

**Town of Clayton**  
**Fiscal Year 2025-2026**  
**Budget Ordinance**

BE IT HEREBY ADOPTED BY THE TOWN COUNCIL FOR THE TOWN OF CLAYTON, NORTH CAROLINA that the following shall be the Fiscal Year 2025 - 2026 Budget:

Section 1: The following amounts are hereby appropriated in the General Fund for the operation of the town government and its activities for the fiscal year beginning July 1, 2025 and ending June 30, 2026 in accordance with the chart of accounts heretofore established for the Town of Clayton:

General Government	12,997,609
Financial Services	6,111,828
Planning	909,841
Economic Development	157,214
Inspections	2,019,338
Human Resources	864,640
Community Development	878,038
Data and Technology Services	3,821,265
Communications & Outreach	424,861
Law Enforcement	8,184,900
Engineering	1,117,413
Fire & Emergency Services	7,375,600
Operations Management	882,700
Public Works	13,825,353
Parks & Recreational Services	2,820,100
Cultural & Performing Arts	993,000
Library Operations	1,092,000
Debt Service	2,697,200
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Total	67,172,900

Section 2. It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

REVENUES PENDING	
Ad Valorem Taxes	26,877,000
State Shared Revenues	11,961,400
Intergovernmental	5,142,600
Permits & Fees	2,366,400
Sales & Services	3,769,000
Grants & Donations	742,400
Other Financing Sources	7,400,000
Miscellaneous	3,411,500
Fund Balance/Cap. Reserve	5,502,600
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Total	67,172,900

Section 3. The following amounts were hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer utilities for the fiscal year beginning July 1, 2025 and ending June 30, 2026 in accordance with the chart of accounts heretofore approved for the Town:

Non-Departmental	7,781,215
Administration	1,492,900
Operations	7,075,400
Preventive Maintenance	1,586,500
Wastewater Treatment Plant	7,772,600
Debt Service	15,625,100
Capital Outlay	2,240,000
Inter-Departmental	4,698,385
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Total	48,272,100

Section 4. It is estimated that the following revenues will be available in the Water and Sewer Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

REVENUES PENDING

Permits & Fees	6,964,300
Sales & Services	41,259,300
Miscellaneous	48,500
Fund Balance/Cap. Reserve	0
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Total	48,272,100

Section 5. The following amounts are hereby appropriated in the Electric Fund for the operation of the electric utility for the fiscal year beginning July 1, 2025 and ending June 30, 2026 in accordance with the chart of accounts heretofore approved for the Town:

Non-departmental	917,517
Administration	330,400
Operations	14,947,800
Debt Service	1,309,700
Capital Outlay	6,195,000
Inter-departmental	2,024,183
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Total	25,724,600

Section 6. It is estimated that the following revenues will be available in the Electric Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026:

REVENUES PENDING

Permits & Fees	1,114,800
Sales & Services	20,294,800
Other Financing Sources	2,000,000
Miscellaneous	127,000
Fund Balance/Cap. Reserve	2,188,000
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Total	25,724,600

Section 7. There is hereby levied a tax at the rate of forty-nine cents (\$0.49) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2025 for the purpose of raising the revenue listed as “Ad Valorem Taxes” in the General Fund in Section 2 of this ordinance. This rate is based on an estimated real property valuation for the purposes of taxation of \$5,116,395,066 and an estimated rate of collection of 97.82%. The estimated rate of collection is based on the fiscal year 24-25 collection rate of 99.75%. The estimated vehicle property valuation for the purpose of taxation is \$343,283,901. There is hereby levied a Municipal Vehicle Tax at a rate of \$30 per vehicle registered as of July 1, 2025.

Section 8. There are hereby seven (7) new positions approved for Fiscal Year 2025–2026. Authorized position totals are as follows:

- 6 elected officials
- 355 full-time
- 25 permanent part-time
- 1 full-time water resources apprentice
- 1 full-time electric enterprise apprentice
- 10 interns
- A pool of auxiliary positions in Fire and Police
- A pool of seasonal/roster workers as needed to support operations, subject to available funding at the discretion of the Town Manager

New position authorizations are initially established by the annual budget ordinance, and changes authorized by the Town Manager to this schedule may occur during the fiscal year as reclassifications of authorizations to meet the changing needs of the organization.

Succession planning may require onboarding a successor employee prior to the effective date of the current employee’s retirement or separation from the Town to meet the needs of the organization. The Town Manager is authorized to utilize lapse salary for succession planning or reassignment of positions within each fund without Council approval. Other funding sources for succession planning require Council approval.

Additionally, the Town Manager is authorized to:

- Develop and implement Career Progression Plans within Town departments, provided that such plans do not increase the total number of Full-Time Equivalent (FTE) positions and are fully funded within the limits of the currently approved fiscal year budget.
- All previously adopted Town Council policies pertaining to Career Progression Plans shall be reclassified as Town Manager Administrative Policies. These policies will be reviewed, updated, and maintained under the authority of the Town Manager in accordance with current administrative practices and organizational needs.

Section 9. The Budget Officer may reallocate funds accrued due to personnel lapse salary to provide the Town Manager with reasonable flexibility to mitigate unforeseen circumstances and/or effectively advance operational priorities.

- During the first six months of the fiscal year, a maximum of \$75,000 per department may be reallocated without Council approval.
- During the second half of the fiscal year, there is no cap on the amount that may be reallocated, provided it remains within available lapse salary and the approved budget.

The Town Manager may also authorize the use of lapse salary funds to engage contractors or consultants to temporarily fill a vacant role, based on the criticality of the position and workload demands, as determined by the Town Manager.

The Town Manager will provide a formal mid-year report in January summarizing the usage of lapse salary reallocations during the first half of the fiscal year. All usage of lapse salary is subject to the approval of the Town Manager/Budget Officer and may not be delegated.

Section 10. Operating funds encumbered and unspent Program Initiative funds on the financial records as of June 30, 2025, are hereby re-appropriated to Fiscal Year 2025-2026 subject to approval by the Town Manager/Budget Officer or his/her designee.

Copies of this Budget Ordinance shall be furnished to the Clerk, the Council, the Budget Officer, the Finance Director, and the Budget Manager to be kept on file by them for their direction in the disbursement of funds.

Duly adopted this 16<sup>TH</sup> day of JUNE 2025 while in regular session.

  
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Jody L. McLeod  
Mayor

ATTEST:

APPROVED AS TO FORM

  
\_\_\_\_\_  
Sam Johnson-Phillips, CMC  
Deputy Town Clerk

  
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Jim Cauley  
Town Attorney

