerson Drive

Minor Variance Request

Shed installed without permits and code enforcement notice provided in February 2025

Located in non-encroachment area of FEMA floodplain and Zone One of the stream buffer.

- City of Mebane is not authorized to permit an accessory structure in these locations.



227 Emerson Drive

Minor Variance Request

New impervious surface is prohibited within the stream buffer.

> "…no impervious surface is added within 50 feet of the surface water where it did not previously exist as of the effective date of this Ordinance…"
>
> Page 5-54-5-55, Mebane UDO

Minor variances are activities that will only impact Zone Two. The City of Mebane may consider minor variances.

Relocated shed requires approval of a 14.6' setback from property line along London Lane.

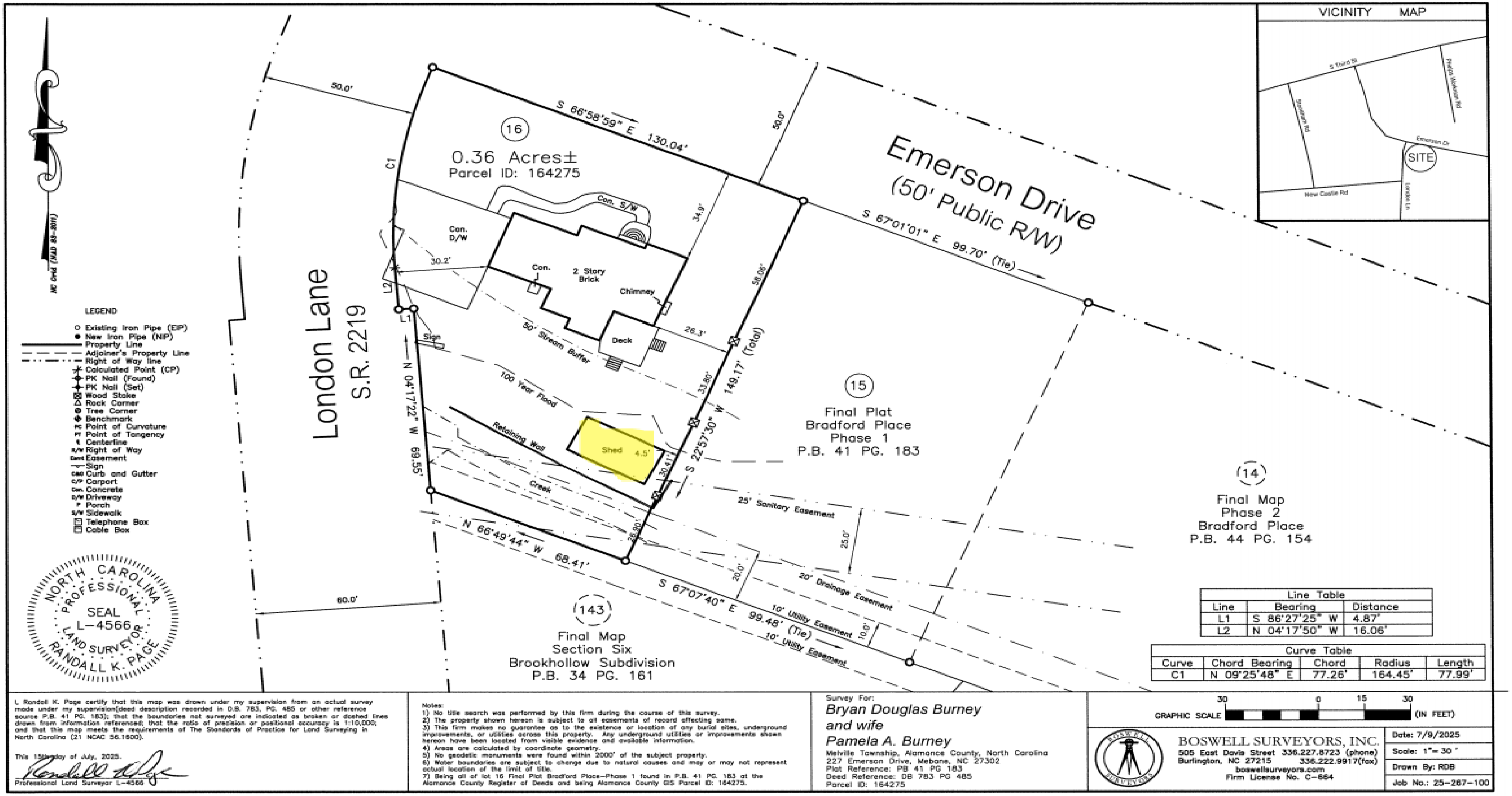
> 18' required by Section 4-2 of Mebane UDO

Applicant Presentation

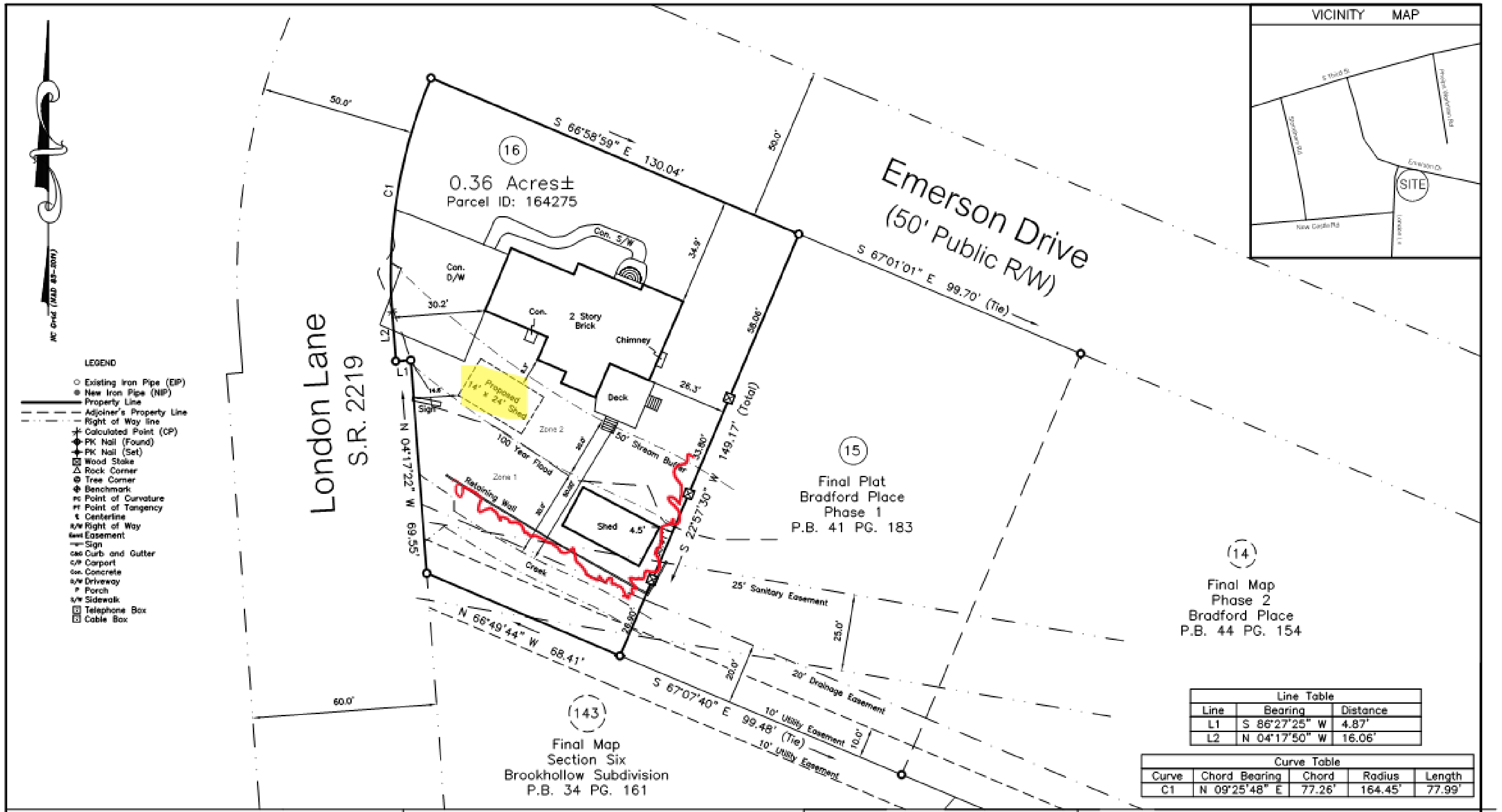
Bryan Burney

Request for Variance

Current Position of Storage Shed



Proposed Location



Line Table		
Line	Bearing	Distance
L1	S 86°27'25" W	4.87'
L2	N 04°17'50" W	16.06'

Curve Table				
Curve	Chord Bearing	Chord	Radius	Length
C1	N 09°25'48" E	77.26'	164.45'	77.99'

Final Drawing
for review purposes only

Notes:
1) No title search was performed by this firm during the course of this survey.
2) The property shown hereon is subject to all easements of record affecting same.
3) This firm makes no guarantee as to the existence or location of any burial sites, underground improvements, or utilities across this property. Any underground utilities or improvements shown hereon have been located from visible evidence and available information.
4) Areas are calculated by coordinate geometry.
5) No geodetic monuments were found within 2000' of the subject property.
6) Water boundaries are subject to change due to natural causes and may or may not represent actual location of the limit of title.
7) Being all of lot 16 Final Plat Bradford Place-Phase 1 found in P.B. 41 PG. 183 at the Alamance County Register of Deeds and being Alamance County GIS Parcel ID: 164275.

Survey For:
Bryan Douglas Burney
and wife
Pamela A. Burney
Melville Township, Alamance County, North Carolina
227 Emerson Drive, Mebane, NC 27302
Plat Reference: PB 41 PG 183
Deed Reference: DB 783 PG 485
Parcel ID: 164275

GRAPHIC SCALE 30 0 15 30 (IN FEET)

BOSWELL SURVEYORS, INC.
505 East Davis Street 336.227.8723 (phone)
Burlington, NC 27215 336.222.9917(fax)
boswellsurveyors.com
Firm License No. C-664

Date: 7/9/2025
Scale: 1"= 30 '
Drawn By: RDB
Job No.: 25-267-100

Why should this variance be allowed

- The property condition creates a unique situation in that the entire back yard is mostly covered by either the 100 year flood plain or the 50 foot stream buffer
- The retaining wall and resulting flat area of yard was there previous to the UDO requirements preventing placement of the storage building in the either setback that would confuse any homeowner about their being a potential buffer or flood plain requirement.
- Strict compliance with the UDO would create an unnecessary hardship for Mr. Burney as he would have to completely get rid of the storage building as there is no where on his property to place it other than the front yard which is also not in compliance with the UDO.

Ms. Ownbey, Development Director

Public Hearing- *Quasi-judicial Board of Adjustment* Variance Request: ADU in Existing Garage at 403 E McPherson Drive by Malik Khan

Variances

NCGS 160D-705

When unnecessary hardships would result from carrying out the strict letter of a zoning regulation, the board of adjustment shall vary any of the provisions of the zoning regulation upon a showing of all of the following:

Variances

(1) Unnecessary hardship would result from the strict application of the regulation. It is not necessary to demonstrate that, in the absence of the variance, no reasonable use can be made of the property.

Variances

(2) The hardship results from conditions that are peculiar to the property, such as location, size, or topography. Hardships resulting from personal circumstances, as well as hardships resulting from conditions that are common to the neighborhood or the general public, may not be the basis for granting a variance. A variance may be granted when necessary and appropriate to make a reasonable accommodation under the Federal Fair Housing Act for a person with a disability.

Variances

(3) The hardship did not result from actions taken by the applicant or the property owner. The act of purchasing property with knowledge that circumstances exist that may justify the granting of a variance is not a self-created hardship.

Variances

(4) The requested variance is consistent with the spirit, purpose, and intent of the regulation, such that public safety is secured and substantial justice is achieved.

403 E. McPherson Drive

Variance Request

403 E. McPherson Drive

Variance Request

Existing detached garage proposed to be converted to one accessory dwelling unit (ADU)

Required setbacks for ADUs greater than 600 square feet:

- 25’ Rear
- 10’ Side

Sec. 4-7.4 (A) of Mebane UDO

Applicant Presentation

Setbacks:

9 ft/ Left of the garage

9 ft/ Rear of garage once back storage is removed

30 ft/ Right of the garage

100 ft/ Front of the garage

9 ft/ Left of the garage

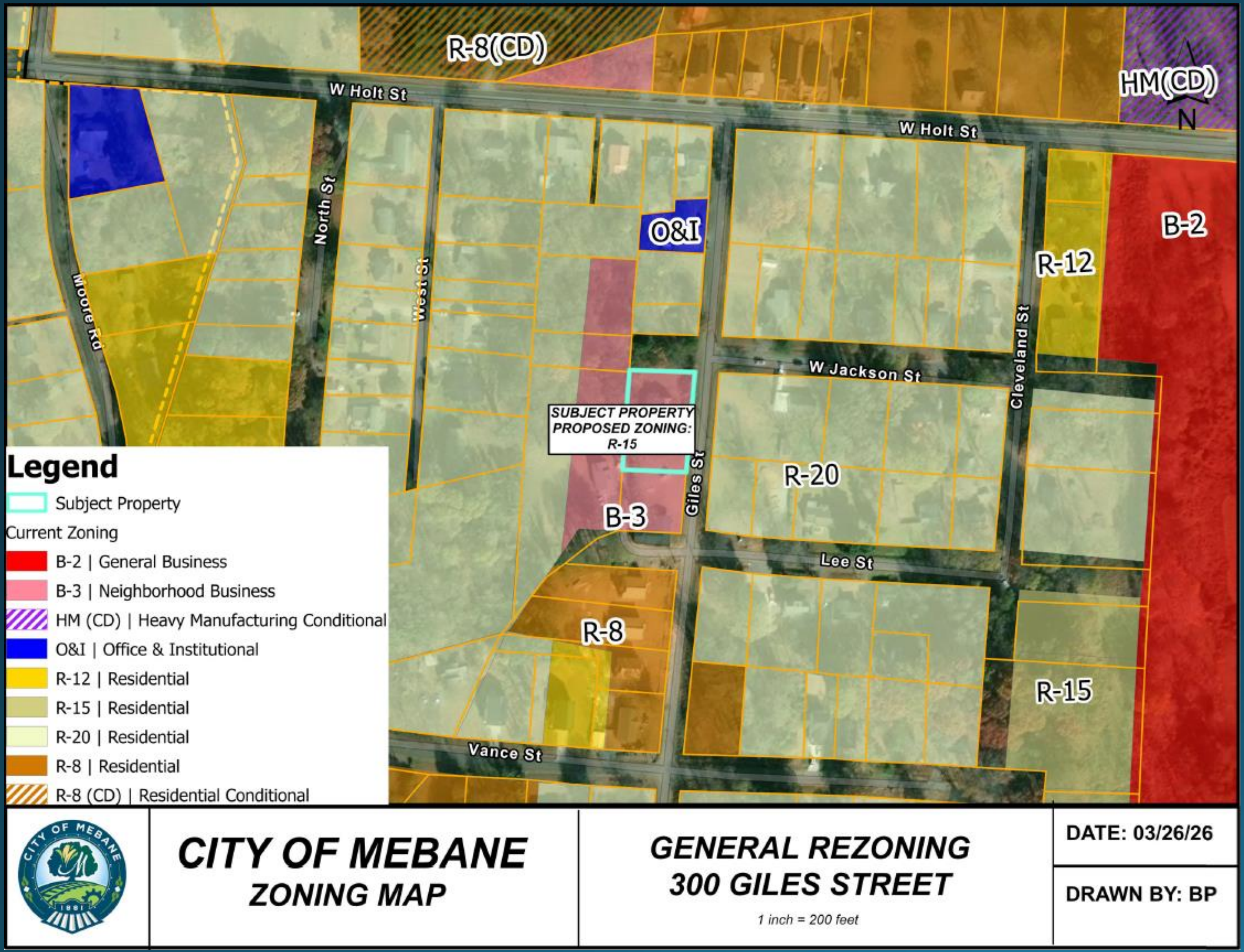
9 ft/ Rear of garage once back storage is removed

30 ft/ Right of the garage

100 ft/ Front of the garage

Ms. Ownbey, Development Director

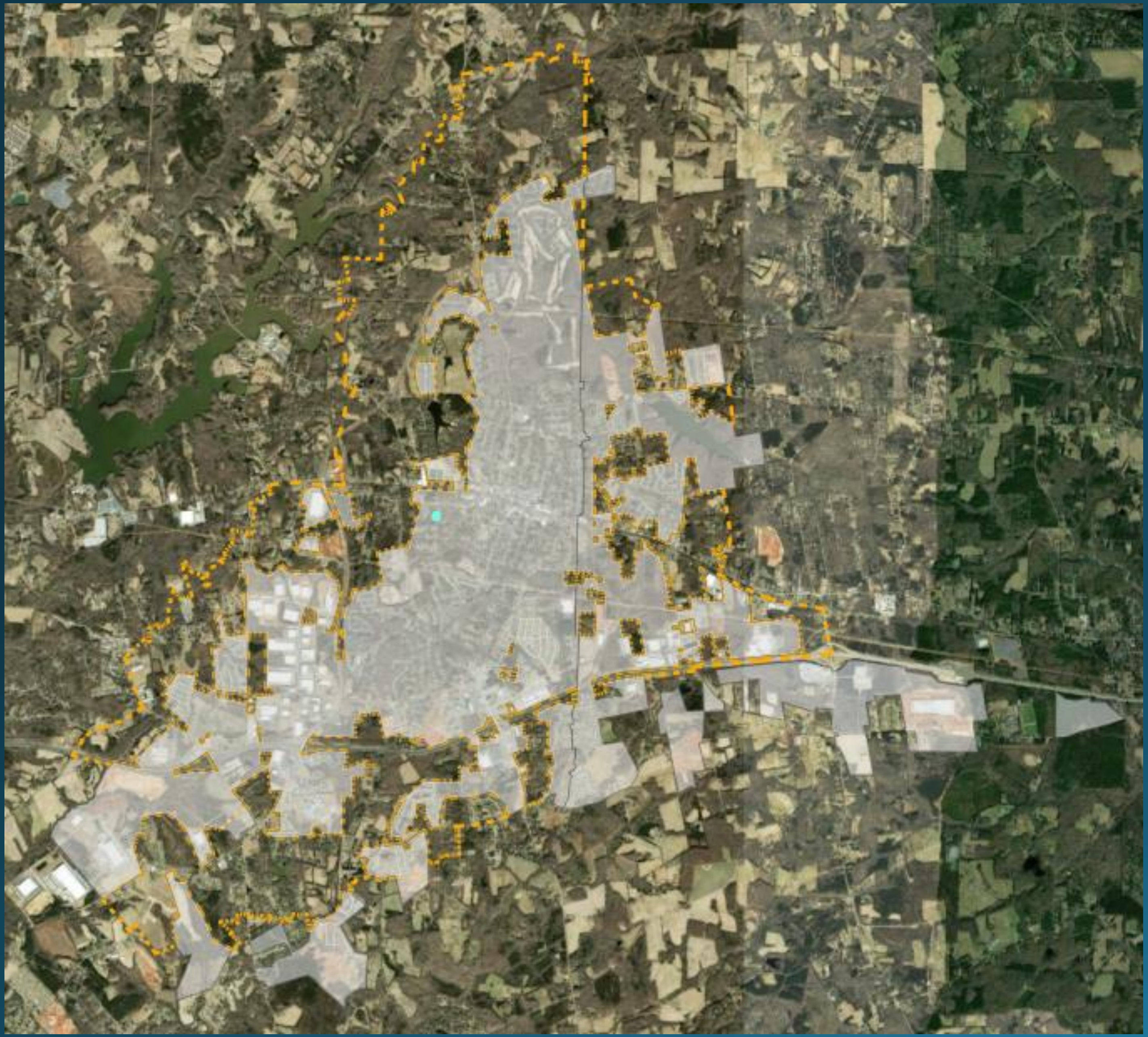
Request to Rezone: B-3 to R-15 by Antonio Mosqueda



300 Giles Street

General Rezoning Request

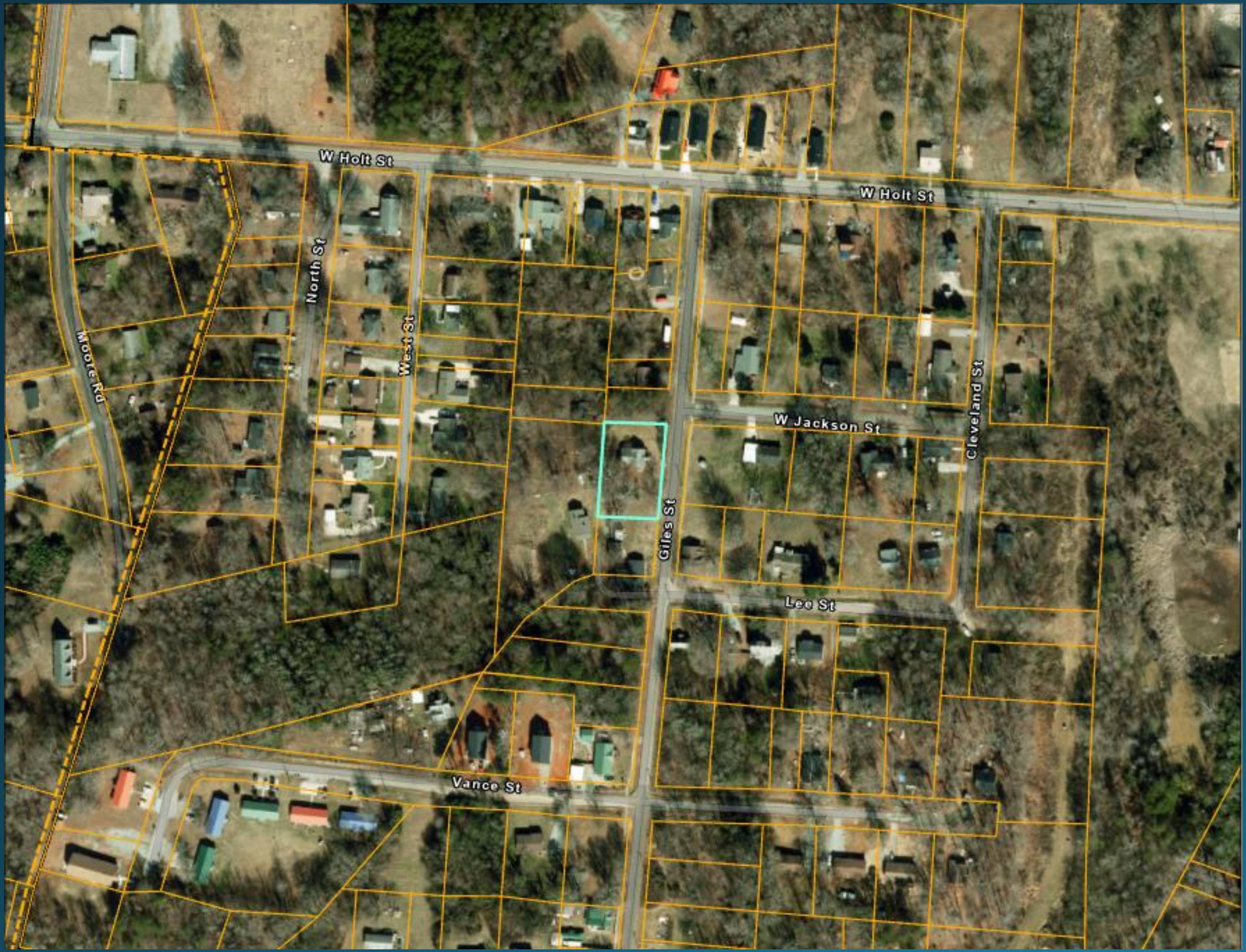
- Request by Antonio Mosqueda
- +/- 0.39 acre
- Existing zoning: B-3
- Requested zoning: R-15



300 Giles Street

General Rezoning Request

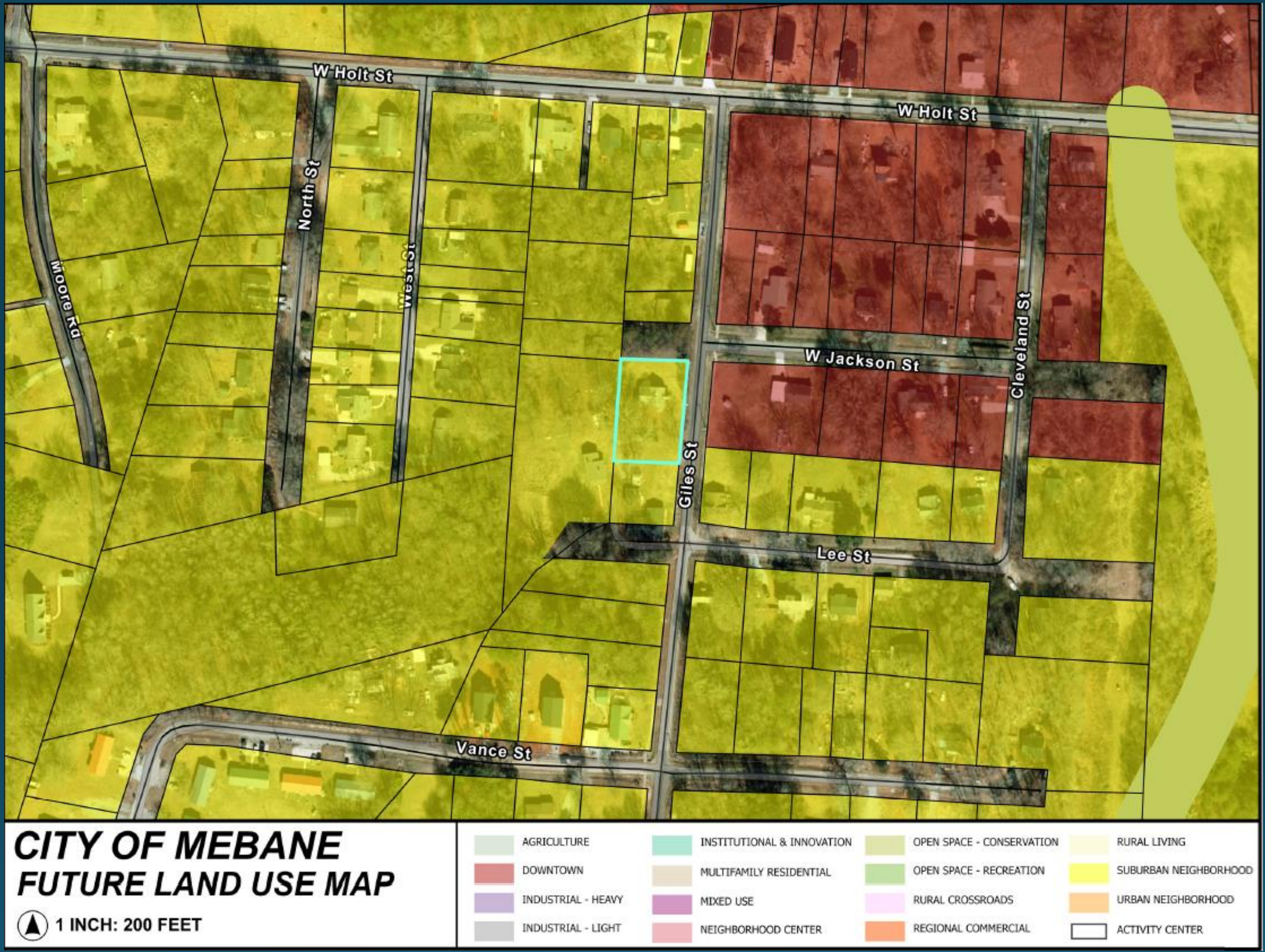
- Mebane City Limits
- Alamance County
- City utilities are available.



300 Giles Street

General Rezoning Request

- Existing use: Uninhabitable structure recently demolished
- Surrounding uses include:
  - Single-family
  - Vacant
  - Daycare



300 Giles Street

General Rezoning Request

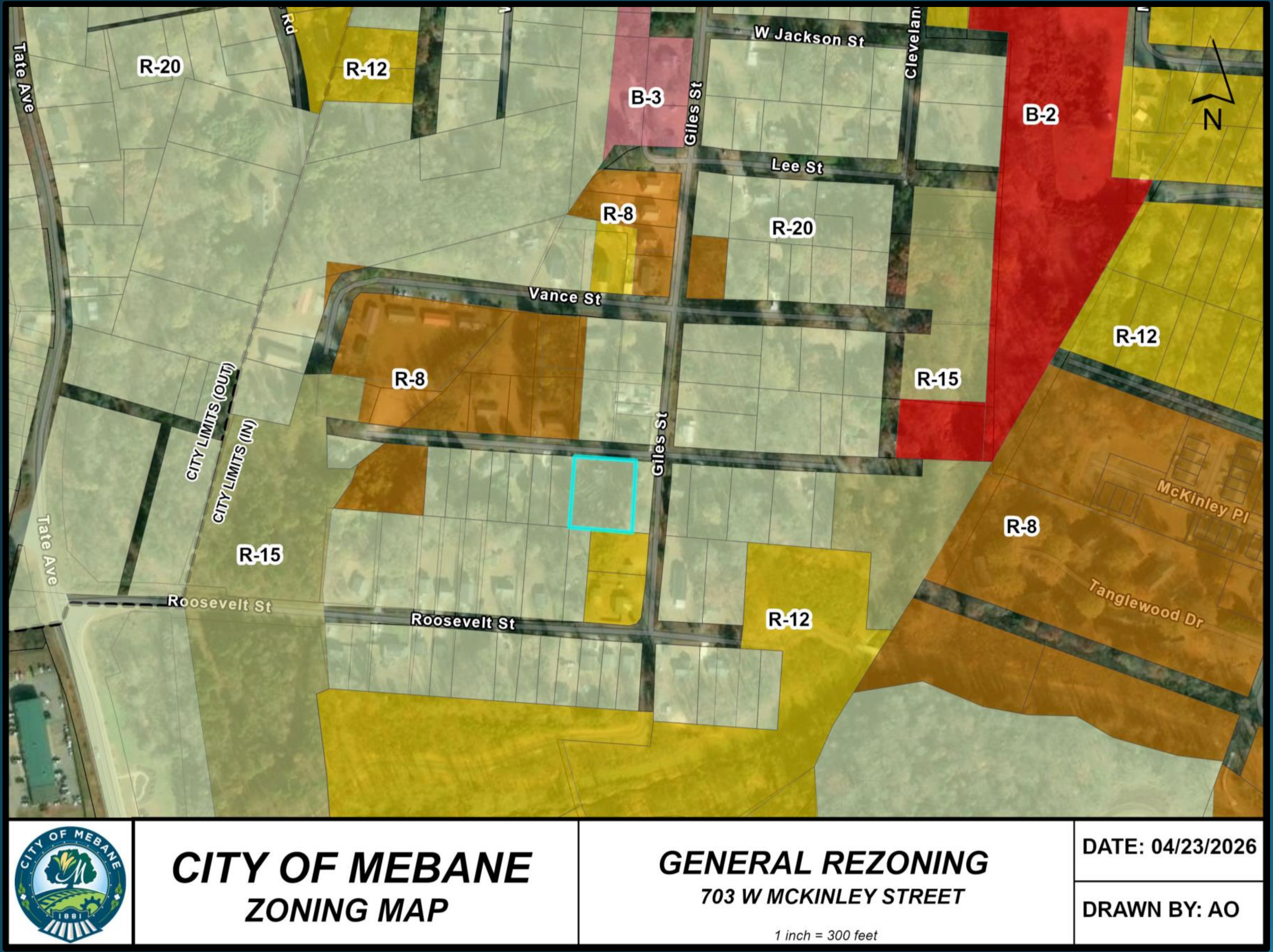
Mebane 2045 Comprehensive Plan, Suburban Neighborhood

Applicant Presentation

Requested to be continued per the applicant

Ms. Ownbey, Development Director

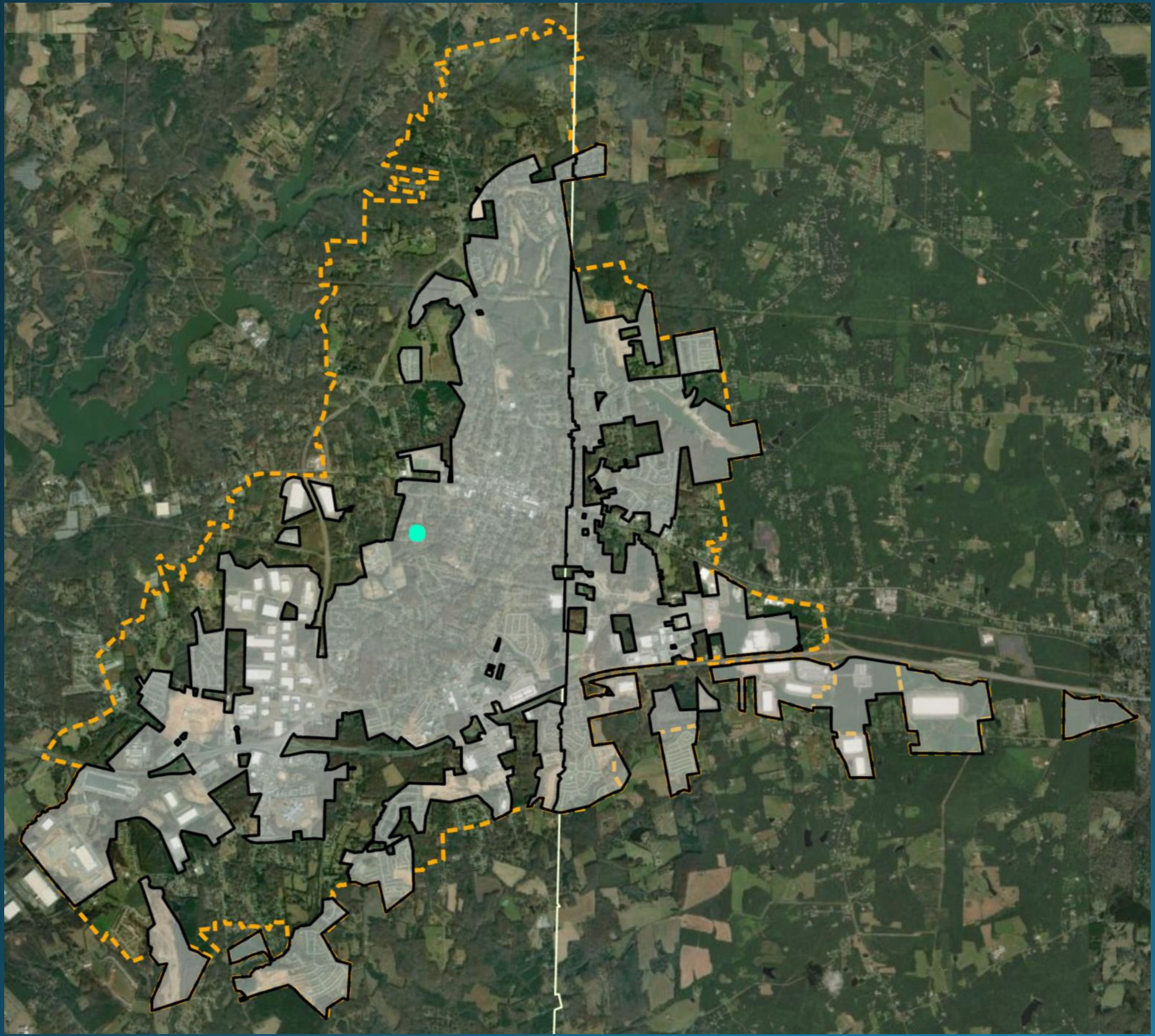
Request to Rezone: R-20 to R-8
by Whitt Real Estate Investments, Inc.



703 W. McKinley Street

General Rezoning Request

- Request by Whitt Real Estate Investments, Inc.
- +/- 0.69 acre
- Existing zoning: R-20
- Requested zoning: R-8



703 W. McKinley Street

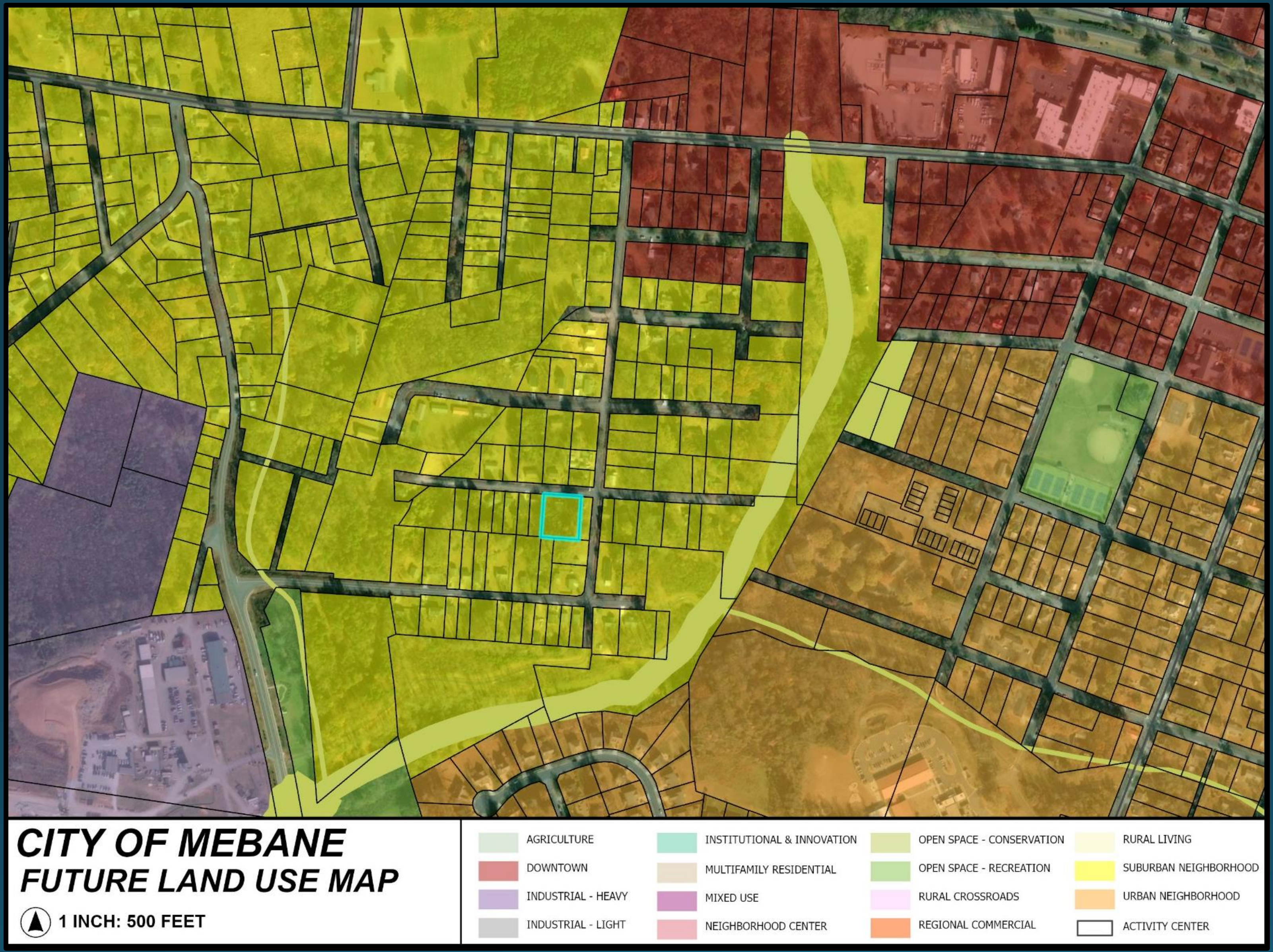
General Rezoning Request

- Mebane City Limits
- Alamance County
- City utilities are available.

703 W. McKinley Street

General Rezoning Request

- Existing use: Uninhabitable structure
    - Active condemnation case
- Surrounding uses include:
    - Single-family
    - Public Pocket Park
    - Vacant/Undeveloped

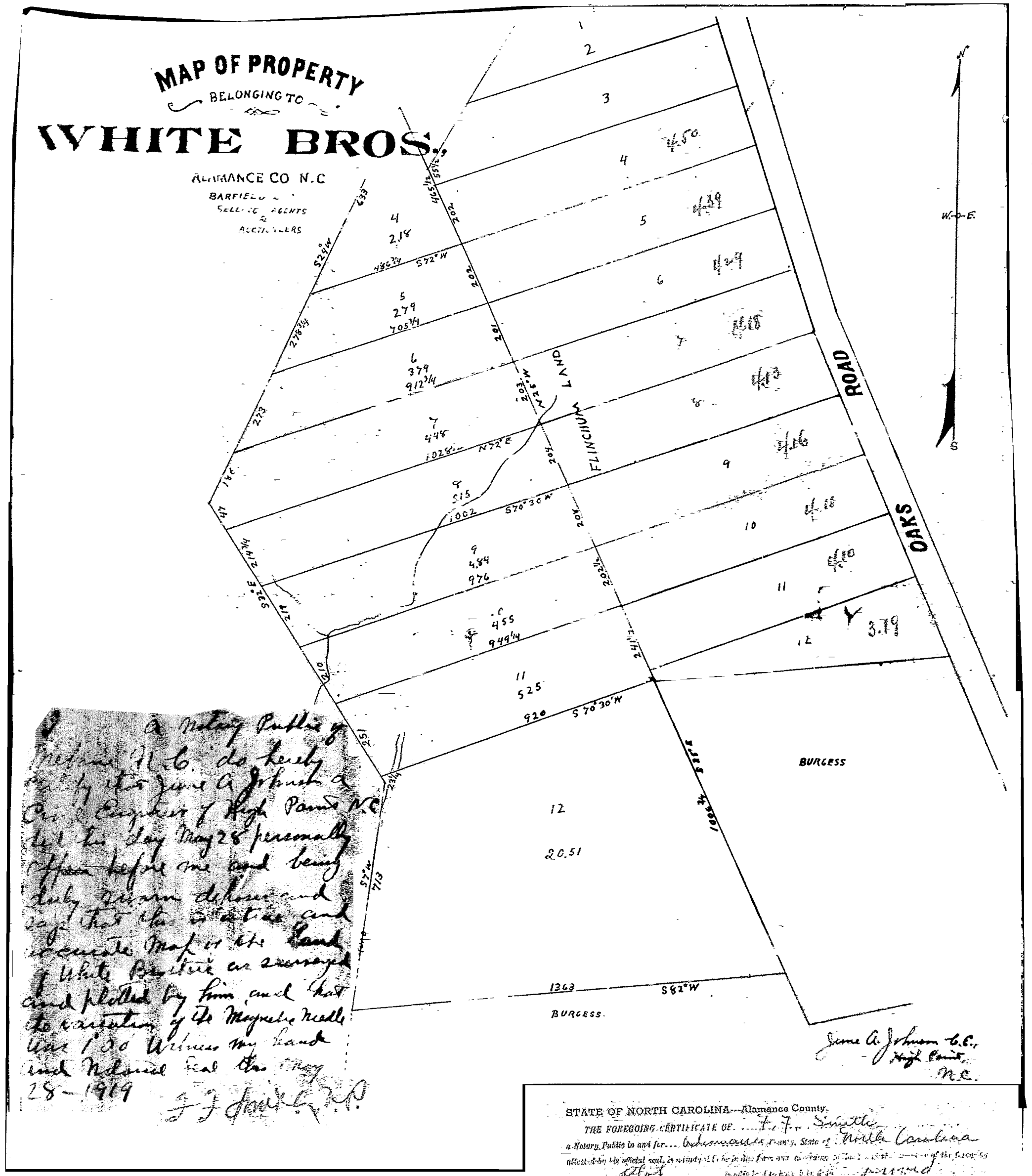


703 W. McKinley Street

General Rezoning Request

Mebane 2045 Comprehensive Plan, Suburban Neighborhood

Applicant Presentation



STATE OF NORTH CAROLINA—Alamance County.

The foregoing certificate of J. J. Smith a Notary Public in and for Alamance County, State of North Carolina attested by his official seal, is adjudged to be in due form [illegible] plat [illegible] proved [illegible]

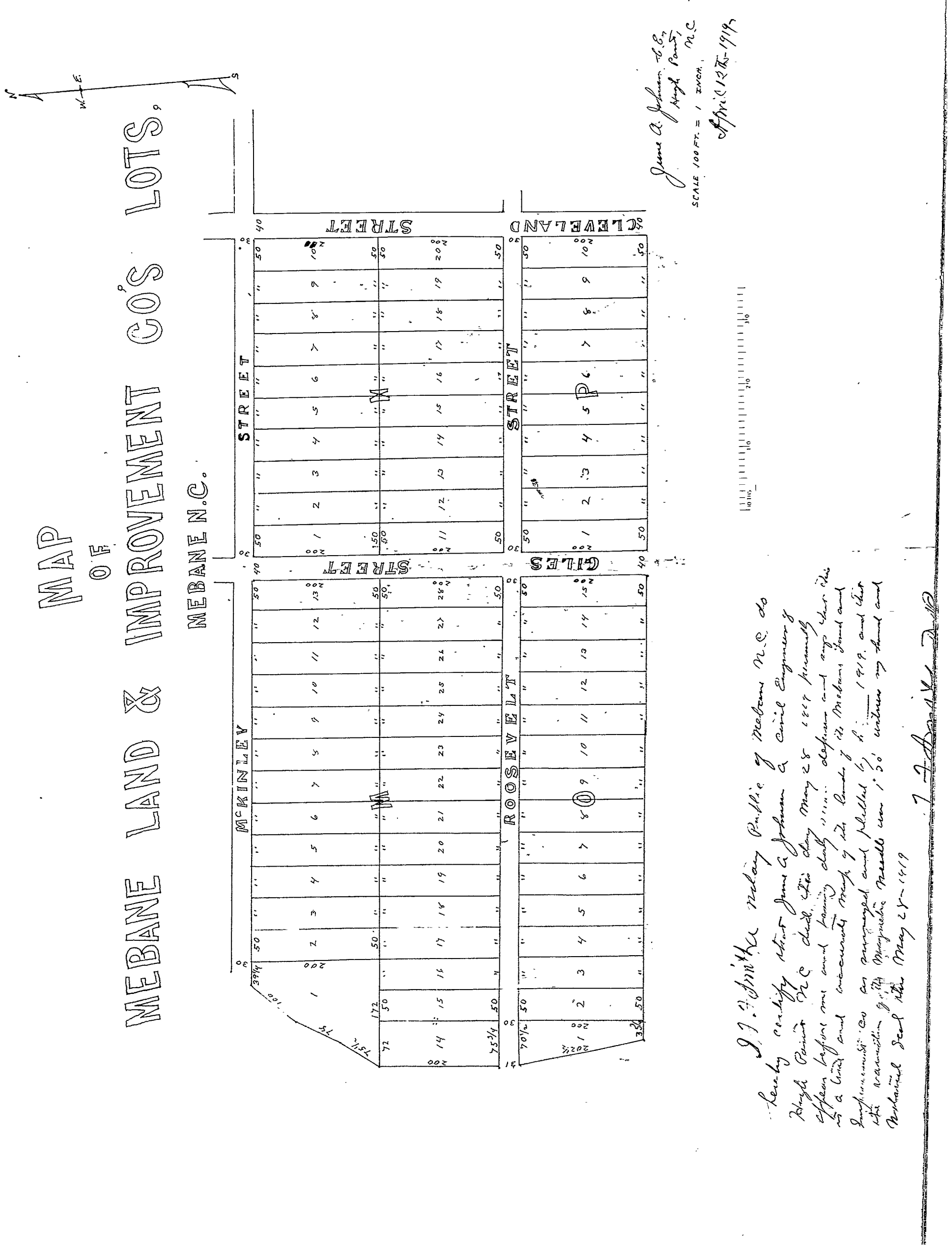
Witness my hand this 16 day July 1919.

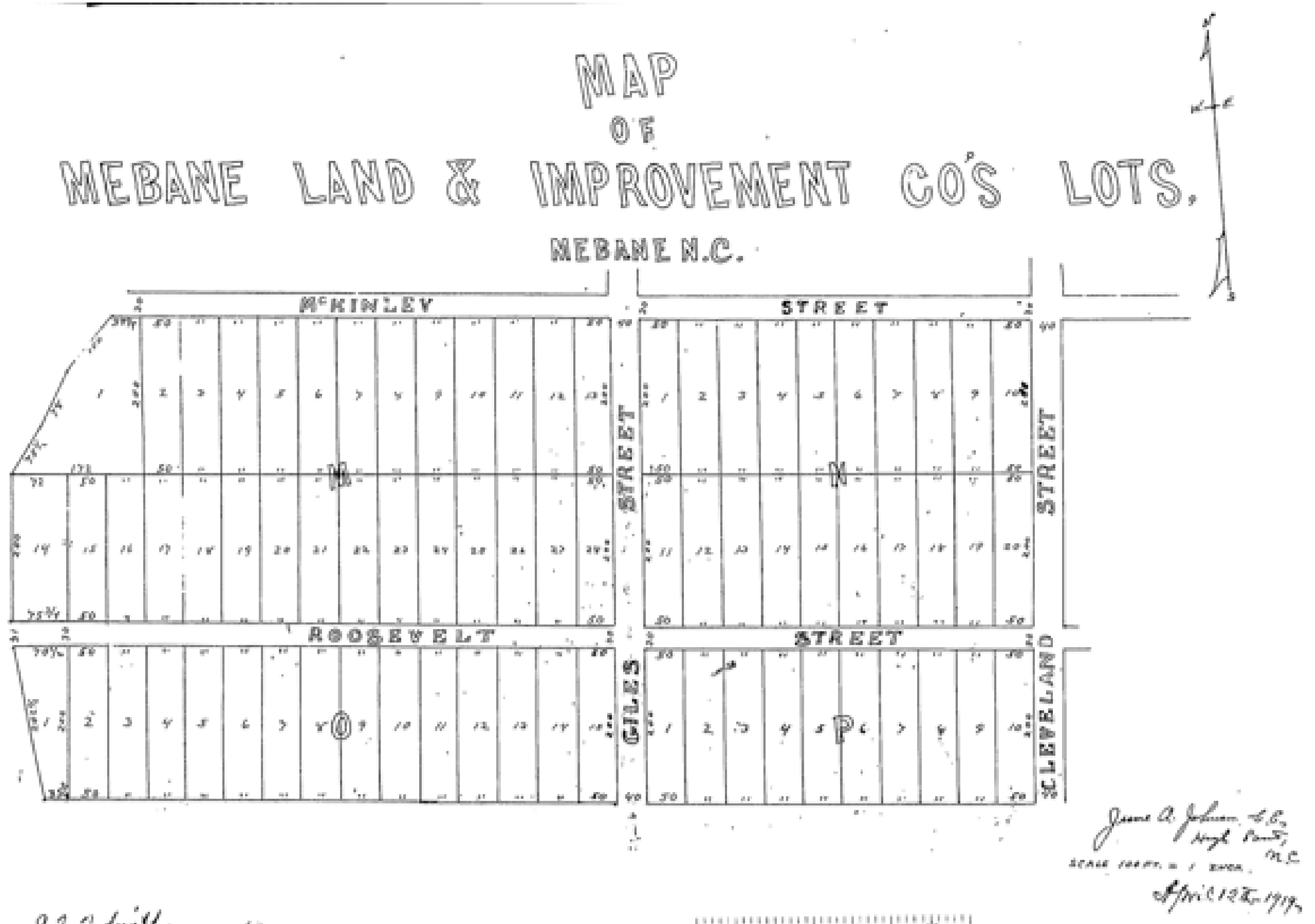
[illegible]

Filed for registration at [illegible] July 16 1919 and registered in the office of the Register of Deeds for Alamance [illegible] Book [illegible] 76

This the 16 day July [illegible]

B.M. Rogers Reg.





I. J. F. Smith Notary Public of Mebane N.C. do hereby certify that James A. Johnson a Civil Engineer of High Point N.C. did this day May 28 1919 personally appear before me and being duly sworn deposes and says that this is a true and accurate map of the lands of the Mebane Land and Improvement Co as surveyed and platted by h___ 1919, and that the variation of the Magnetic needle was 1° 30' witness my hand and Notarial Seal this May 28-1919

J. F. Smith N.P.


None
Road Map
Photog
165378
704
165545
702
165552
504
GILES-STREET
507
165564
W-MCKINLEY-STREET
707
705
703
165376
165377
165544
165551
611
609
165558
165563
Lot 3
50' x
200'
Lot 2
50' x
200'
Lot 1
50' x
200'
165375
165543
165550
165557
ch = 50 feet

Positively Charming

Cliff Ayscue, Inspections Director

Mr. Brown

Condemnation- 620 N. Charles Street

620 N. Charles Street

Cliff Ayscue, Inspections Director

Mr. Brown

Condemnation- 816 W. Holt Street

816 W. Holt Street

Mebane
Positively Charming

Richard White, City Manager

City Manager's Recommended Budget FY 2026-27

Mebane
Positively Charming

Manager’s Recommended Budget

FISCAL YEAR 2026-2027

MAY 4, 2026

Richard J. White III,

City Manager

Economic Factors

- Proposed Constitutional Amendment to Limit Property Tax Levy
  - Creates a “levy limit” restricting the total property tax revenue a local government can collect,
  - Property taxes are the largest revenue source for the General Fund,
  - Shifts authority from local elected officials to the General Assembly,
  - Restricted revenue could lead to City leaders being forced to make cuts to City services or to delay or reduce infrastructure projects, and
  - The League of Municipalities has noted such limits could lead to lower bond ratings, making it more expensive for the City to borrow money.
- The Property Tax Revaluation Moratorium Bill (SB 889) would block counties that completed property reappraisals in 2026 from using those new values for the upcoming tax year. The next revaluation for Alamance County is scheduled for January 1, 2027.
- Global Crisis
  - Energy, shipping and logistics disruption
  - Market volatility
  - Operating costs and purchases continuing to increase
- Revenue continues to increase through commercial, retail, and residential growth, however, not enough to fund the debt payments for a Tiller, Fire Station 4, a Public Works shed, and a portion of the Community Park Field 1 replacement.

FY26-27 Budget Highlights

General Fund Expenditures	$46,768,247
Utility Fund Expenditures	$18,039,711
Occupancy Tax Special Revenue Fund Expenditures	$327,400
Total Expenditures	$65,135,358

General Capital Reserve Fund Revenue	$1,128,604
Utility Capital Reserve Fund Revenue and appropriated fund balance	$6,482,148

- Revenue $3,611,298
- Appropriated fund balance $2,870,850

Property Tax Rate $0.39 per $100 valuation ($.02 cent increase)

- $.02 of the $0.39 is transferred to the General Capital Reserve Fund
- Median value of owner-occupied housing in Mebane = $395,580
- Tax bill at 0.37 cents = $1,464; Tax bill at $0.39 cents = $1,543
- Difference in median tax bill = $79.00

FY26-27 Budget Highlights

Water Rates

- *Inside City:* $10.10 per 1,000 gallons
- *Outside City:* $20.20 per $1,000 gallons

Sewer Rates

- *Inside City:* $10.85 per 1,000 gallons
- *Outside City:* $21.70 per 1,000 gallons

**Water and Sewer Rates reflect a 10.5% rate increase from FY 25-26 based on rate study conducted by an outside consultant.*

Garbage/Recycling $8 per month per address

- *The rate is unchanged from FY 25-26*

FY26-27 Budget Highlights

Cost of Living Increase 3%

- *FY25-26 COLA was 3%*

Compensation and Class Study Recommendations

Mayor and City Council Salary Adjustment

Health Insurance: 6% increase for medical, 5.5% increase for dental, and no increase for vision

Retirement Rate: General will increase from 14.35% to 15.10%; Law Enforcement will increase from 16.08% to 17.10%

- Retirement rates are set by the N.C. State Treasurer.

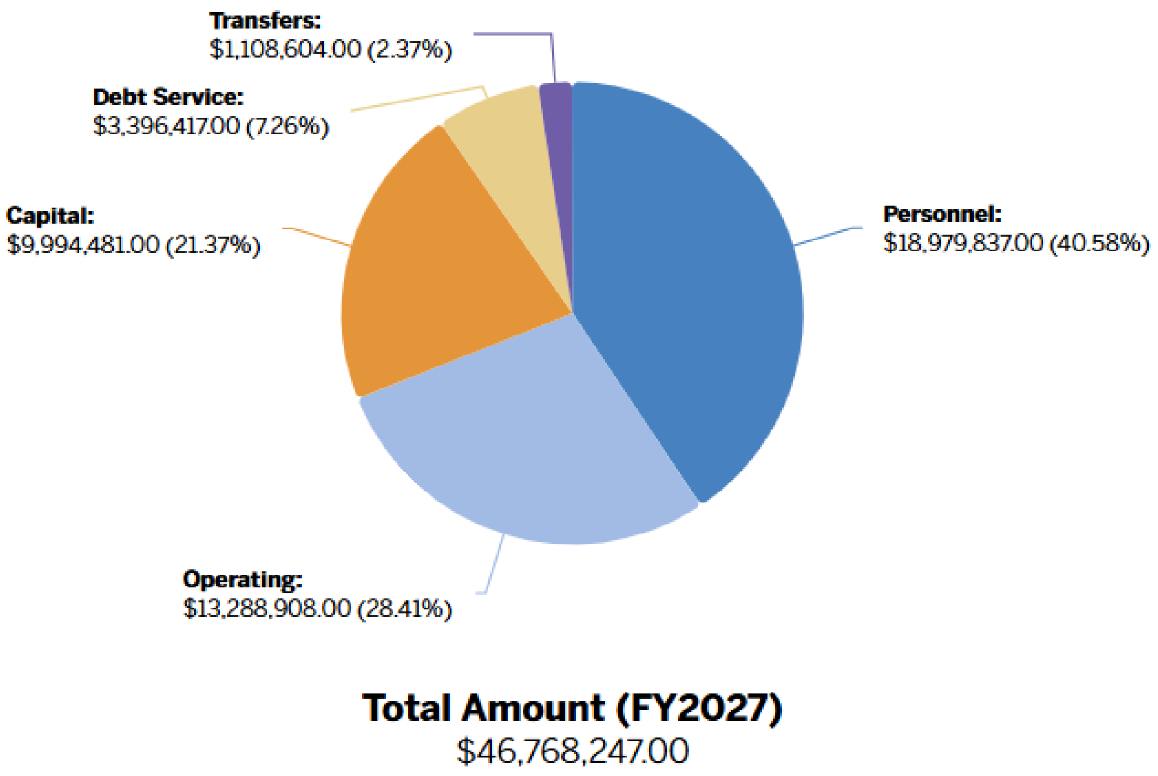
General Fund Recommended Budget

FY26-27

General Fund Function Per Dollar

$.41	$.20	$.17	$.08	$.07	$.07
Public Safety	Public Works	General Government	Recreation	Economic and Physical Development	Debt Service

General Fund Expenditures



Percentages are rounded to two decimal places.

General Fund Expenditures by Category

	FY24-25 ACTUALS	FY25-26 ADOPTED	FY25-26 AMENDED BUDGET	FY25-26 ACTUALS	FY26-27 PROPOSED	
	FY2025	FY2026	FY2026	FY2026	FY2027	Percentage Change
Expenses						
Personnel	$15,903,970	$16,921,642	$16,809,849	$13,111,359	$18,979,837	13%
Operating	$9,621,564	$11,610,643	$12,996,803	$7,685,164	$13,288,908	2%
Capital	$2,865,805	$4,905,365	$9,772,022	$1,669,876	$9,994,481	2%
Debt Service	$2,539,566	$2,864,002	$2,864,002	$2,141,004	$3,396,417	19%
Transfers	$935,570	$1,010,323	$1,535,323	$1,403,687	$1,108,604	-28%
EXPENSES TOTAL	**$31,866,475**	**$37,311,975**	**$43,977,999**	**$26,011,090**	**$46,768,247**	**6%**

General Fund Expenditures

	FY24-25 ACTUALS	FY25-26 APPROVED BUDGET	FY25-26 AMENDED BUDGET	FY25-26 YTD ACTUALS	FY26-27 REQUESTED	
	FY2025	FY2026	FY2026	FY2026	FY2027	Percent Increase
General Fund						
100 - Salaries and Wages - Benefited	$10,199,091	$11,571,467	$11,472,664	$8,932,215	$12,888,508	12%
101 - Salaries and Wages - Non - Benefited	$635,639	$971,756	$963,556	$602,556	$963,607	0%
110 - Fringe Benefits	$5,069,240	$4,378,419	$4,373,629	$3,576,588	$5,127,722	17%
190 - Professional Services	$1,483,889	$1,619,288	$2,006,916	$1,354,463	$2,031,575	1%
300 - Services and Contracts	$5,187,004	$6,843,747	$7,424,032	$4,065,117	$7,836,719	6%
200 - Supplies and Materials	$2,653,801	$2,776,358	$3,163,187	$1,998,794	$3,024,314	-4%
680 - Other Contracts, Grants, Subsides	$154,395	$201,250	$260,194	$124,317	$212,300	-18%
630 - Aid to other Governments	$142,474	$170,000	$142,474	$142,474	$184,000	29%
700 - Capital Outlay	$2,865,805	$4,905,365	$9,772,022	$1,669,876	$9,994,481	2%
800 - Debt Service	$2,042,491	$2,333,177	$2,333,177	$1,748,261	$2,652,923	14%
801 - Debt Service Interest	$497,075	$530,825	$530,825	$392,744	$743,494	40%
960 - Interfund Transfer to Governmental	$935,570	$1,010,323	$1,360,323	$1,403,687	$1,108,604	-18%
962 - Interfund Transfer to Proprietary	–	$0	$175,000	–	$0	-100%
GENERAL FUND TOTAL	**$31,866,475**	**$37,311,975**	**$43,977,999**	**$26,011,090**	**$46,768,247**	**6%**

General Fund Expenditures - Departments

	FY24-25 ACTUALS	FY25-26 APPROVED BUDGET	FY25-26 AMENDED BUDGET	FY25-26 YTD ACTUALS	FY26-27 PROPOSED BUDGET	
	FY2025	FY2026	FY2026	FY2026	FY2027	Percent Change
Expenses						
City Council	$74,781	$84,647	$84,647	$59,570	$86,646	2%
Administration	$976,457	$1,027,764	$1,041,214	$778,207	$1,125,319	8%
Human Resources	$445,644	$495,018	$522,518	$372,020	$625,768	20%
Finance	$773,593	$727,681	$757,681	$619,932	$845,405	12%
IT	$1,970,460	$1,946,910	$2,319,299	$1,256,986	$2,440,574	5%
Non-Departmental	$1,959,313	$2,484,860	$2,684,273	$2,351,883	$2,725,489	2%
Economic Development	$1,400,214	$942,234	$942,234	$731,796	$942,234	0%
Planning	$631,865	$535,898	$573,086	$370,841	$558,812	-2%
Inspections	$1,021,729	$1,118,338	$2,138,921	$1,267,154	$1,377,327	-36%
Engineering	$466,700	$476,000	$476,001	$368,510	$500,000	5%
Police	$6,681,564	$7,033,645	$7,258,061	$5,409,936	$7,408,132	2%
Fire	$6,548,322	$7,781,742	$8,561,524	$4,179,301	$11,460,478	34%
Public Works	$4,162,965	$3,230,208	$3,972,983	$2,042,903	$5,903,755	49%
Public Facilities	$1,185,111	$1,123,491	$1,253,727	$715,549	$973,157	-22%
Sanitation	$2,030,596	$2,198,476	$2,233,088	$1,331,667	$2,574,301	15%
Recreation and Parks	$3,589,024	$3,241,061	$6,294,741	$2,013,830	$3,824,433	-39%
Debt Service	$2,591,054	$2,864,002	$2,864,002	$2,141,004	$3,396,417	19%
EXPENSES TOTAL	**$36,509,392**	**$37,311,975**	**$43,977,999**	**$26,011,090**	**$46,768,247**	**6%**

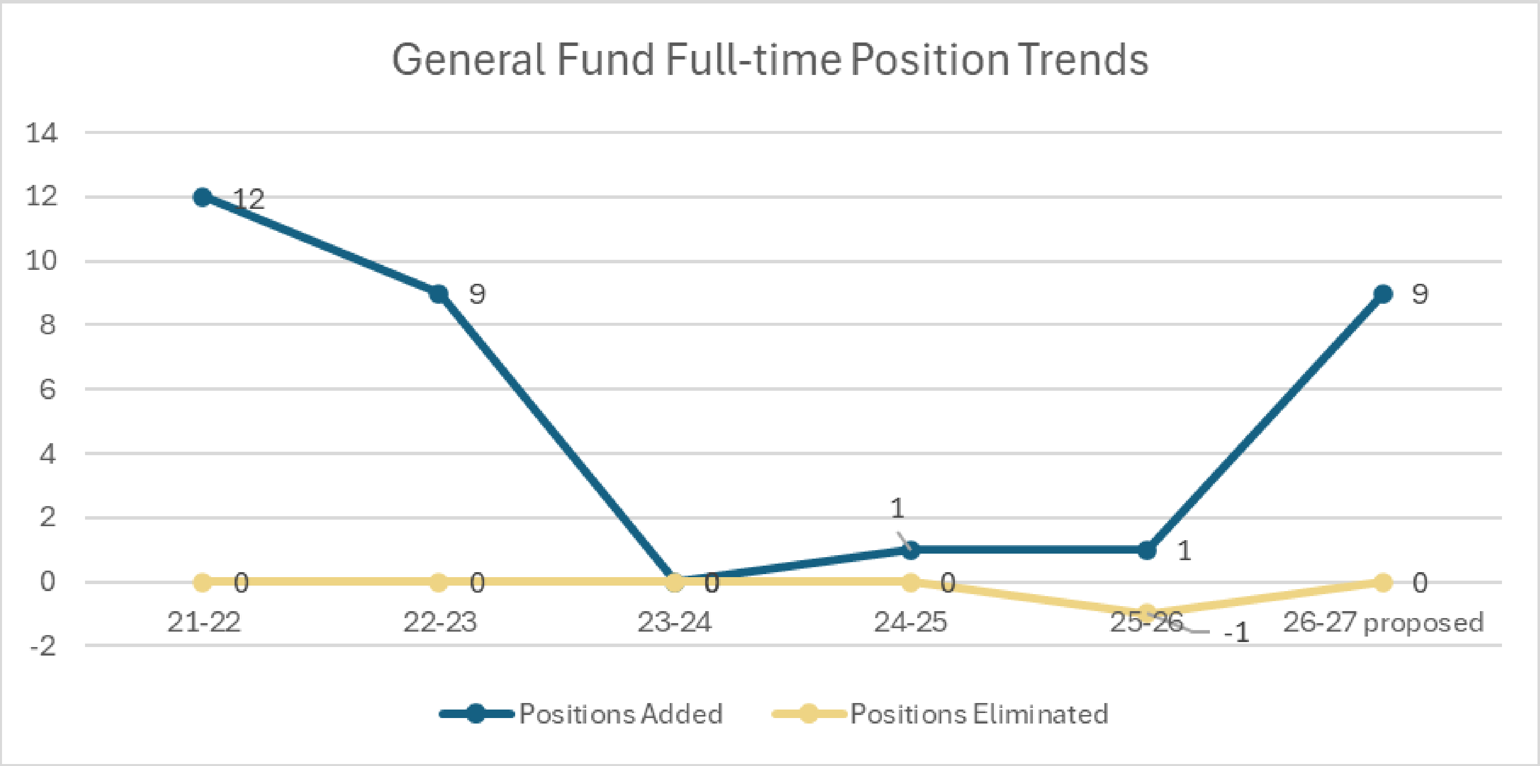
General Fund Capital Highlights

- *Fire Station 4 - $6.0 million*
- *Public Works Shed - $1.57 million*
- *Community Park Soccer Field One Replacement - $750,000*
- *Four replacement police vehicles - $300,000*
- *Replacement leaf vacuum truck - $285,000*
- *Replacement Jetter - $175,000*
- *Public Works/Public Utilities construction of mechanics office- $175,000*
- *New Rear Load Garbage Truck - $160,000*
- *City Hall Front Desk/Entry Way Security Project - $100,000*

General Fund Personnel Changes

- Nine new positions
  - 1 Human Resources Analyst
  - 1 IT Specialist*
  - 3 Firefighters
  - 1 Building Code Inspector I*
  - 1 Equipment Operator
  - 2 Maintenance Technicians
- The IT Specialist position is mostly funded by contract services dollars used in FY25-26 to have a contracted position on-site.
- The Building Code Inspector I position is funded by Inspection Department fees that can only be used for inspection-related expenditures.
- The 3 firefighters are needed to have enough staff to run the new Tiller truck, as discussed in last year's budget cycle.
- One Maintenance Technician position and the Equipment Operator position are requested so the City can prioritize stormwater projects.

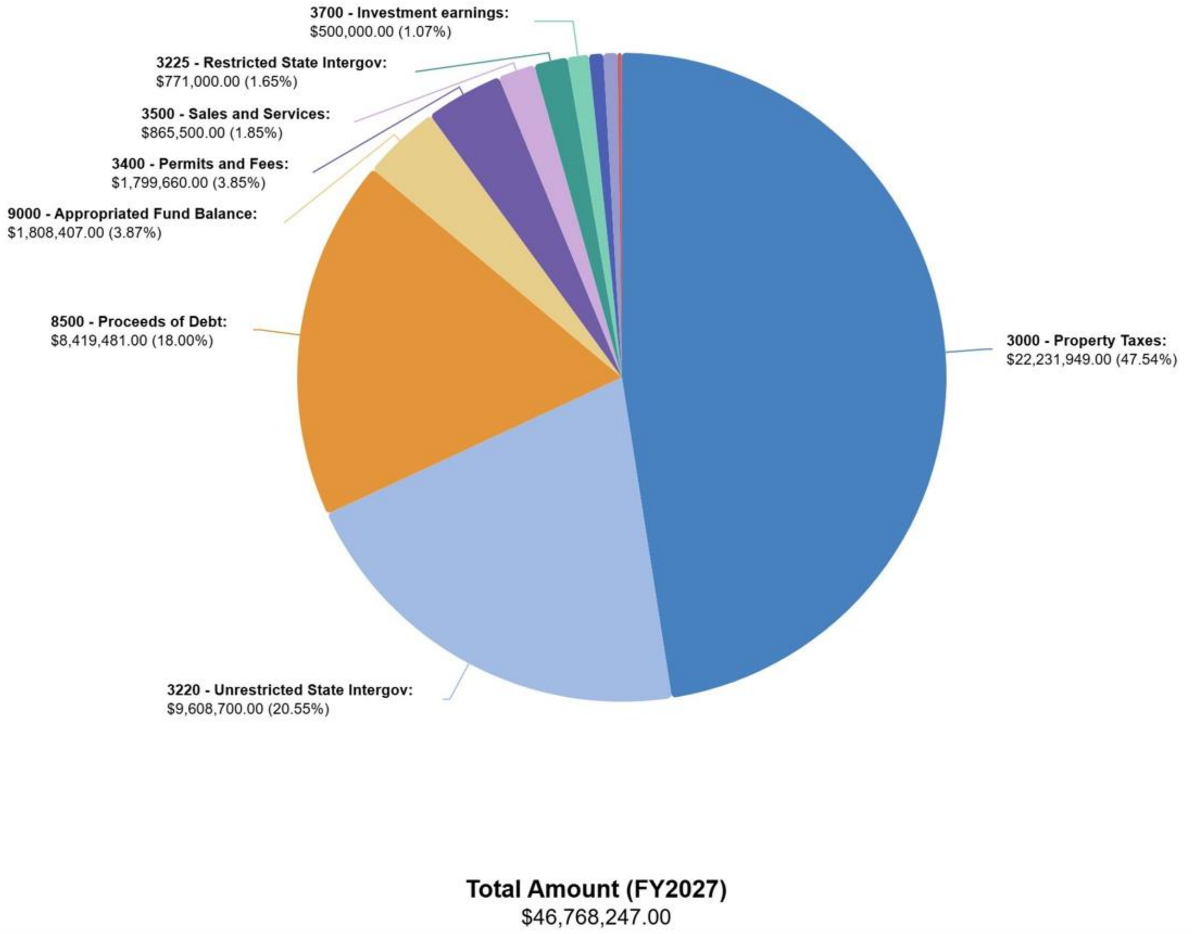
PERSONNEL HISTORY
GENERAL FUND



Outside Agencies

Outside Agencies					
Agency	FY24-25 Actuals	FY25-26 Approved	FY25-26 Actuals	FY26-27 Requested	FY26-27 Variance
Mebane Historical Museum Subsidy*	$51,700	$51,700	$51,700	$54,700	6%
Tommy Long Train Display	$1,384	$10,000	$814	$10,000	0%
Alamance County Arts Council	$10,000	$10,000	$10,000	$10,000	0%
ACTA Subsidy	$6,500	$6,500	$6,500	$6,500	0%
United Way 211	$5,000	$5,000	$5,000	$5,000	0%
Downtown Mebane Development Corp.**	$118,000	$136,600	$136,600	$139,600	2%
Total	$192,584	$219,800	$210,614	$225,800	3%
* This Agency is funded by the General Fund ($46,700) and the Occupancy Tax Fund ($8,000).					
**This Agency is funded by the General Fund ($121,600) and the Occupancy Tax Fund ($18,000).					

General Fund Revenues and Other Financing Sources



Dark purple slice -3230 – Unrestricted Local Intergovernmental $336,000 0.72%
Light purple slice - 3235 – Restricted Local Intergovernmental $330,150 0.71%
Red slice - 3800 – Miscellaneous Revenue $96,500 0.21%
Percentages are rounded to two decimal places.

General Fund Revenues and Other Financing Sources

	FY24-25 ACTUALS	FY25-26 APPROVED BUDGET	FY25-26 AMENDED BUDGET	FY25-26 YTD ACTUALS	FY26-27 PROPOSED	
	FY2025	FY2026	FY2026	FY2026	FY2027	% Change
Revenues						
3000 - Property Taxes	$18,015,138	$19,338,977	$19,338,977	$20,292,662	$22,231,949	15%
3100 - Other Taxes and Licenses	$980	$900	$900	$920	$900	0%
3215 - Restricted Federal intergov	$21,037	$0	$100,591	$4,875	$0	-100%
3220 - Unrestricted State intergov	$8,805,008	$8,831,000	$8,831,000	$5,138,251	$9,608,700	9%
3225 - Restricted State intergov	$722,969	$761,000	$761,000	$661,072	$771,000	1%
3235 - Restricted Local intergov	$314,898	$346,150	$346,150	$265,982	$330,150	-5%
3230 - Unrestricted Local intergov	$353,667	$432,000	$432,000	$46,781	$336,000	-22%
3400 - Permits and Fees	$2,048,323	$1,676,810	$2,415,361	$2,549,283	$1,799,660	-25%
8100 - Transfers from Governmental Funds	–	$0	$2,899,943	–	$0	-100%
3500 - Sales and Services	$833,705	$862,884	$862,884	$652,585	$865,500	0%
3700 - Investment earnings	$691,168	$500,000	$500,000	–	$500,000	0%
3800 - Miscellaneous Revenues	$1,374,589	$59,900	$271,516	$392,134	$96,500	-64%
8150 - Transfers from Other Funds	–	$0	$40,000	$107,844	$0	-100%
8500 - Proceeds of Debt	$1,184,984	$3,161,858	$3,681,858	–	$8,419,481	129%
9000 - Appropriated Fund Balance	–	$1,340,496	$3,495,819	$0	$1,808,407	-48%
REVENUES TOTAL	**$34,366,466**	**$37,311,975**	**$43,977,999**	**$30,112,389**	**$46,768,247**	**6%**

General Fund Debt

Debt Proceeds

Fire Station 4	$6,000,000
Public Works shed	$1,568,481
Leaf vacuum truck	$285,000
Jetter	$175,000
Rear load garbage truck	$160,000
Pick-up truck(plow & service body)	$82,000
Pick-up truck (plow)	$77,000
Salt spreader for dump truck	$40,000
SUV	$32,000
Total debt	$8,419,481

Debt will also be issued in FY26-27 for the Tiller truck for $2.6 million. This debt was approved in the FY25-26 budget.

Debt Payments

- **Fire Station 4:** estimated 5% interest over 20 years, payments will be $349,669 annually.
- **Public Works shed:** estimated 5% interest over 15 years, payments will be $151,111 annually.
- **Vehicles:** estimated 5% interest over 5 years, payments will be $196,560 annually.
- **Tiller truck:** estimated 5% interest over 10 years, payments will be $334,193 annually.
- $324,284 in debt payments retired and/or partially retired in FY25-26/FY26-27.
- Complete Debt Schedules are in the budget document.

General Fund Tax Increase

- Additional estimated revenue generated by a $0.02-cent tax increase is $1,108,604.
- Annual debt payments for the Tiller truck, Fire Station 4, and the Public Works shed total $834,973.
- Community Park Field #1 is being replaced in FY26-27 for $750,000.
- In FY27-28, will need to hire nine (9) Fire Department positions to staff Fire Station 4.
  - This cost is estimated to be approximately $1,004,815 (based on FY26-27 rates)
  - The cost includes 3 Lieutenants, 3 Engineers, & 3 Firefighters

General Fund Tax Increase

Description	Dollars
Estimated increase in revenue from a $0.02 cent tax increase	$ 1,108,604
Annual payments for the Tiller truck Fire Station 4, and the Public Works shed	(834,973)
Remaining dollars to be used to replace Field #1 at Community Park in FY26-27, and toward funding 9 fire positions in FY27-28.	$ 273,631

General Capital Reserve Fund Recommended Budget

FY26-27

General Capital Reserve Fund

General Capital Reserve Fund Revenues & Other Financing Sources				
	FY24-25 Actual	FY25-26 Amended Budget	FY26-27 Recommended Budget	Percent Change
Transfer from General Fund	935,570	1,053,686	1,108,604	5%
Appropriated Fund Balance	-	1,809,697	-	
Interest Earning	24,965	36,560	20,000	-83%
Total revenues	$ 960,535	$ 2,899,943	$ 1,128,604	-157%
Transfers out	-	(2,899,943)	-	0%
Revenues and other sources over expenditures and other uses	$ 960,535	$ -	$ 1,128,604	

Special Revenue Fund – Occupancy Tax Recommended Budget

FY26-27

Special Revenue Fund – Occupancy Tax

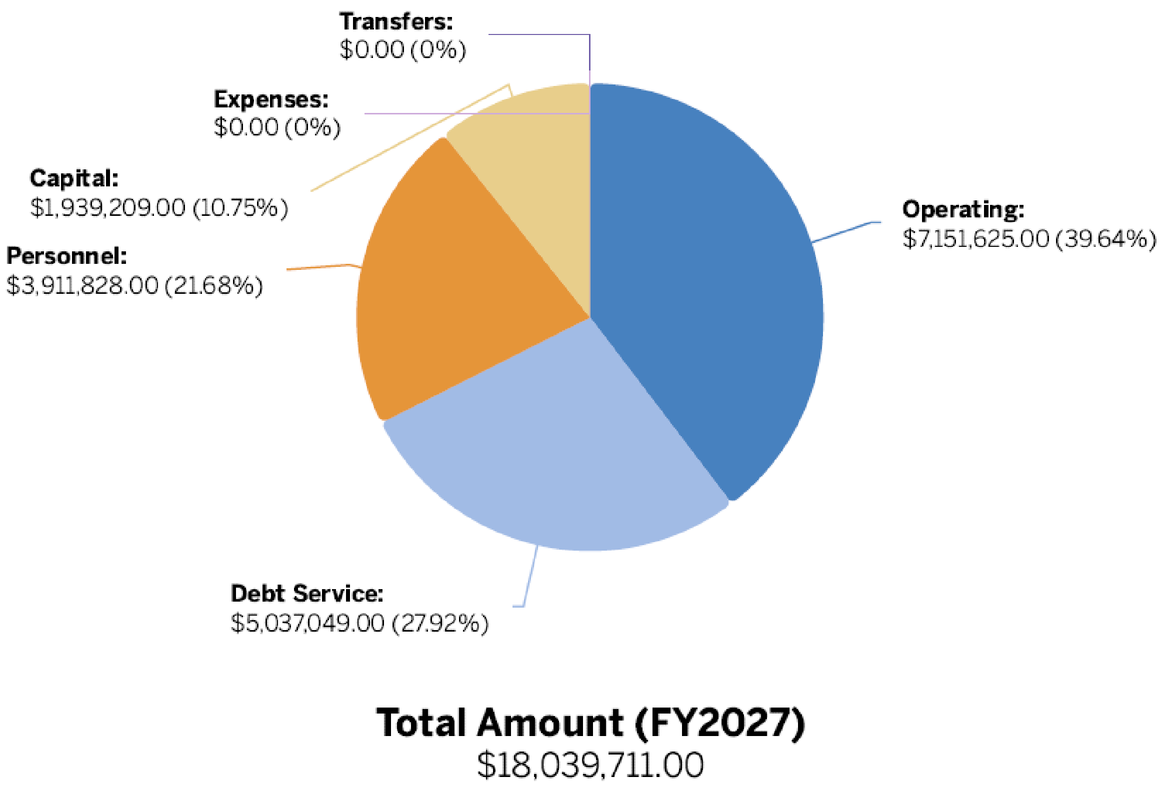
	FY24-25 ACTUALS	FY25-26 AMENDED BUDGET	FY25-26 APPROVED BUDGET	FY25-26 YTD ACTUALS	FY26-27 PROPOSED	
	FY2025	FY2026	FY2026	FY2026	FY2027	% Change
Revenues						
3100 - Other Taxes and Licenses	$253,189	$226,000	$226,000	$132,111	$257,400	14%
3700 - Investment earnings	$839	$0	$0	–	$0	–
9000 - Appropriated Fund Balance	–	$0	–	–	$70,000	–
REVENUES TOTAL	**$254,027**	**$226,000**	**$226,000**	**$132,111**	**$327,400**	**45%**

	FY24-25 ACTUALS	FY25-26 APPROVED BUDGET	FY25-26 AMENDED BUDGET	FY26-27 PROPOSED BUDGET	
	FY2025	FY2026	FY2026	FY2027	Percent Change
Expenses					
Occupancy Tax					
020 - SALARIES & WAGES	$46,885	$50,514	$50,514	$64,987	29%
050 - FICA	$3,587	$3,864	$3,864	$3,379	-13%
060 - GROUP INSURANCE CONTRIBUTION	$6,698	$10,036	$10,036	$4,311	-57%
070 - RETIREMENT CONTRIBUTION	$10,830	$7,552	$7,552	$6,670	-12%
265 - SOCIAL MEDIA AND MARKETING	$46,000	$107,994	$107,994	$136,757	27%
266 - TOURISM ACTIVITIES	$37,000	$37,000	$37,000	$101,000	173%
270 - TAX COLLECTION FEE	$7,550	$9,040	$9,040	$10,296	14%
EXPENSES TOTAL	**$158,550**	**$226,000**	**$226,000**	**$327,400**	**45%**

Utility Fund Recommended Budget

FY26-27

Utility Fund Expenditures



Percentages are rounded to two decimal places.

Utility Fund Expenditures by Category

	FY24-25 ACTUALS	FY25-26 ADOPTED	FY25-26 AMENDED BUDGET	FY25-26 ACTUALS	FY26-27 PROPOSED	
	FY2025	FY2026	FY2026	FY2026	FY2027	Percentage Change
Expenses						
Personnel	$3,044,531	$3,390,751	$3,376,140	$2,623,476	$3,911,828	16%
Operating	$4,560,362	$5,947,937	$6,274,027	$4,078,583	$7,151,625	14%
Capital	$1,306,276	$400,440	$606,338	$382,376	$1,939,209	220%
Debt Service	$3,025,154	$5,016,281	$5,016,281	$4,677,611	$5,037,049	0%
Transfers	$1,635,333	$0	$0	–	$0	–
EXPENSES TOTAL	**$13,571,656**	**$14,755,409**	**$15,272,786**	**$11,762,047**	**$18,039,711**	**18%**

Utility Fund Expenditures by Expenditure Type

	FY24-25 ACTUALS	FY25-26 APPROVED BUDGET	FY25-26 AMENDED BUDGET	FY25-26 YTD ACTUALS	FY26-27 REQUESTED	
	FY2025	FY2026	FY2026	FY2026	FY2027	Percent Increase
Utility Fund						
100 - Salaries and Wages - Benefited	$1,541,446	$1,680,174	$1,669,974	$1,320,972	$1,949,268	17%
101 - Salaries and Wages - Non - Benefited	$30,348	$44,234	$44,234	$27,983	$47,034	6%
110 - Fringe Benefits	$1,472,736	$1,666,343	$1,661,932	$1,274,522	$1,915,526	15%
190 - Professional Services	$587,313	$410,600	$643,730	$407,935	$458,800	-29%
300 - Services and Contracts	$1,350,746	$2,130,728	$2,260,453	$1,636,955	$3,032,427	34%
200 - Supplies and Materials	$2,622,303	$3,406,609	$3,369,844	$2,033,693	$3,660,398	9%
700 - Capital Outlay	$1,306,276	$400,440	$606,338	$382,376	$1,939,209	220%
800 - Debt Service	$1,889,670	$1,694,980	$1,694,980	$1,365,382	$1,721,980	2%
801 - Debt Service Interest	$1,135,484	$3,321,301	$3,321,301	$3,312,229	$3,315,069	0%
916 - Transfers to Capital Project Fund	$1,635,333	$0	$0	–	$0	–
UTILITY FUND TOTAL	**$13,571,656**	**$14,755,409**	**$15,272,786**	**$11,762,047**	**$18,039,711**	**18%**

Utility Fund Expenditures by Department

	FY24-25 ACTUALS	FY25-26 APPROVED BUDGET	FY25-26 AMENDED BUDGET	FY25-26 YTD ACTUALS	FY26-27 PROPOSED BUDGET	
	FY2025	FY2026	FY2026	FY2026	FY2027	Percent Change
Expenses						
Admin, Meters and Billing	$2,255,336	$1,890,601	$1,922,271	$1,502,743	$2,141,455	11%
Utility Maintenance	$6,209,816	$4,902,894	$5,267,647	$3,519,851	$6,094,435	16%
Utility Engineering	$293,000	$303,000	$303,000	$263,460	$350,000	16%
Water Resource Recovery Facility	$2,694,326	$2,550,633	$2,671,587	$1,716,947	$4,024,683	51%
Utility Non-Departmental	$5,025,224	$5,108,281	$5,108,281	$4,759,045	$5,429,138	6%
EXPENSES TOTAL	**$16,477,702**	**$14,755,409**	**$15,272,786**	**$11,762,047**	**$18,039,711**	**18%**

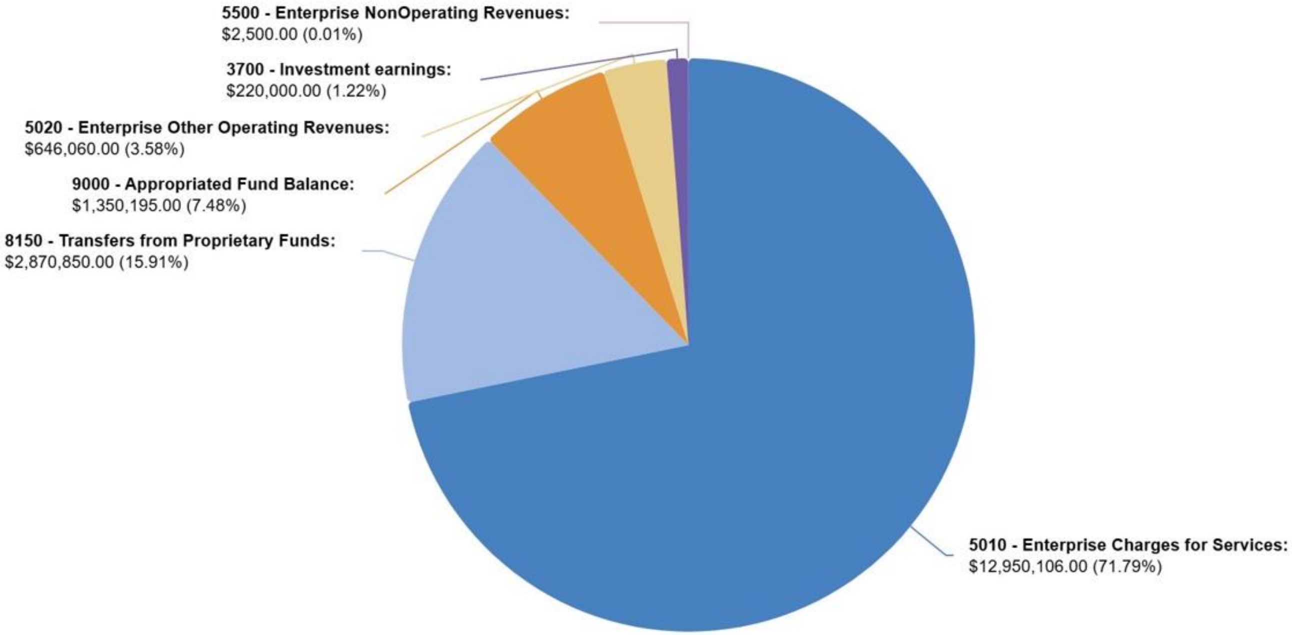
Utility Fund
Capital Highlights

- *750,000 gallons per day share of agreed upon capital improvements for the City of Graham's WWTP - $465,750*
- *Principal and interest payments for the City of Graham's WWTP Expansion project - $366,990*
- *One-time closing costs for the City of Graham WWTP Expansion project - $248,969*
- *50% share of agreed upon capital improvements for the Water Treatment Plant (WTP) shared with the City of Graham - $240,000*
- *Jones Road Outfall – engineering costs - $225,000*

Utility Fund Debt

- The FY26-27 budget is the last year of interest only payments for the Water Resource Recovery Facility (WRRF) Expansion revenue bonds. The interest payment is $2,870,850.
- The FY26-27 recommended budget includes a transfer from the Utility Capital Reserve Fund in the amount of the interest payment.
- Starting in FY27-28, payments on both the principal and interest will begin and will average annual payments of $4.3 million until the debt is retired in FY49-50.
- No debt retired in FY25-26.
- Complete Debt Schedules are in the budget document.

Utility Fund Revenues and Other Financing Sources



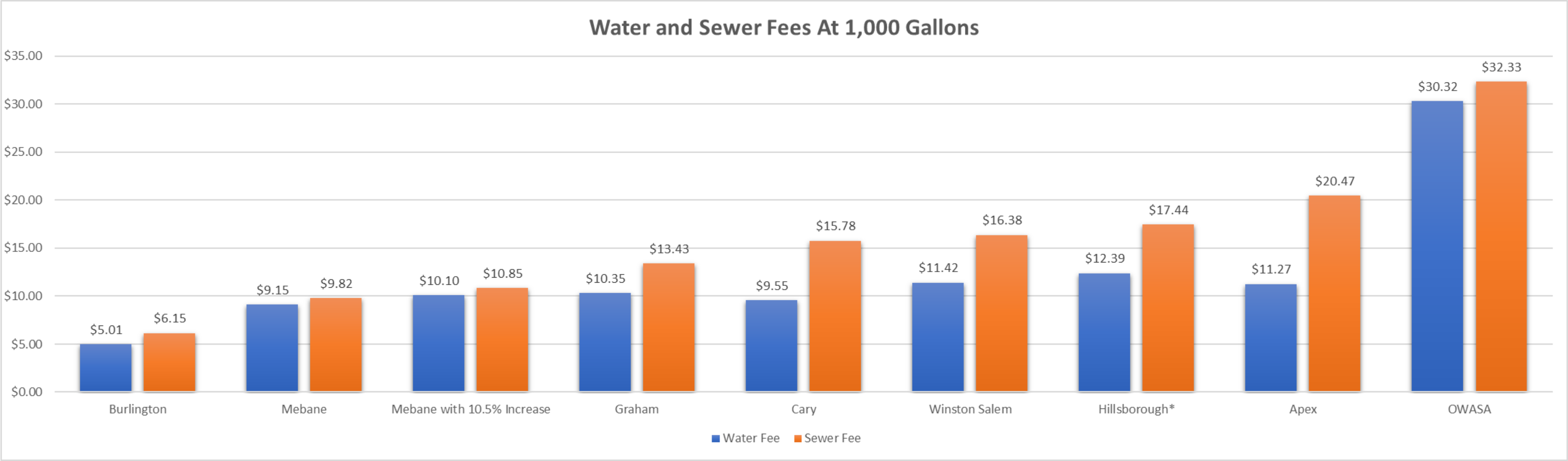
Total Amount (FY2027)
$18,039,711.00

Percentages are rounded to two decimal places.

Utility Fund Revenues and Other Financing Sources

	FY24-25 ACTUALS	FY25-26 APPROVED BUDGET	FY25-26 AMENDED BUDGET	FY25-26 YTD ACTUALS	FY26-27 PROPOSED	
	FY2025	FY2026	FY2026	FY2026	FY2027	% Change
Revenues						
5500 - Enterprise NonOperating Revenues	$46,116	$2,500	$2,500	$34,515	$2,500	0%
5010 - Enterprise Charges for Services	$10,290,533	$11,393,814	$11,393,814	$8,457,712	$12,950,106	14%
3400 - Permits and Fees	$86,000	$0	$0	$25,160	$0	–
8100 - Transfers from Governmental Funds	–	$0	$175,000	–	$0	-100%
5020 - Enterprise Other Operating Revenues	$633,989	$637,025	$637,025	$764,183	$646,060	1%
3700 - Investment earnings	$154,006	$200,000	$200,000	–	$220,000	10%
3800 - Miscellaneous Revenues	$242,837	$0	$0	–	$0	–
8150 - Transfers from Proprietary Funds	$32,864	$0	$0	–	$2,870,850	–
8500 - Proceeds of Debt	$758,750	$175,000	$0	–	$0	–
9000 - Appropriated Fund Balance	–	$2,347,070	$2,864,447	–	$1,350,195	-53%
REVENUES TOTAL	**$12,245,095**	**$14,755,409**	**$15,272,786**	**$9,281,571**	**$18,039,711**	**18%**

RATE COMPARISONS



Water & Sewer Rates
10.5% Increase

FY26-27 Proposed Rates	Per 1,000 Gallons
Inside Water	$10.10
Inside Sewer	$10.85
Outside Water	$20.20
Outside Sewer	$21.70

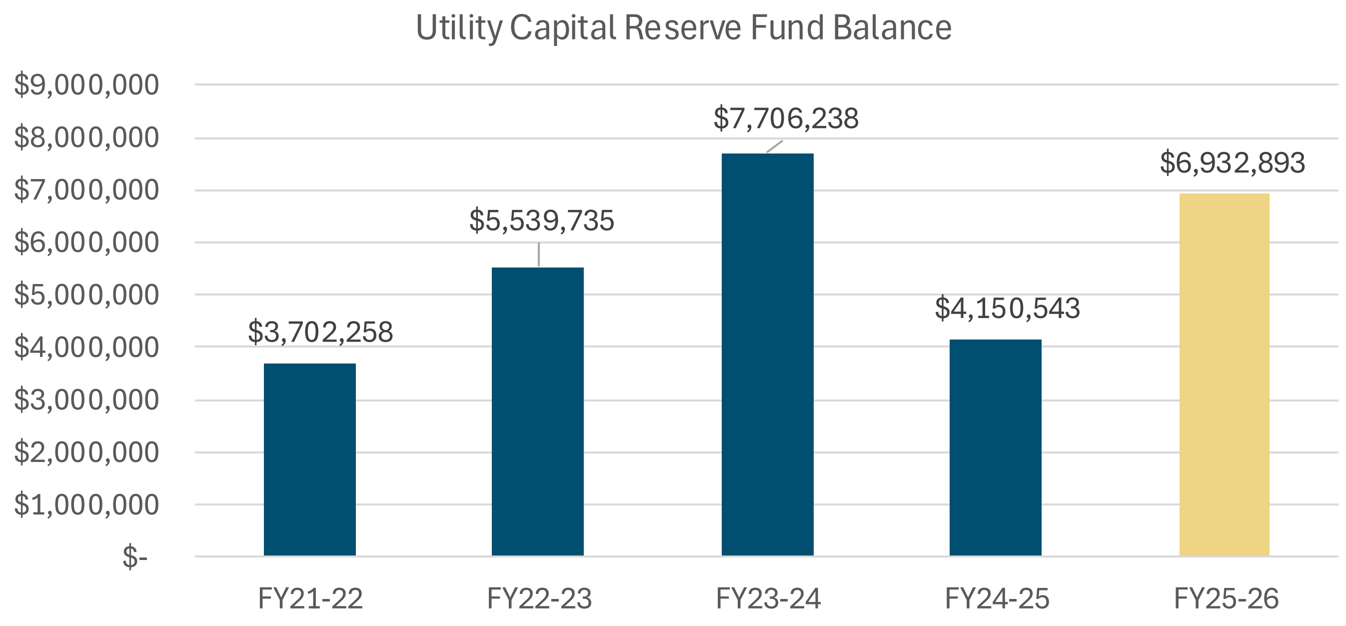
Capital Reserve Fund Recommended Budget

FY26-27

Utility Capital Reserve Fund

Utility Capital Reserve Fund Revenues & Other Financing Sources				
	FY24-25 Actual	FY25-26 Amended Budget	FY26-27 Recommended Budget	Percent Change
System Development Fees	3,654,226	2,817,714	3,591,298	22%
Appropriated Fund Balance	-	-	2,870,850	
Interest Earning	127,215	20,000	20,000	0%
Total revenues and other funding sources	$ 3,781,441	$ 2,837,714	$ 6,482,148	56%
Transfers out (Systems Development Fees)	(7,337,136)	-	(2,870,850)	0%
Revenues and other sources over expenditures and other uses	**(3,555,695)**	**2,837,714**	**3,611,298**	21%

Utility Capital Reserve Fund



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The FY25-26 number is as of 4.27.26. The drop in fund balance in FY24-25 was due to transferring $7,012,136 to the WRRF Expansion Capital Project Ordinance.

Next Steps

- Motion to Set Public Hearing for June 1, 2026
- Budget Work Session – May 13, 2026
- Council Adoption – June 1, 2026

Questions?

Mr. Brown

Alamance County Library Committee Appointment Recommendations

Alamance County Library Committee Mebane Trustee Recommendation

- 2 openings

Applicants:

- Melissa Teets
- Kayla Schilke
- Mandy Al-Bjaly

Mebane
Positively Charming

Ms. Ownbey, Development Director

Downtown Exterior Improvements Grant Award- 132 W. Clay Street

Downtown Exterior Improvements Grant

MEBANE DOWNTOWN EXTERIOR IMPROVEMENTS GRANT

WHAT DOES THE GRANT FUND?

The City will provide a grant in an amount up to 50% of the total cost for approved exterior renovation projects, maximum grant of $10,000 per property. Grants are limited to one per property each year and fund the following items/work:

- Façade Improvements & Renovations, including:
  - Restoration of original façade;
  - Repairs to external features such as storefronts, trim, cornices, etc.;
  - Painting (see Requirements);
  - Replacement of windows with windows of appropriate style and materials
- Preservation of unique architectural and/or historic properties and/or features
- Permanent art such as murals on exterior walls – does not include window art
- Exterior Seating on private property owned or leased by applicant to serve related Downtown business uses

GRANT CONDITIONS

- Properties must be within the area of focus in the City's adopted *Downtown Vision Plan*.
- Grants are subject to available funding. $50,000 is available in FY21-22.
- Property owner is required to contribute a minimum of 50% of funds to the project and will be reimbursed for qualifying expenses upon report that includes total cost of project with copies of paid receipts.
- All encroachments into City rights of ways and easements subject to City approval
- A grant must be approved prior to commencement of any construction work, or reimbursement may not be assured.
- Grants take the form of reimbursements after the fact, which means that all work covered by the grant must be completed and paid for by the owner prior to reimbursement by the grant. Grant applications are subject to fair and impartial review of the merits of the project, completeness of the application, availability of grant funds, and other factors.
- A project that deviates from the submitted plans without prior City approval will not be eligible for reimbursement of costs.

APPLICATION AND APPROVAL PROCESS

- Submit an application to the City of Mebane no later than February 15, 2022.
- All projects must comply with the requirements of the City of Mebane's ordinances and NC State Building Codes.
- All rehabilitations on buildings will attempt, as feasible, to follow the "Secretary of the Interior's Standards for Rehabilitation" of commercial buildings (see attached).
- All applicants must obtain at least two cost estimates for labor and materials and provide copies of each quote attached to the application.
- All projects shall be delivered 12 months following award.

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- $50,000 allocated by City Council in FY 25-26 Budget
- Program adopted at the November 1, 2021, meeting
- The City is still accepting applications.

Downtown Exterior Improvements Grant

MEBANE DOWNTOWN EXTERIOR IMPROVEMENTS GRANT

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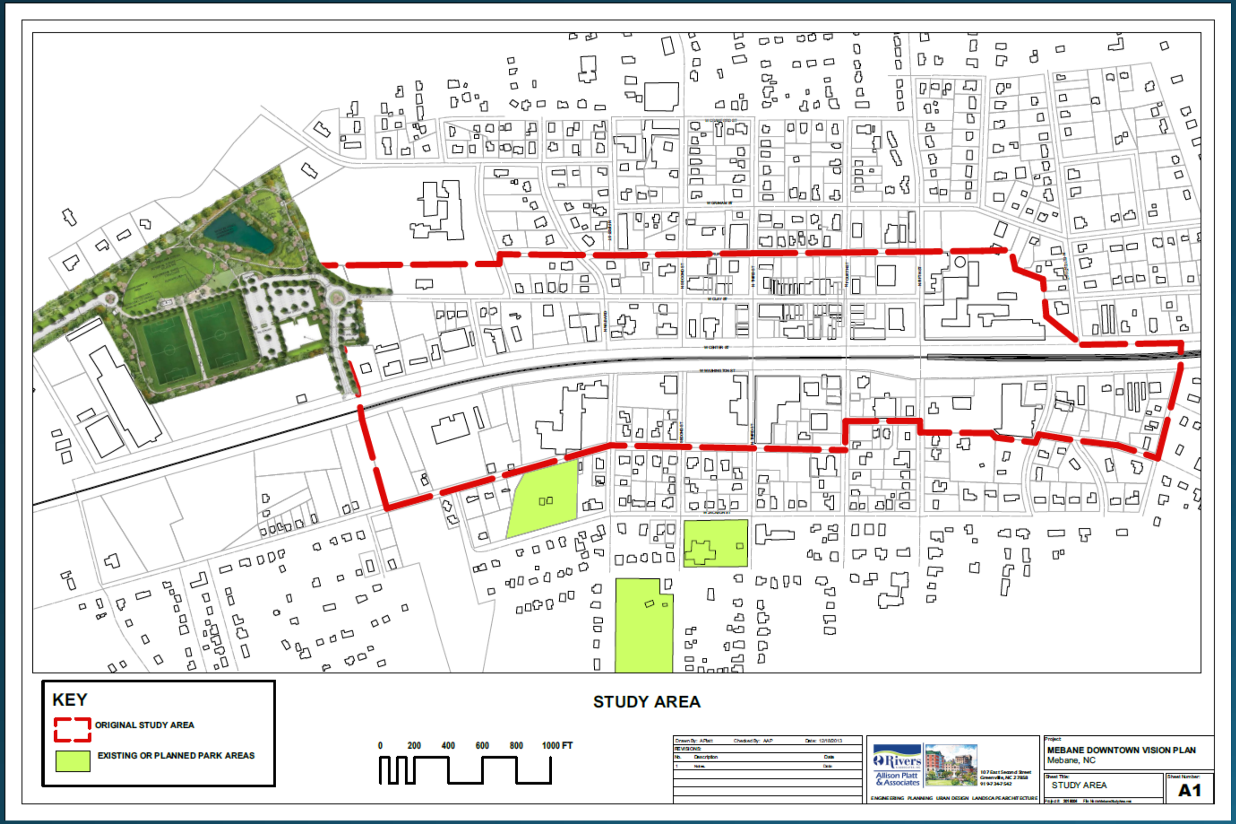
- Must have two quotes, minimum
- Tenants must have documented property owner approval
- Offsite commitments must have written permission, inc. from City ROW/sidewalk
- Changes to application after awarded must be pre-approved by staff

Downtown Exterior Improvements Grant



- Properties must be within area of *Downtown Vision Plan*
- 50/50 match for proposed project, to be reimbursed following project completion and inspection
- Up to $10,000
- First-come, first-served

Downtown Exterior Improvements Grant

- Façade Improvements
- Historic Preservation
- Art
- Outdoor Seating

132 West Clay Street

- Request by business owner with permission from property owner
- Installation of awning with signage
- Requesting $1,014.13

Kyle Smith, Utilities Director

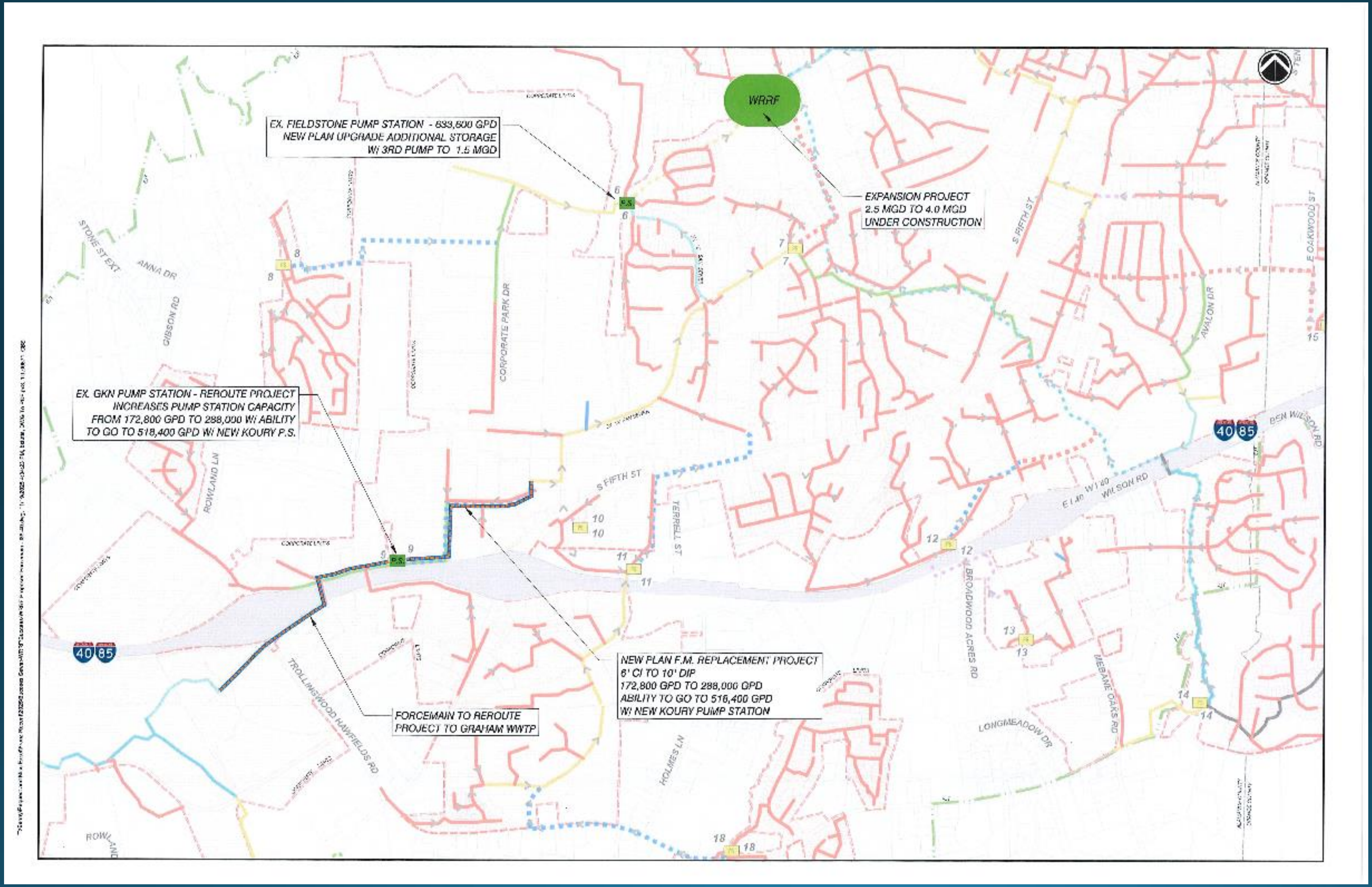
West Ten Road Waterline Connector- Cost Share MOU

Contract Award- Fieldstone Sewer Pump Station Upgrade Project

Franz Holt, City Engineer
Kyle Smith, Utilities Director
Daphna Schwartz, Finance Director

Fieldstone Pump Station Upgrade Project

- The project increases the Fieldstone Sewer Pump Station pumping ability from 0.633 mgd up to 1.5 mgd
- Design/Build Selection Process yielded two Statement of Qualifications responses (with the readvertisement city is allowed to proceed to award)
- Based on the selection criteria established in the RFQ staff recommends awarding a contract to Crowder Construction Company with McGill as the project engineer
- Total Project Budget: $2,584,684
    - Phase 1 - Preconstruction Services and Allowance for Long Lead Time Equipment Items - $1,151,592
    - Phase 2 – Agreement for remaining engineering and construction - $1,433,092 (estimated) formalized with a Guaranteed Maximum Price taken to Council for Approval (anticipated in January 2027)
- City staff recommends awarding a contract to Crowder Construction Company for Phase 1 of the Fieldstone Pump Station Upgrade project in the amount of $1,151,592.
- City staff recommends approval of the transfer of revenue bond funds remaining in the Elevated Water Tank CPO ($1,528,535) to the GKN and Fieldstone Pump Station Projects CPO.


WRRF
EX. FIELDSTONE PUMP STATION - 633,600 GPD
NEW PLAN UPGRADE ADDITIONAL STORAGE
W/ 3RD PUMP TO 1.5 MGD
EXPANSION PROJECT
2.5 MGD TO 4.0 MGD
UNDER CONSTRUCTION
EX. GKN PUMP STATION - REROUTE PROJECT
INCREASES PUMP STATION CAPACITY
FROM 172,800 GPD TO 288,000 W/ ABILITY
TO GO TO 518,400 GPD W/ NEW KOURY P.S.
NEW PLAN F.M. REPLACEMENT PROJECT
6' CI TO 10' DIP
172,800 GPD TO 288,000 GPD
ABILITY TO GO TO 518,400 GPD
W/ NEW KOURY PUMP STATION
FORCEMAIN TO REROUTE
PROJECT TO GRAHAM WWTP
STONE ST EXT
ANNA DR
GIBSON RD
CORPORATE PARK DR
ROWLAND LN
S FIFTH ST
TERRELL ST
BROADWOOD ACRES RD
MEBANE OAKS RD
LONGMEADOW DR
HOLMES LN
TROLLINGWOOD HAWFIELDS RD
AVALON DR
E OAKWOOD ST
BEN WILSON RD
WILSON RD
E I-40 W I-85
40
85

Closed Session for Legal Claim to NCGS 143-318.311(a)3

Announcements:

- May 13th @ 1:00 pm- Council Budget Work Session-
  Council Chambers of the Glendel Stephenson Municipal Building

- City offices will be closed on Monday, May 25th in observance of Memorial Day

Mayor Hooks

Adjournment