



# Town of Clayton FY 25-26 Budget Book

Town of Clayton



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# Think CLAYTON

NORTH CAROLINA



## ANNUAL BUDGET

# FY 25-26



# How to Use This Document

The Town of Clayton's FY 25-26 Budget Book is designed to serve as a transparent, user-friendly guide for understanding the Town's financial priorities, operations, and long-term strategic focus. This document provides a comprehensive overview of how public funds are allocated and managed within the Town's operational structure. Whether you are a resident, Council member, Town staff member, or interested stakeholder, we hope you take the opportunity to inspect and review all sections that align with your interests or informational needs.

Throughout this document, certain key terms appear in **bold**. If these terms are not immediately defined within the body of the book, they have been defined in the *Glossary*, located in the Appendix at the end of the document.

To help navigate the information presented, this section outlines the structure of the budget book and describes what you can expect to find in each chapter:

- Budget-in-Brief: A concise summary of The Town of Clayton's annual budget that highlights where money comes from, how it is spent, and how investments align with the Town's strategic priorities.
- Introduction: Provides foundational context for the budget book, including the Town of Clayton's mission, vision, and strategic plan focus areas. It also introduces the Town's governance structure and organizational framework.
- Budget Framework: Provides information about the budget process itself, including the timeline with dates, certain rules and policies that guide the Town in developing its budget, an overview of revenue sources and changes in personnel.
- Funds Summary: Breaks down the budget by fund types (e.g., General Fund, Enterprise Funds) and presents consolidated financial data for each.
- Departmental Summaries: Details the budget allocations for each department, including organizational charts, staffing levels, and core functions.
- Capital Improvement Plan: Outlines planned investments in long-term assets such as roads, parks, and public buildings, including project timelines and funding sources. This section details plans in both a 1-year and a multi-year timeline in the General Fund. A separate section summarizes the CIPs for Water Sewer and Electric Enterprise funds.
- Capital Projects Overview: Provides more detailed descriptions of individual capital projects that have been prioritized in the Capital Improvement Plan.
- Debt Services: Reviews the Town's outstanding debt obligations and explains how debt is managed as part of the overall financial strategy.
- Appendix: Includes supporting documentation such as the original budget message delivered on May 19, 2025, history of the Town, demographic data, and a glossary of terms.



# Budget-in-Brief – FY 2025-2026

## Introduction

The [Town of Clayton's Adopted FY 2025-2026 Budget](#) totals \$141.2 million across three funds – General Fund, Water Sewer, and Electric Enterprise Fund. This budget reflects the Town's commitment to delivering services, maintaining fiscal responsibility, and advancing the priorities outlined in the [Town's Strategic Plan](#). It strikes a balance between meeting today's needs and preparing for the future, ensuring investments in our people, infrastructure, and quality of life.

Clayton is the fastest-growing town in Johnston County. With this growth comes both opportunity and responsibility – the opportunity to enhance amenities, strengthen our economy, and expand cultural offerings; and the responsibility to carefully manage resources and maintain financial health.

## Revenue Overview – Where the Money Comes From

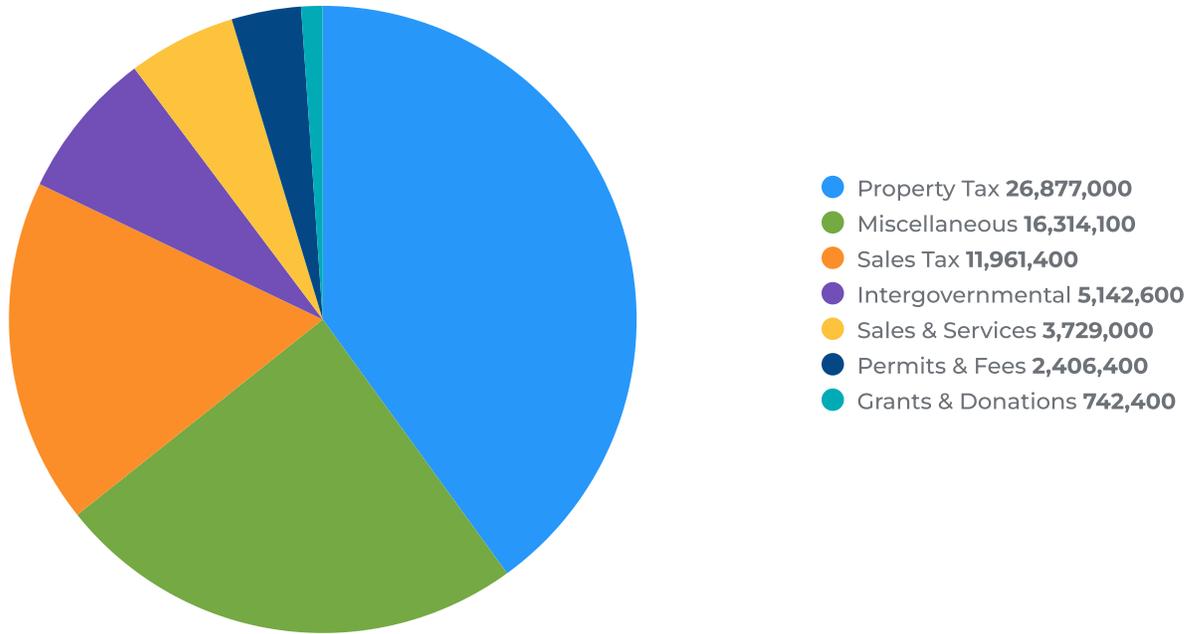
The Town's revenues come from a mix of taxes, fees, sales, and service charges. This diversified approach helps reduce reliance on any single source and builds resilience against economic fluctuations.

General Fund Revenues (FY 2025-2026: \$62.5 million)

- Property Tax – 40% of Total Revenues
  - Johnston County performed a reappraisal (revaluation) of real properties for FY26, and this process resulted in increased property values of more than 55%. This increase in valuation resulted in a **Revenue Neutral Tax Rate (RNTR)** of \$0.45/\$100 assessed value, down from \$0.65/\$100 in FY 2024-2025.
  - Adopted tax rate: \$0.49 per \$100 valuation (includes \$0.05 dedicated to the Capital Improvement Program).
- Sales Tax – 15% of Total Revenues
  - Projected at \$9.4 million in FY 2024-2025, budgeted conservatively in FY 2025-2026 at 2.5% growth.
- Intergovernmental – 8% of Total Revenues
  - Claytex Fire District (\$4.6 million) agreement reimburses the Town of Clayton for fire services provided other towns in Johnston County outside of Clayton town limits
- Sales and Services – 6% of Total Revenues
  - Solid waste services, Parks & Recreation programs and facility rentals, and ticket sales from events hosted at the Clayton Center and other cultural venues.
- Permits & Fees – 4% of Total Revenues
  - Reflects growth in development activity; occasionally exceeds projections due to unanticipated large-scale projects.
- Other Revenues – 27% of Total Revenues
  - Includes grants, capital financing proceeds, and investment earnings.



### Revenue Sources, FY 2025-2026



## Expenditure Overview – Where the Money Goes

Expenditures reflect both operational needs and larger investments. The General Fund budget supports essential services like public safety and public works, as well as amenities that enhance Clayton’s quality of life.

### General Fund Expenditures (FY 2025-2026: \$62.5 million)

- Public Safety – 23% of Total Expenses
  - Funding for police and fire operations, protective equipment, radios, and emergency response.
- Public Works & Infrastructure – 21% of Total Expenses
  - Street rehabilitation, sidewalk improvements, and stormwater upgrades.
- General Government – 17% of Total Expenses
  - Administrative support, technology modernization, and leadership capacity. Also includes town-wide capital purchases (land, buildings, etc)
- Parks, Library, & Cultural Arts – 7% of Total Expenses
  - Cultural Arts Center programming, park and library operations.
- Community Development – 7% of Total Expenses
  - Inspections, planning, engineering, and development services
- Other Services – 19% of Total Expenses
  - Community engagement, economic development, as well as some overhead functions like Finance and Debt Service.



## Key Budget Drivers

Several factors shape the FY2025-2026 budget and highlight areas where resources must be allocated:

- Population Growth: Continued growth drives demand for expanded services, utilities, and infrastructure.
- Capital Investment: The **general fund** operating budget supports debt service for capital projects such as the library renovation and new public safety centers.
  - Support for water/sewer expansion and upgrade capital projects is provided by revenues from sales and services, as well as permit and development fees.
  - Similarly, support for electric system replacement and expansion capital projects is supported by sales, permits and fees in the Electric Enterprise fund.
- Workforce Investment: Includes a 5% merit pool, 2% cost-of-living adjustment (COLA), and increased contributions to health and retirement benefits. Seven new full-time positions are funded.
- Utility Rates: Water and sewer rates will increase by a combined average of 10.2%. Electric rates increase by 2%. Both of these rate increases are driven by increases in wholesale utility costs, plus necessary capital investments in replacement and expansion.
- Financial Stability: A conservative approach to revenue ensures the Town maintains a strong financial position. Fund balance remains healthy, providing flexibility amid economic uncertainty.

## Strategic Plan

The FY 2025-2026 Budget supports the Town's Strategic Plan, adopted in September 2024. Budget requests are aligned to one of the seven focus areas. Examples:

1. Vibrant Downtown – Façade grants, special events, library and cultural arts programming.
2. Desirable Amenities and Spaces –Athletic and playground equipment replacement, parks special events including July 4<sup>th</sup> and Christmas Village and Tree Lighting.
3. Sustainable Infrastructure Investment – Water/sewer repairs, electric line replacements, expansion and maintenance of utilities infrastructure.
4. Mobility, Transportation, and Transit – Street rehabilitation, sidewalk maintenance and expansion.
5. Diversified Economic Development – Economic Development strategic plan update, commercial redevelopment tools, outreach at conferences and trade shows.
6. Community Outreach and Engagement – New programming and public education initiatives.
7. Public Safety –Protective equipment for police and fire, body cameras, radios.



## Looking Ahead

The FY2025-2026 Budget is a financial plan and a roadmap for advancing Clayton's community priorities. Key initiatives for the coming year include:

- Complete Sam's Branch Water Reclamation Facility.
- Launch an RFP for a new Enterprise Resource Planning (ERP) system.
- Continue modernization efforts across departments.
- Expand capacity for growth while maintaining fiscal discipline.

The Town will conduct a midyear budget review to assess performance and make adjustments as needed. This ongoing evaluation ensures resources remain aligned with community needs.

## Conclusion

The Town of Clayton enters FY 2025-2026 in a strong financial position, supported by conservative revenue assumptions, healthy reserves, and a clear strategic vision. This budget funds essential services, invests in infrastructure, and supports organizational capacity.





# INTRODUCTION



# Strategic Plan Framework

## Dear Clayton Residents,

As the Mayor of the Town of Clayton, I am pleased to share with you the culmination of our collective efforts in developing our new Strategic Plan. This plan reflects our commitment to making Clayton a welcoming and engaged community, while preserving the charming local character that makes our town so special.

Over the past year, we have engaged in a comprehensive strategic planning process that involved in-depth discussions with community members, stakeholders, and our dedicated town staff. We identified key focus areas and set strategic objectives that will guide our efforts in the coming years.

Our Strategic Plan is designed to enhance the delivery of services, address our fiduciary responsibilities, and improve the quality of life for all Clayton residents. It outlines our commitment to maintaining a vibrant downtown; providing desirable amenities and spaces; investing in sustainable infrastructure; improving mobility, transportation, and transit; promoting diversified economic development; fostering community outreach and engagement; and ensuring public safety. Each department within the Town of Clayton will use this plan as a roadmap to channel their services and programming toward measurable outcomes and marked improvements in efficiency. We believe these improvements will positively impact the daily lives of our residents and reflect our dedication to effective town management. I am excited about the journey ahead and the ongoing process of checking in with our administration as we work toward our goals. The Strategic Plan is not a static document; it is a living roadmap that will evolve as we face new opportunities and challenges. We will monitor our performance regularly and report on the results annually to ensure we stay on track. I want to extend my gratitude to everyone who contributed to the development of this plan, including our dedicated staff, community members, and stakeholders. Your input has been invaluable in shaping a plan that reflects our shared vision for Clayton's future.

Together, we are creating a vibrant and thriving community where families can live, work, and play. I encourage you to stay engaged with us and follow the progress of our strategic initiatives. Thank you for allowing us the opportunity to serve you.



Sincerely,  
**Mayor Jody McLeod**  
Town of Clayton



# What is a Strategic Plan?

A strategic plan is a guiding document that outlines an organization's long-term vision, goals, priorities, and intended direction. It establishes a unifying framework that guides decision-making, aligns daily operations with long-term goals, and helps organizations proactively respond to challenges and opportunities. For local governments, a strategic plan also plays a critical role in connecting high-level priorities to resource allocation decisions, ensuring that budgets reflect the values and needs of the community.

The [Town of Clayton's Strategic Plan](#), adopted in September 2024, serves as this kind of guiding work. It connects long-term organizational goals to the budget development process and operational decisions, ensuring that each annual budget advances a cohesive, community-driven agenda. By aligning financial planning with strategic outcomes, the town promotes efficient governance, measurable progress, and an improved quality of life for all residents. The strategic plan is a living tool that evolves with the needs of the community.

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## What are the components of our Strategic Plan?

The Town's plan includes the following core elements:

- **Vision Statement:** An aspirational depiction of the community's ideal future.
- **Mission Statement:** A concise description of the organization's purpose and its role in serving the community.
- **Organizational Values:** The principles and beliefs that guide behavior and decision-making.
- **Key Focus Areas:** Broad categories that represent the Town's strategic priorities.
- **Strategies:** Specific, measurable goals that support each focus area and drive implementation.
- **Tactics:** The actionable steps, timelines, and responsible parties for carrying out the plan.
- **Performance Measurement and Reporting:** Ongoing evaluation to track progress and ensure accountability.

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## How the Town of Clayton Developed Its Strategic Plan

The Town undertook a comprehensive, collaborative strategic planning process to shape a long-term vision for success. This plan reflects a commitment to making Clayton a welcoming and engaged community while preserving the small-town charm that defines its character.

During the Strategic Plan development process, the Town conducted in-depth engagement with residents, stakeholders, elected officials, and staff. This collaborative process included:

- Project Kick-off Meeting to set goals and define roles for the planning process.
- Stakeholder Engagement, including:
  - Individual interviews with Town Council members
  - A leadership workshop with department heads
  - An internal staff survey (117 responses)
  - A community-wide online survey using Zencity (6332 responses)
  - In-person meetings with advisory boards and community representatives

From this input, Town Council and staff collaboratively developed:

- A vision statement - A welcoming and engaged community that cherishes its charming local character and promotes economic vitality, environmental stewardship, safety, and opportunities for all



- An organizational mission - Dedicated and responsive public servants who provide essential services that bring people together and promote quality of life in the Clayton community
- A set of organizational values:
  - Responsibility
  - Community
  - Commitment
  - Respect
- Key focus areas and corresponding strategies
- Tactics that define what progress looks like in each area

The plan was then reviewed and adopted by Town Council in September 2024, followed by implementation work sessions in the Winter and Spring with staff to identify specific first-year priorities, responsible parties, resource needs, and timelines.

## Key Focus Areas

To realize Clayton's long-term vision, the Strategic Plan identifies seven key focus areas that reflect the community's priorities and guide organizational action. These areas serve as the foundation for goal-setting, resource allocation, and performance management:

1. Vibrant Downtown
2. Desirable Amenities and Spaces
3. Sustainable Infrastructure
4. Mobility, Transportation, and Transit
5. Diversified Economic Development
6. Community Outreach and Engagement
7. Public Safety

Each department uses the Strategic Plan as a roadmap to guide services and programming toward measurable outcomes and community impact. The plan also outlines specific tactics - actionable steps, designed to achieve the strategic objectives set forth. The plan is a living document that will evolve alongside community needs. As such, the town will regularly review and adapt the tactics and strategies to ensure continued alignment.

## Departmental Use

Each Town department plays a critical role in advancing the Town of Clayton's Strategic Plan. To ensure clear alignment, each department developed specific goals that connect directly to one of the seven focus areas. These goals are highlighted at the bottom of each department's page in the Departmental Summaries section.

The Town links departmental work plans directly to the Strategic Plan, showing how day-to-day operations and annual resource decisions intentionally drive community priorities. In doing so, the budget becomes more than a financial document—it functions as a roadmap that aligns organizational efforts with the Town Council's vision.

# Budget Alignment

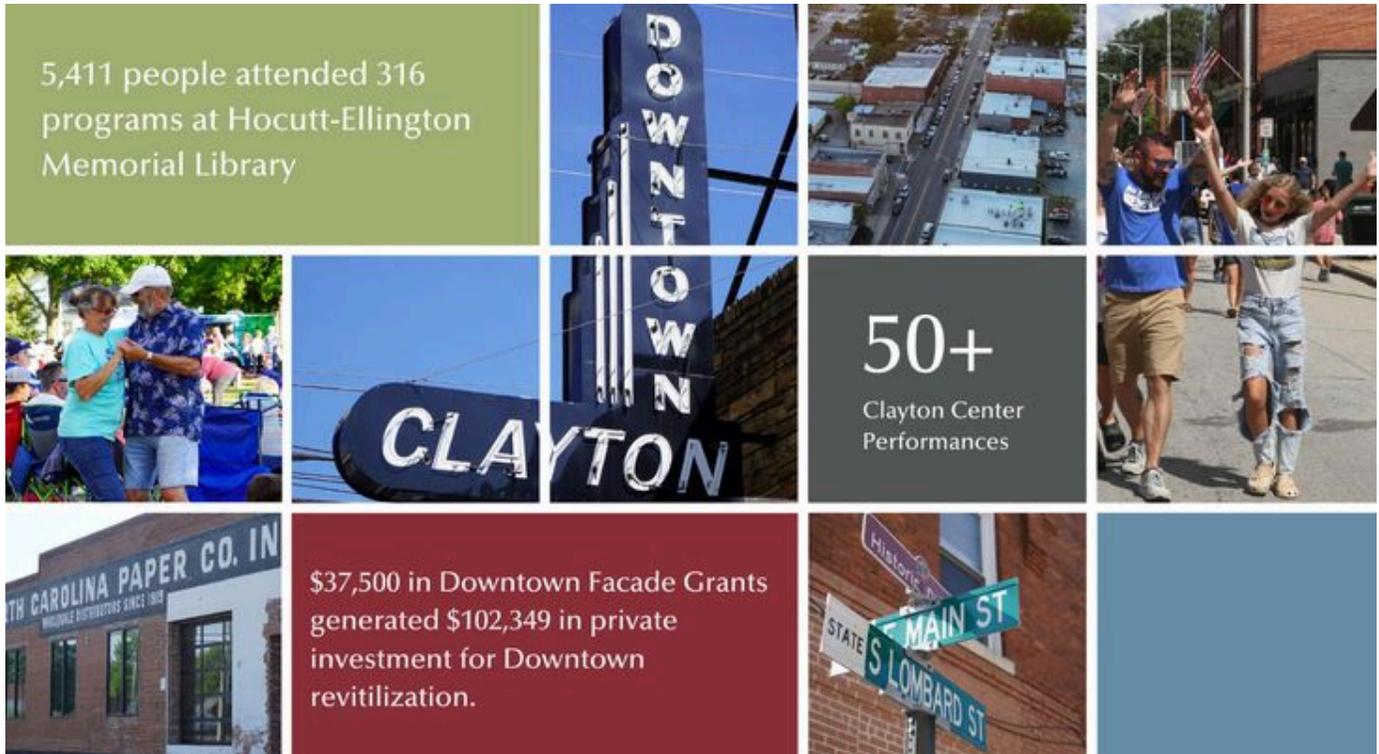
The Town's budget is the most important tool for putting the Strategic Plan into action. As part of the FY 25–26 budget development process, the Town began a soft roll-out of the Strategic Plan by connecting select initiatives to the plan's seven focus areas. This first step laid the groundwork for ensuring that future resource allocation directly supports the community's vision and priorities.

While still in its early stages, this alignment demonstrates how budget dollars are directed toward strategies that matter most to residents—whether through new programs, infrastructure investments, or enhanced services. In this document, each Strategic Focus Area section includes “Strategic Spending Highlights” that provide examples of budgeted initiatives tied to the Strategic Plan. These highlights are illustrative and not an exhaustive list of every aligned initiative.

Looking ahead, the Town is committed to strengthening this connection. Beginning with the FY 26–27 budget cycle, all budget requests will be examined for alignment to a Strategic Focus Area. The expectation is that every request clearly states its relationship—or lack of relationship—to the Strategic Plan. This new process will fully embed strategic priorities into the budget process, enhancing accountability, transparency, and the Town's ability to deliver on its commitments to residents.



# Key Focus Area - Vibrant Downtown



Clayton’s attractive, historic, and vibrant downtown offers a variety of businesses, restaurants, and retail, that engage the community from morning to night.

## Strategies

- Implement prioritized Downtown Master Plan recommendations.
- Expand signage and wayfinding resources throughout the Town.
- Increase downtown beautification efforts.
- Leverage downtown opportunities for redevelopment, adaptive property reuse, and historic preservation.
- Seek diverse opportunities to expand visual, literary, culinary, and other forms of art.

## Strategic Spending Highlights

- \$37,500 – Downtown [Facade Grants](#)
- \$107,000 – Downtown [Special Events](#)
- \$50,000 – Other Downtown Programming
- \$16,000 – Cultural Arts Community Based Productions
- \$171,000 – [Cultural Arts Artist Contracts and Hospitality](#)

# Key Focus Area - Desirable Amenities and Spaces



Clayton provides an array of programs and services and harmonizes the need for indoor and outdoor gathering places that support community connections and enhance quality of life.

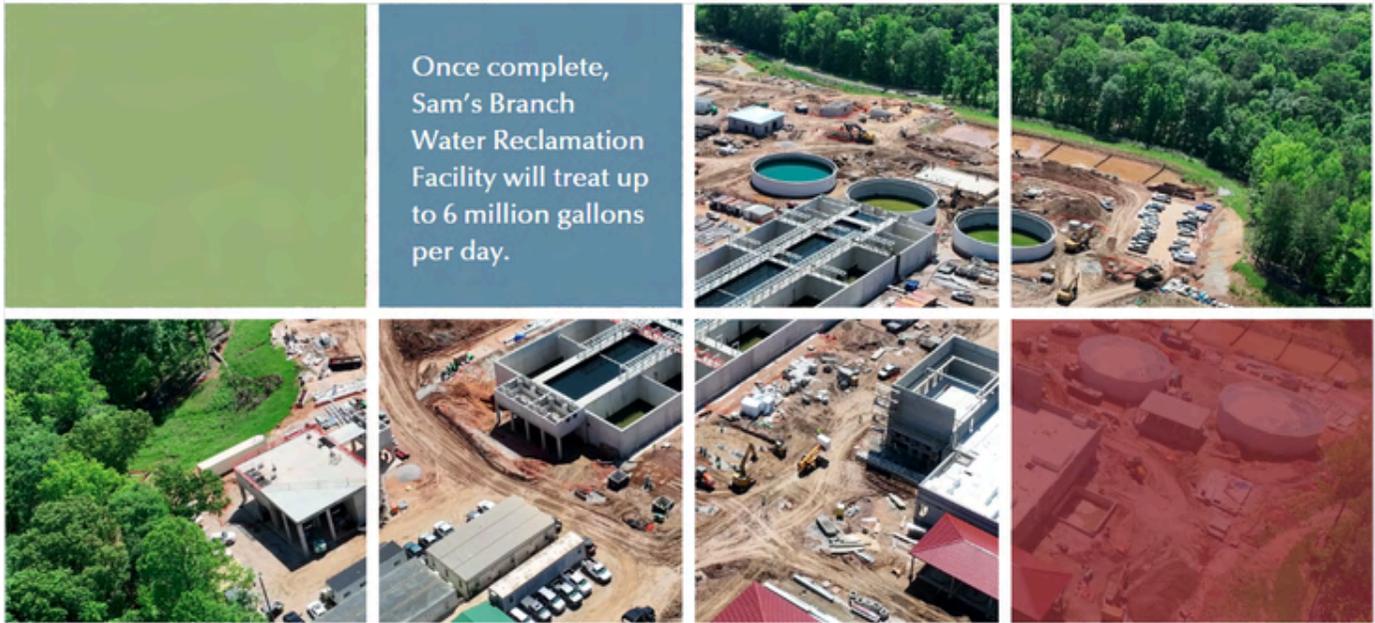
## Strategies

- Assess needs and increase/enhance the Town's gathering spaces.
- Develop a long-term plan to prioritize the preservation of green space in Clayton, based on environmental stewardship principles.
- Provide a wide variety of programs, resources, and amenities geared toward the diverse community of Clayton.
- Implement prioritized recommendations of the Parks & Recreation Plan and the Pedestrian Master Plan.

## Strategic Spending Highlights

- Parks Athletic and Playground Equipment - \$125,000
- [Parks Special Events Programming](#) - \$80,000
- [Library Community Programming](#) - \$12,000

# Key Focus Area - Sustainable Infrastructure Investment



Clayton invests in infrastructure to ensure modern utilities, facilities, and systems that provide the community with an affordable, sustainable, and positive experience.

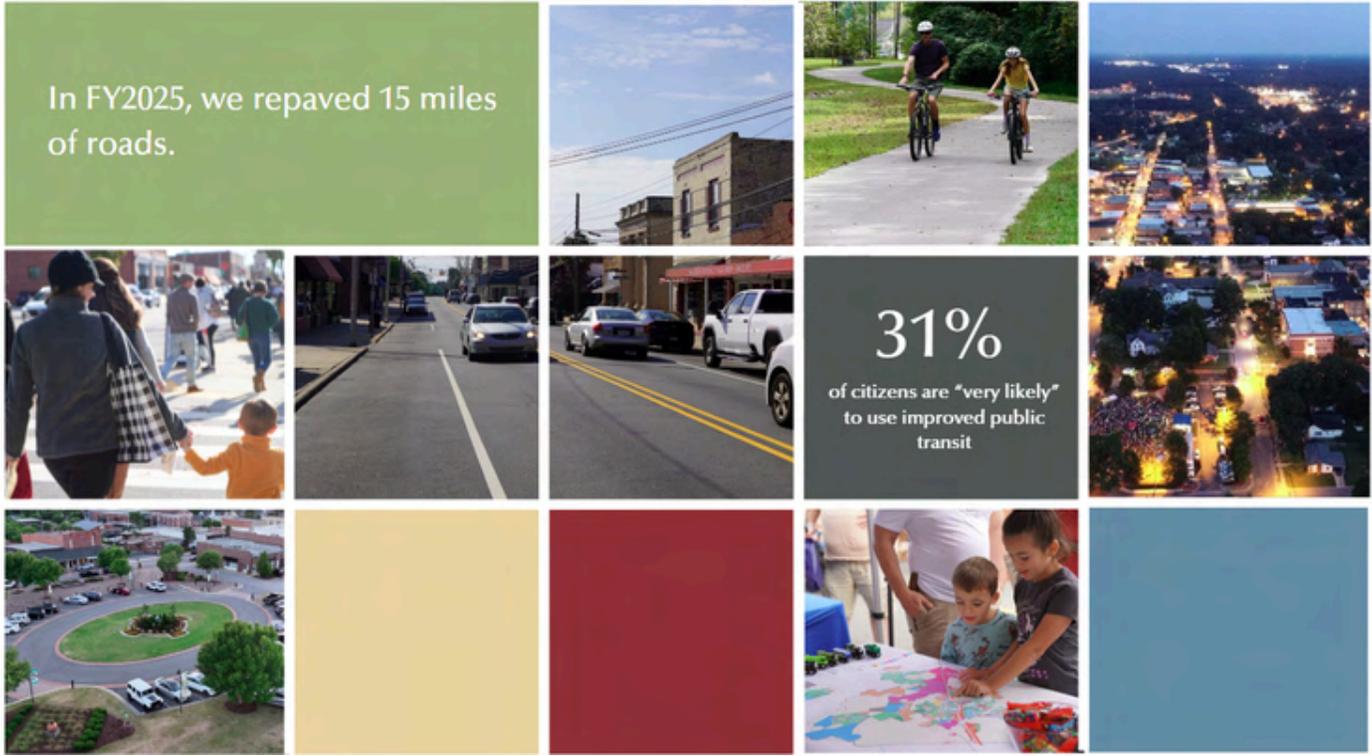
## Strategies

- Develop and implement master and capital improvement plans for utility, facility, road, and technology infrastructure systems.
- Allocate and ensure sufficient staffing and other resources to proactively address current and future infrastructure needs.
- Evaluate opportunities for partnering and collaboration for mutual aid.
- To continue identified modernization initiatives for the Town of Clayton.

## Strategic Spending Highlights

- Water Sewer System Repairs & Replacements - \$1,800,000
- Electric New Development Program - \$1,700,000
- Major Maintenance of Town Facilities - \$515,000
- Electric Line Replacement Program - \$500,000
- Stormwater System Improvements - \$300,000
- Electric System Expansion - \$200,000
- Electric Aging Infrastructure Repair and Replacement - \$160,000

# Key Focus Area - Mobility, Transportation, and Transit



Clayton partners with other regional, state, and federal agencies to promote access to reliable and multi-modal transportation services.

## Strategies

- Improve connectivity in the downtown area and between community destinations.
- Implement prioritization recommendations of the Clayton on the Move Transportation Plan.
- Partner with regional agencies to ensure fast, reliable transit within Clayton and to the surrounding area.
- Explore the feasibility of acquiring NCDOT roads.

# Strategic Spending Highlights

- Street Rehabilitation Program - \$2,000,000
- Sidewalk repairs & Improvements - \$700,000
- ADA Transition Program - \$200,000
- [Comprehensive Plan](#) Update - \$150,000
- Street Signage and Striping Program - \$125,000



# Key Focus Area - Diversified Economic Development

**Did you know?**  
The Town of Clayton received the 2024 Excellence in Economic Development Bronze Award for Digital Media from the International Economic Development Council.

**New in FY25:**  
Burney's  
Outback Steakhouse  
Aktuun  
Dunkin' Donuts  
Wing Stop  
Papa John's

Clayton actively works to increase light industrial, retail, restaurant, and other economic development opportunities.

## Strategies

- Develop a plan to identify and seek opportunities for investment in Clayton.
- Explore opportunities to redevelop underutilized properties throughout the Town.
- Encourage collaborative efforts between the Town and the business community.

## Strategic Spending Highlights

- Economic Development Strategic Plan Update - \$30,000
- Re-Development Assessment Tool - \$25,000
- Trade Shows and Business Recruitment Events - \$15,000
- Digital Marketing Resource - \$8,000

# Key Focus Area - Community Outreach and Engagement



Clayton builds civic engagement and involvement by sharing information and providing community-based events.

## Strategies

- Build community awareness of Town priorities, events, and activities through public education campaigns and solicit feedback from the community.
- Execute collaborative events with internal and external partners.
- Increase representation and participation in Town governance, events, and activities.

## Strategic Spending Highlights

- Community Marketing and Advertising - \$142,000
- Public Education Campaigns and Resources - \$23,000

# Key Focus Area - Public Safety



Clayton builds confidence and trust by collaborating with the community and providing responsive public safety services.

## Strategies

- Increase the Town’s investment in public safety facilities and staff capacity to meet desired service levels.
- Implement the prioritized strategies included in the Fire Strategic Plans.
- Increase proactive community engagement to enhance public safety awareness and build community relationships.

## Strategic Spending Highlights

- Public Safety Protective Clothing, PPE, and Uniforms - \$525,000
- Body Cam and Storage - \$150,000
- Radios and Other Safety Equipment - \$130,000
- Police Equipment Upfitting - \$110,000
- Emergency Operations Center Supplies and Equipment - \$22,000
- Fire Department Professional Development - \$45,000
- Police Professional Development - \$20,000



# Town of Clayton Elected Officials

Clayton's elected officials live and work in the community and are committed to serving its residents with transparency and accountability. They focus on enhancing the overall quality of life by listening to community feedback, setting strategic priorities, and making decisions that reflect the needs and values of the town. Residents are encouraged to take an active role in local government by attending public meetings, volunteering, or applying to serve on advisory boards and commissions.

The Town Council is composed of members elected at-large, meaning they represent the entire town rather than specific districts. This structure ensures that all Council members consider the town as a whole when making decisions. Council members serve staggered four-year terms, providing continuity in leadership and long-term planning. The Mayor presides over Council meetings and votes only in the case of a tie, helping to facilitate discussion in regular decision-making.

## Jody McLeod - Mayor

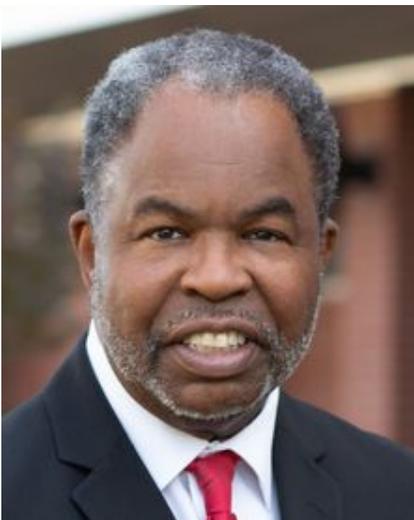
**Term and Position:**

- Mayor since December 2003; term expires in 2027
- Councilmember from December 1993 – December 1997
- Mayor Pro Tem from December 1995 – December 1997

**Contact:**

- **Email:** [mayor@townofclaytonnc.org](mailto:mayor@townofclaytonnc.org)
- **Phone:** 919-291-5662

## Michael Sims - Mayor Pro Tem

**Term and Position:**

- Councilmember since December 2021
- Mayor Pro Tem since December 2023
- Term expires in 2025

**Contact:**

- **Email:** [msims@townofclaytonnc.org](mailto:msims@townofclaytonnc.org)
- **Phone:** 919-482-5130

# Andria Archer - Councilmember



**Term and Position:**

- Councilmember since December 2021
- Term expires in 2025

**Contact:**

- **Email:** [aarcher@townofclaytonnc.org](mailto:aarcher@townofclaytonnc.org)
- **Phone:** 919-747-1483

# Porter Casey - Councilmember



**Term and Position:**

- Councilmember since December 2021
- Term expires in 2025

**Contact:**

- **Email:** [pcasey@townofclaytonnc.org](mailto:pcasey@townofclaytonnc.org)
- **Phone:** 919-395-2607

# Ruth Anderson - Councilmember



**Term and Position:**

- Councilmember since December 2023
- Term expires in 2027

**Contact:**

- **Email:** [randerson@townofclaytonnc.org](mailto:randerson@townofclaytonnc.org)
- **Phone:** 984-310-6758

# Gretchen Williams - Councilmember



**Term and Position:**

- Councilmember since December 2023
- Term expires in 2027

**Contact:**

- **Email:** [gwilliams@townofclaytonnc.org](mailto:gwilliams@townofclaytonnc.org)
- **Phone:** 984-310-6757

# Executive Team

The Executive Team provides strategic leadership and operational oversight for the Town of Clayton. Led by the Town Manager, this group of senior officials is responsible for implementing the policies set by the Town Council, managing day-to-day operations, and ensuring the delivery of high-quality services to residents and businesses. The Executive Team works collaboratively across departments (most being department heads themselves) to align town operations with strategic goals, support fiscal responsibility and effective budget management, and foster a culture of continuous improvement. Their combined expertise and leadership help guide the organization in advancing Clayton's vision and priorities.



Rich Cappola - Town Manager

Rich Cappola was officially named Town Manager in October 2022. Before that, he served the town in a variety of roles, including the town's first director of engineering and inspections, director of public services, deputy town manager, and as interim town manager. In his role as town manager, Cappola has focused on managing growth and streamlining processes involving master planning, design, permitting, and construction. He plans to continue to prioritize the operations and management of the town's services and infrastructure. He also hopes to further cultivate and expand community relationships and partnerships.

Cappola has 20 years of civil engineering, design and land-use planning experience, working in both municipal government and the private sector as a professional engineer (PE). He earned a Master of Public Administration degree from NC State, where he also earned a Master's degree in Biological and Agricultural Engineering. He holds a Bachelor of Science in Civil Engineering from Clemson University as well. A Connecticut native, Cappola has lived in the triangle region of North Carolina since 2006. He is a member of the International City/County Management Association (ICMA), the North Carolina City and County Managers Association (NCCCMA), and the American Public Works Association (APWA).

**Email:** [rcappola@townofclaytonnc.org](mailto:rcappola@townofclaytonnc.org)

**Phone:** (919) 553-5002

Dolores Gill began her career with the Town of Clayton as Deputy Town Manager in March 2021, leveraging more than 25 years of leadership and operational expertise gained through her extensive service with Johnston County Public Schools (JCPS). Gill successfully served the school system in a variety of leadership roles, including as Chief of Operations and Communications, Chief of Staff, Area Superintendent, Elementary Area Supervisor and School Principal. Notably, she spent five years as the Principal of West Clayton Elementary School, where her leadership helped shape educational outcomes at the local level before she transitioned into district-wide leadership roles. Dolores recently transitioned into the Chief of Staff and Strategic Initiatives role, expanding her duties to include important work implementing the Town's Strategic Plan.

Gill's broad experience encompasses a wide range of disciplines, including





Dolores Gill - Chief of Staff and Strategic Initiatives

facilities management and construction, growth and infrastructure planning, technology integration, and communications strategies. Her skill set includes strategic problem-solving, the development of policy initiatives, and the successful management and implementation of large-scale budgets. She holds two master's degrees and an undergraduate degree, all from East Carolina University. With a reputation for excellence in leadership, she is well-versed in guiding complex projects and fostering collaboration across departments, ensuring that the Town of Clayton continues to manage its high standards of service delivery.

**Email:** [dgill@townofclaytonnc.org](mailto:dgill@townofclaytonnc.org)

**Phone:** (919) 553-5002



Lee Barbee - Deputy Town Manager, Operations

Lee Barbee was named Deputy Town Manager in May 2023, after officially retiring as the Town's Fire Chief, a position he had held since 1991. Barbee has also served as the Interim Deputy Town Manager for the Town of Clayton since 2021. He is a 1974 graduate of Clayton High School, and his extensive education as a firefighter began immediately after graduation when he joined the Clayton Fire Department in 1975.

After joining the fire department, Chief Barbee has been involved in advancing the fire service and has served in numerous leadership capacities with an impressive assortment of local, state and national organizations, including: Johnston County Firefighters Association, Eastern Carolina Firefighters Association, NC State Firefighters Association, Johnston County Fire Chiefs' Association, North Carolina Association of Fire Chiefs, Southeastern Association of Fire Chiefs, International Association of Fire Chiefs, and an active participant in the North Carolina Fallen Firefighters Foundation. Lee Barbee was named North Carolina Fire Chief of the Year in 2018.

**Email:** [lbarbee@townofclaytonnc.org](mailto:lbarbee@townofclaytonnc.org)

**Phone:** (919) 553-5002



Courtney Tanner - Deputy Town Manager, Community

Courtney Tanner joined the Town of Clayton in September 2024, as Deputy Town Manager. She brings more than 20 years of experience in municipal planning, budgeting, and community development. Most recently, she served as the Planning Director for the Town of Wake Forest, where she managed a \$3.9 million budget, spearheaded land acquisition projects, affordable housing initiatives, and the expansion of greenways and park systems. Prior to her role in Wake Forest, Tanner served as Planning Director for the Town of Morrisville, where she led several significant projects, including transportation and land use plans, affordable housing, and the town's first Unified Development Ordinance.

Tanner holds a Master's degree in Urban and Regional Planning and a Bachelor's degree from Virginia Commonwealth University. Her expertise spans urban planning, infrastructure development, budget management, and long-term strategic planning. Known for her collaborative approach and leadership, Tanner is a key asset in helping Clayton manage its rapid development while

Development

maintaining a strong sense of community and enhancing the quality of life for residents.

**Email:** [ctanner@townofclaytonnc.org](mailto:ctanner@townofclaytonnc.org)

**Phone:** (919) 553-5002



Robert McKie - Finance Director

Before joining the Town of Clayton as Finance Director, Robert W. McKie, Jr. was employed as Financial Services Supervisor for the North Carolina General Assembly from 2008-2009. He was with the North Carolina Division of Public Health from 2004-2008, first as Finance Officer, and later as Business Officer. Mr. McKie was employed from 1999-2002 with El Paso-Coastal Petroleum N.V., beginning as Controller and then serving as the Interim Managing Director. Mr. McKie is a member of the North Carolina Society of Certified Public Managers, the American Academy of Certified Public Managers, the American Society for Public Administration, and the Government Finance Officers Association. A graduate of Wayne State University with a Bachelor of Science degree in Business Administration, Mr. McKie is also a Certified Public Manager and has been a recipient of the GFOA's Certificate of Achievement of Excellence in Financial Reporting for thirteen consecutive years.

**Email:** [rmckie@townofclaytonnc.org](mailto:rmckie@townofclaytonnc.org)

**Phone:** (919) 553-5002



Greg Tart - Police Chief

Greg Tart was hired as the Interim Clayton Chief of Police in November 2020. He was officially sworn in as the permanent Clayton Chief of Police in March 2021. Prior to being named Clayton Chief of Police, Chief Tart retired as Deputy Director of the NC State Bureau of Investigation after 30 years of service. In 2018, Chief Tart was awarded the Order of the Long Leaf Pine, North Carolina's highest honor for persons who have made significant contributions to the State and their communities through their exemplary service and exceptional accomplishments. During his 37 years of law enforcement service in North Carolina, he has supervised over 600 employees across the state and worked with numerous law enforcement agencies and prosecutors on both State and Federal levels.

**Email:** [mmumford@townofclaytonnc.org](mailto:mmumford@townofclaytonnc.org)

**Phone:** (919) 553-4611



David Ranes - Fire Chief

David Ranes was appointed Fire Chief for the Town of Clayton in October 2023, bringing with him 27 years of municipal fire service experience. Prior to joining Clayton, he served 25 years in a progressive fire department, holding every rank from firefighter to assistant fire chief. A Johnston County native, Chief Ranes holds an Associate of Applied Science in Fire Protection from Fayetteville Technical Community College and a Bachelor of Science in Fire and Emergency Services Administration from Fayetteville State University. He currently resides in Clayton.

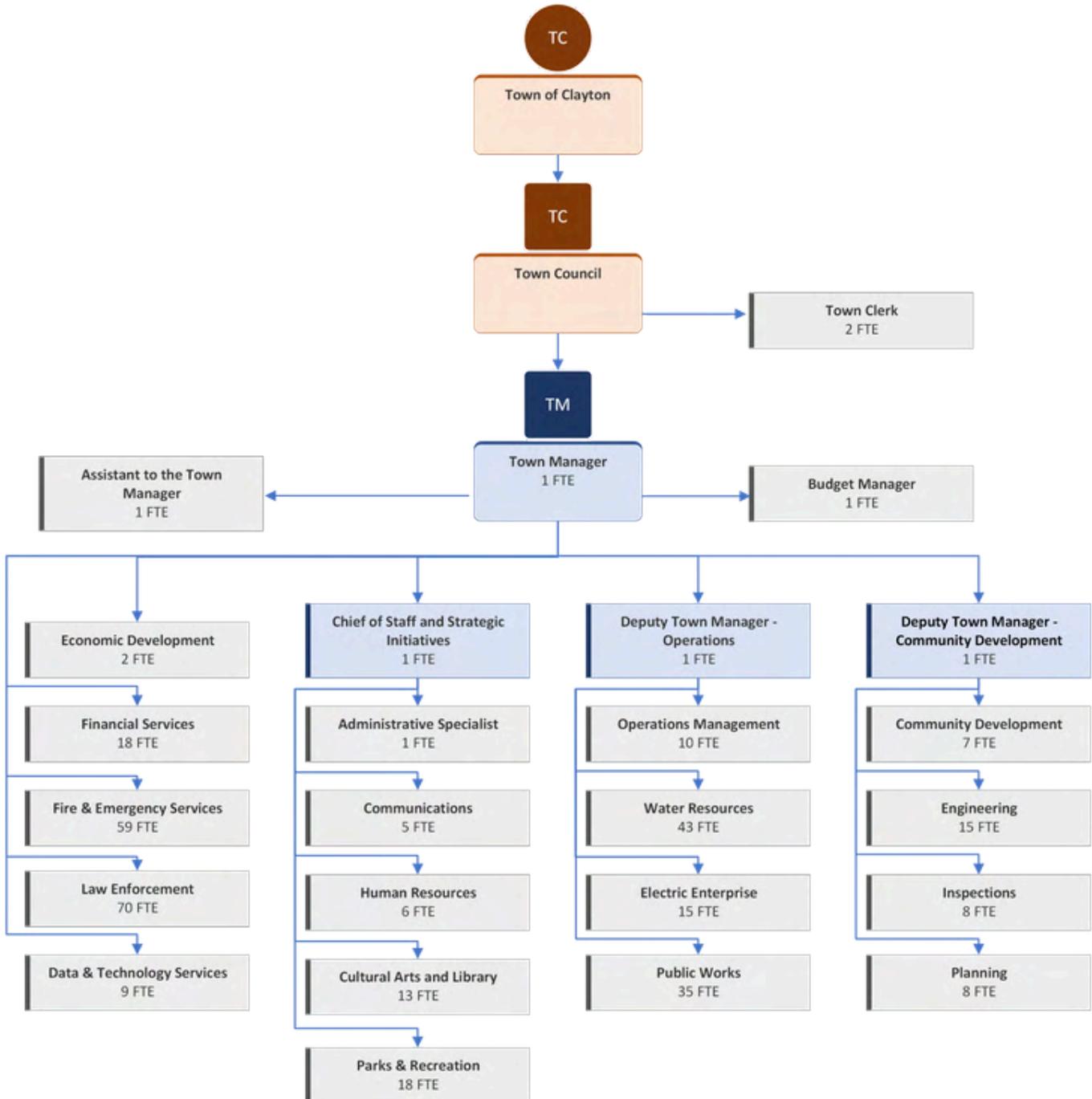
Chief Ranes is a member of the International Association of Fire Chiefs (IAFC), the North Carolina Association of Fire Chiefs (NCAFC), and serves on the North Carolina League of Municipalities Fire Chief Advisory Board. He is also a peer assessor for the Commission on Fire Accreditation International (CFAI), supporting excellence and continuous improvement in the fire service. As Fire Chief, his mission is to provide strong leadership and a clear vision for the department, ensuring it keeps pace with Clayton's rapid growth while delivering the highest level of service and adapting to evolving community risks.

**Email:** [dranes@townofclaytonnc.org](mailto:dranes@townofclaytonnc.org)

**Phone:** (919) 359-9362

# Organizational Structure

The Council appoints a professional Town Manager to serve as the chief executive officer of the Town. The Town Manager is responsible for implementing Council policies, managing day-to-day operations, and providing strategic leadership to all departments. Department heads are hired by the Town Manager, reinforcing the model's emphasis on professional administration free from political influence. This structure allows elected officials to focus on policy and community vision, while the Town Manager ensures effective and efficient service delivery across the organization.





# BUDGET FRAMEWORK

The Budget Framework outlines how the Town plans, develops, and adopts its annual budget. It ensures resources are aligned with priorities, guided by state law, and organized for transparency and accountability.

# Budget Process and Timeline

The Town developed its FY26 budget using a **base budgeting** approach, whereby initial estimates for all budgeted line items were calculated using the three-year historical average of actual expenditures. Department heads were then provided an opportunity to submit additional funding requests, either as adjustments to the established base or as entirely new initiatives. These requests encompassed a variety of needs such as increases to contractual budgets, the addition of new staff positions, or the purchase of vehicles and equipment.

Following the departmental request submission period, the Town Manager and Executive Team conducted an extensive review of all departmental requests. This was followed by a week of departmental request meetings, during which department heads presented their proposed budgets and provided supporting justification. Departments were encouraged to substantiate requests with accurate and relevant data to aid in decision-making.

Upon completion of these meetings, the Town Manager, in collaboration with the Budget Office, finalized a balanced budget for all three major funds—the General Fund, Water Sewer Fund, and Electric Enterprise Fund. This process also included evaluating and recommending any necessary adjustments to tax rates and utility rates to ensure financial sustainability. This balanced budget, along with recommendations for adjustments, was presented for the first time on May 19, 2025 as the Managers Recommended Budget.

Between the Manager's Recommended Budget and the adopted budget, changes were made to reflect updated information and organizational priorities. These changes were accepted and adopted by Town Council on June 16, 2025. The most notable adjustment was an organization-wide restructuring, which resulted in several net-zero changes as budgets were shifted among departments and divisions without increasing total expenditures. Revenue estimates were also revised, and updated projections for both property tax and sales tax were incorporated into the Adopted Budget. In addition, technical adjustments were made to increase budget accuracy and align appropriations with operational needs.

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## FY26 Budget Calendar

- **January 8, 2025**  
Department Heads Receive FY26 Overview, Process Review, and Base Budgets
- **January 8, 2025**  
Department Heads Receive Departmental Base Budgets
- **January 24, 2025**  
Department Heads Submit New Position Requests to Human Resources
- **February 1, 2025**  
Budget Prioritization Survey Opens
- **February 7, 2025**  
Department Submit Changes to Base Revenue Budgets
- **February 7, 2025**  
Department Submit Changes to the Comprehensive List of Fees
- **February 21, 2025**  
Departmental Budget Requests Due to Executive Team, Budget Manager
- **February 28, 2025**  
Executive Team Review of Budget Requests Due
- **March 3, 2025**  
Departmental Budget Request Meetings - Presentations to Executive Team, Budget Manager
- **March 16, 2025**  
Budget Prioritization Survey Closes
- **March 28, 2025**  
Departments Receive Feedback and Draft Budget from Town Manager
- **May 5, 2025**  
Council Work Session - Draft Budget Presented to Council for Feedback
- **May 19, 2025**  
Public Hearing on FY26 Budget at Town Council Regular Meeting - 1st Reading
- **June 2, 2025**  
Public Hearing on FY26 Budget at Town Council Regular Meeting - 2nd Reading
- **June 16, 2025**  
Public Hearing on Comprehensive List of Fees
- **June 16, 2025**



## Budget Adopted



# Basis of Budgeting

The Town of Clayton develops its annual budget in accordance with the [North Carolina Local Government Budget and Fiscal Control Act](#), which requires that public funds are managed responsibly, transparently, and in the best interest of residents. This state law requires all local governments to adopt a balanced budget ordinance each year, where anticipated revenues plus appropriated fund balance equal planned expenditures. The budget must be adopted by July 1, the beginning of the fiscal year, and must be made available for public inspection and feedback through a public hearing.

## Accounting Methods Used in Budgeting

The Town of Clayton uses two primary accounting methods in preparing and managing its budget, depending on the type of fund. Governmental Funds, including the General Fund, utilize modified accrual accounting whereas the proprietary funds (enterprise funds) utilize accrual accounting.

- The General Fund is budgeted and reported using the **modified accrual basis** of accounting. Under this method:
  - Revenues are recognized when they are measurable and available to fund current operations.
  - Expenditures are recorded when the related liability is incurred, not necessarily when cash is paid.
- The Town's Enterprise funds operate more like private businesses and use the full **accrual basis** of accounting. Revenues are recognized when earned, and expenses are recorded when incurred, regardless of the timing of cash flows.

## Alignment with State and National Standards

While the Local Government Budget and Fiscal Control Act does not explicitly name accounting methods like “modified accrual,” it requires local governments to comply with Generally Accepted Accounting Principles (GAAP) as defined by the Governmental Accounting Standards Board (GASB). These principles establish modified accrual accounting as the standard for governmental funds and accrual accounting for enterprise funds.



**Financial Policy**

*For:*



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Preamble and Objectives

Capital Improvement Budget Policies

Financial Management Performance Expectations

Debt Policies

Reserve Policies and Standards

Budget Development Policies

Definitions



**FINANCIAL POLICY - PREAMBLE**

The Town of Clayton establishes this comprehensive financial policy to manage its General Fund and Enterprise Funds in conjunction with facilitating and enhancing its credit rating. Furthermore, the Town acknowledges the existence of the fundamental and operational differences between these funds, which is attributable to the primary revenue sources that support each fund's activities. As such, the Town intends to utilize the same financial policy goals and standards where appropriate or relevant and establish separate benchmarks and other criteria as financial indicators to evaluate the performance and financial condition of these funds independently from each other.

**FINANCIAL POLICY - OBJECTIVES**

This financial policy is a statement of the goals and standards that will guide the financial management practices of the Town of Clayton, North Carolina. A financial policy that is adopted, adhered to, and regularly reviewed is recognized as the cornerstone of sound financial management. Effective financial policy:

- Contributes significantly to the Town's ability to insulate itself from fiscal crisis,
- Enhances both short-term and long-term financial credit ability by helping to achieve the highest credit and bond ratings possible,
- Promotes long-term financial stability by establishing clear and consistent guidelines,
- Directs attention to the total financial picture of the Town rather than single issue areas,
- Promotes the view of linking long-term financial planning with day to day operations, and
- Provides the Town Staff, the Town Council and the Town citizens a framework for measuring the fiscal strength of government finances against established parameters and benchmarks.

To these ends, the following financial policy statements are presented.

**CAPITAL IMPROVEMENT BUDGET POLICIES**

1. The Town will consider all capital improvements in accordance with an adopted capital improvement program.
2. The Town will develop a five-year Capital Improvement Program and review and update the plan periodically.
3. The Town will enact an annual capital budget based on the five-year capital improvement plan. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in economic base will be calculated and included in capital budget projections.
4. The Town will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
5. When the Town utilizes intergovernmental assistance to finance capital improvements, those projects will be consistent with the capital improvement plan and Town priorities, and with future operating and maintenance costs included in operating budget forecasts.
6. The Town will maintain all its assets at a level adequate to protect the Town's capital investment and to minimize future maintenance and replacement costs.
7. The Town will project its equipment replacement and maintenance needs for the next several years and will update this projection each year. From this projection a maintenance and replacement schedule will be developed and followed.
8. The Town will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted for approval.
9. The Town will attempt to determine the least costly and most flexible financing method for all new projects.

**FINANCIAL MANAGEMENT PERFORMANCE EXPECTATIONS**

In addition to the policies established on pages 4-5 of this document, the Town also wishes to articulate certain financial management performance expectations for fund balance reserves, debt service expenditures, and liquidity. These



expectations are intended to illustrate typical performance in normal conditions and are intended as internal performance benchmarks. The Town shall most commonly expect to operate within the following prescribed expectations:

**General Fund:**

- Unassigned **fund balance** as a percentage of net expenditures - at least 30%
- Tax supported debt service as a percentage of total governmental expenditures less capital outlay - not more than 13%

**Enterprise Funds:**

- **Debt service** coverage ratio for all indebtedness - at least 1.50
- Equity funding of the system's capital improvement program - at least 25%
- **Operating days cash on hand:**
  - Water and Sewer Enterprise Fund - at least 200.75 days
  - Electric Enterprise Fund - at least 98.55 days

In conjunction with the key ratios established by the financial policy guidelines, the **Local Government Commission (LGC)** also monitors similar key ratios and compares these ratios to the Town's peer group (similarly positioned municipalities) as benchmarks. If the Town deviates materially below the peer group benchmarks, then the Town will formulate and execute a multi-year plan to reestablish and sustain itself among leaders in its peer group.

State oversight via the LGC also provides the Town's residents, taxpayers, and the investment community with an additional layer of risk management expertise. The Town shall perform such that inquiries and admonitions from the LGC shall be avoided and in the event of LGC comment or inquiry the Town shall take immediate action to respond and affirmatively address the matter of interest. This approach will prevent broad swings in key indicators, even those within acceptable parameters, on a year to year basis.

**DEBT POLICIES**

1. The Town will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues except where approved justification is provided.
2. When assessing capital project funding approaches and the issuance of debt, the Town will conduct a series of financial analyses to demonstrate each Fund's financial ability to incur such debt under its current rate structure, and to determine if, when and to what degree rate structures need to be adjusted in the event that the current rate structure is not able to accommodate new additional debt.
3. The Town will review each Fund's current debt structure periodically as interest rates fluctuate and optional bond redemption dates arise for refunding or advance refunding opportunities. Refinancing opportunities that produce a net present value savings of 3% or greater will be considered as beneficial to the Funds, although other factors can be taken into account when assessing the feasibility of a refunding transaction.
4. The Town will take a balanced approach to capital funding utilizing debt financing, draws on capital reserves and/or fund balances in excess of policy targets, and pay-as-you go funding. Each Enterprise Fund will target a minimum amount of equity funding equal to 20% of the system's capital improvement program.
5. The Town will set rates and charges for each Enterprise Fund so as to achieve a debt service coverage ratio of 1.25 times or greater for all indebtedness. All indebtedness includes both parity and subordinate debt obligations of each fund. In the absence of a specific debt ratio calculation required by a debt covenant, the debt coverage ratio will be calculated in accordance with the following example:



<b>A. Operating Revenues</b>	<b>\$7,822,484</b>
<b>B. Operating Expenses*</b>	\$6,413,900
<b>Less: Depreciation and Amortization</b>	947,560
<b>Net Expenses</b>	\$5,466,340
<b>C. Net Revenue Available for Debt Service (A minus B)</b>	\$2,356,144
<b>D. Debt Service (Principal and Interest)</b>	\$1,762,023
<b>E. Debt Coverage Ratio (C divided by D)**</b>	1.34

\*Operating expenses include support service charges and tax reimbursements to the General Fund

\*\*The debt coverage ratios will be calculated and tracked annually for each Enterprise Fund separately and will be measured independently from the other and from the Town's General Fund.

6. When the Town finances capital improvements or other projects by issuing bonds or entering into capital leases, it will repay the debt within a period not to exceed the expected useful life of the project.
7. Where feasible, the Town will explore the usage of special assessment bonds, revenue bonds, or other self-supporting bonds instead of general obligation bonds.
8. The Town will retire tax anticipation debt, if any, annually and will retire bond anticipation debt within six months after completion of the project.
9. General Fund net debt as a percentage of estimated market value of taxable property shall not exceed 2.5%.
10. The ratio of debt service expenditures as a percent of total governmental fund expenditures shall not exceed 15.0%, with an aggregate ten-year principal payout ratio of 55%.
11. The Town recognizes the importance of underlying and overlapping debt in analyzing financial condition. The Town will regularly analyze total indebtedness including underlying and overlapping debt.

**RESERVE POLICIES AND STANDARDS**

1. General Fund unassigned fund balance at the close of each fiscal year shall not be less than 20% of actual General Fund net expenditures without prior Town Council authorization.
2. The Town Council may, from time-to-time, utilize fund balances that will reduce the unassigned fund balance below the 20% policy for the purposes of a declared fiscal emergency, financial opportunity to enhance the well being of the Town of Clayton or other such global purpose as to protect the long-term fiscal security of the Town of Clayton. In such circumstances, after unassigned fund balance has been calculated as part of closing-out a fiscal year, the Council will adopt a plan as part of the following year's budget process to restore the assigned fund balance to the policy level within 36 months from the date of the budget adoption. If restoration cannot be accomplished within such time period without severe hardship to the Town, then the Board will establish a different but appropriate time period.
3. Monies in excess of a 20% unassigned fund balance will be available for Appropriation, as deemed necessary and approved by the Council.
4. The Enterprise Funds will maintain the following minimum level of liquidity:
  1. Water and Sewer Fund - a minimum of 50% of Unrestricted Cash as a percentage of Operating Expenditures or 182.5 Days Cash on Hand.
  2. Electric Fund - a minimum of 25% of Unrestricted Cash as a percentage of Operating Expenditures or 91.25 Days Cash on Hand.

**BUDGET DEVELOPMENT POLICIES**

1. The Town will develop the Annual Budget in conjunction with a stated program of performance objectives and measures with which to gauge progress toward meeting those objectives.



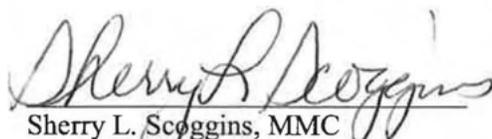
2. Water, sewer and electric rates will be established at the appropriate level to enable the related funds to be self-supporting.
3. One-time or other special revenues will not be used to finance continuing Town operations but instead will be used for funding special projects.
4. The Town will pursue an aggressive policy seeking the collection of delinquent utility, license, permit and other fees due to the Town.
5. The Town will make regular, quarterly reports to the Council on the status of actual revenues and expenditures as compared to the adopted budget.

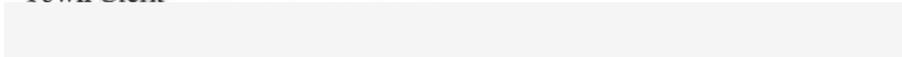
**DEFINITIONS**

1. Fund balance is defined as the difference between the assets and liabilities reported in a governmental fund. Unassigned fund balance in the General Fund is defined as the total fund balance in excess of what can be properly classified in one of the following four categories:
  1. Nonspendable fund balance is the portion of net resources that cannot be spent because of their form or because they must be maintained intact.
  2. Restricted fund balance is the portion of fund balance that reflects resources that are subject to externally enforceable legal restrictions, which are comprised of limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments or limitations imposed by law through constitutional provisions or enabling legislation.
  3. Committed fund balance is the portion of fund balance that represents resources whose use is constrained by limitations imposed by the Clayton Town Council upon the Town and will remain binding until formal action at the same level is taken to remove the self-imposed limitation.
  4. Assigned fund balance is the portion of fund balance that reflects the Town's intended use of resources established by the Clayton Town Council or by a body or an official with delegated authority and does not require formal action to remove the limitation of intended use.
2. Net expenditures are defined as actual expenditures plus transfers out minus capital lease proceeds.
3. Debt coverage ratio is defined as annual net pledged revenues to the related annual debt service payments.
4. Equity funding is defined as the utilization of the Town's cash to fund its capital improvement program.
5. Days cash on hand is defined as unrestricted cash divided by (Operating Expenditures/365).
6. Net debt is defined as any and all debt that is tax supported.

Duly adopted by the Clayton Town Council this 4<sup>th</sup> day of November 2013, while in regular session.

  
 \_\_\_\_\_  
 Jody L. McLeod,  
 Mayor

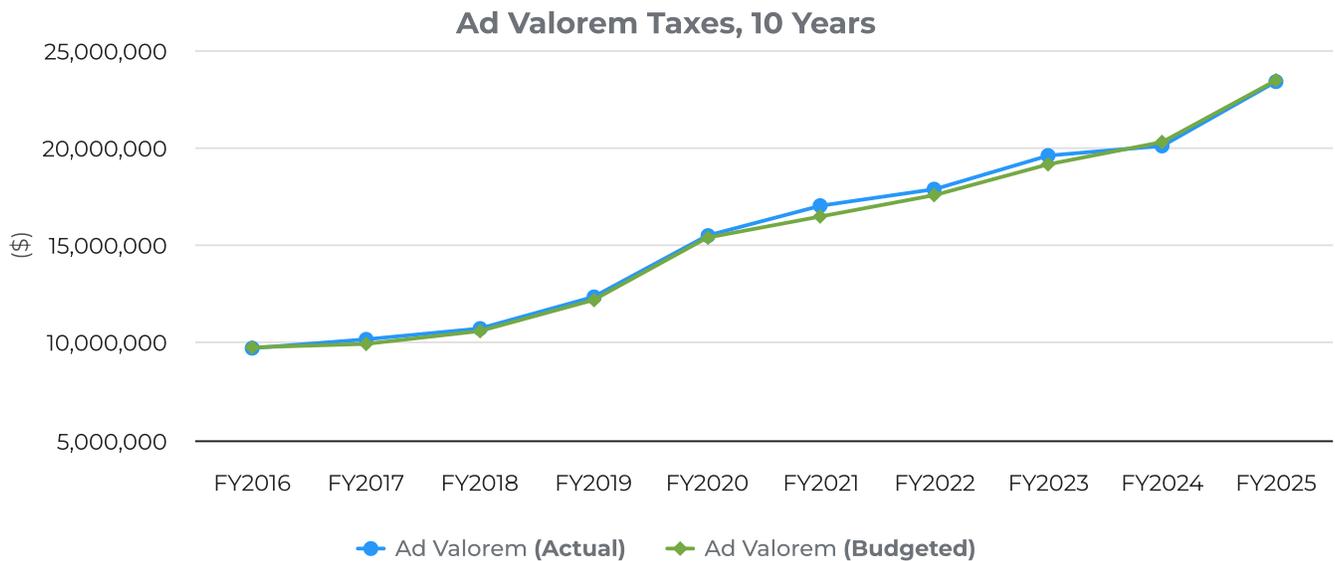
  
 \_\_\_\_\_  
 Sherry L. Scoggins, MMC  
 Town Clerk



# Funding Sources Overview - General Fund

Below is a summary of the different types of revenues that the Town of Clayton realizes within the operating General Fund budget. These revenue descriptions represent 100% of the total revenues of all appropriated funds. In addition, a 10-year history is charted for the sources that represent the largest proportion of General Fund revenues.

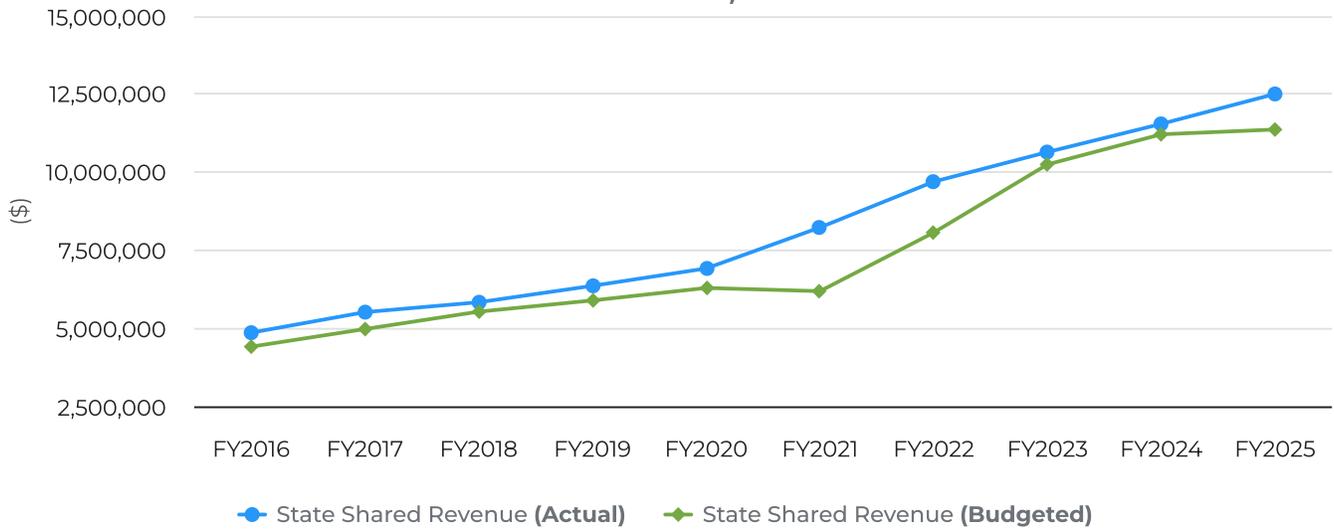
**Ad Valorem Taxes** - These are property taxes based on the value of real estate, personal property, and motor vehicles. This is the Town's most consistent and significant local revenue stream; it represents 40% of the total revenues recognized in the General Fund. Ad Valorem taxes are budgeted in FY26 using a methodology that is based on the assessed re-valuation provided by Johnston County, and an assumed collection rate. Johnston County completed its re-evaluation of real property values effective January 1, 2025. This, along with the adopted tax rate of \$.49 per \$100 of assessed value, was used as the foundation for the FY 26 budget.



**State-Shared Revenues** - These include sales taxes collected by the State of North Carolina and distributed to municipalities, as well as Powell Bill funds. Powell Bill revenues are state funds distributed annually to eligible municipalities to assist with the construction, maintenance, and repair of local, non-state system streets. Together, these state-shared revenues represent approximately 18% of total revenues recognized in the General Fund. Sales tax projections are developed using multi-year trend analysis and are adjusted based on the broader economic outlook and changes to the state's distribution formulas.

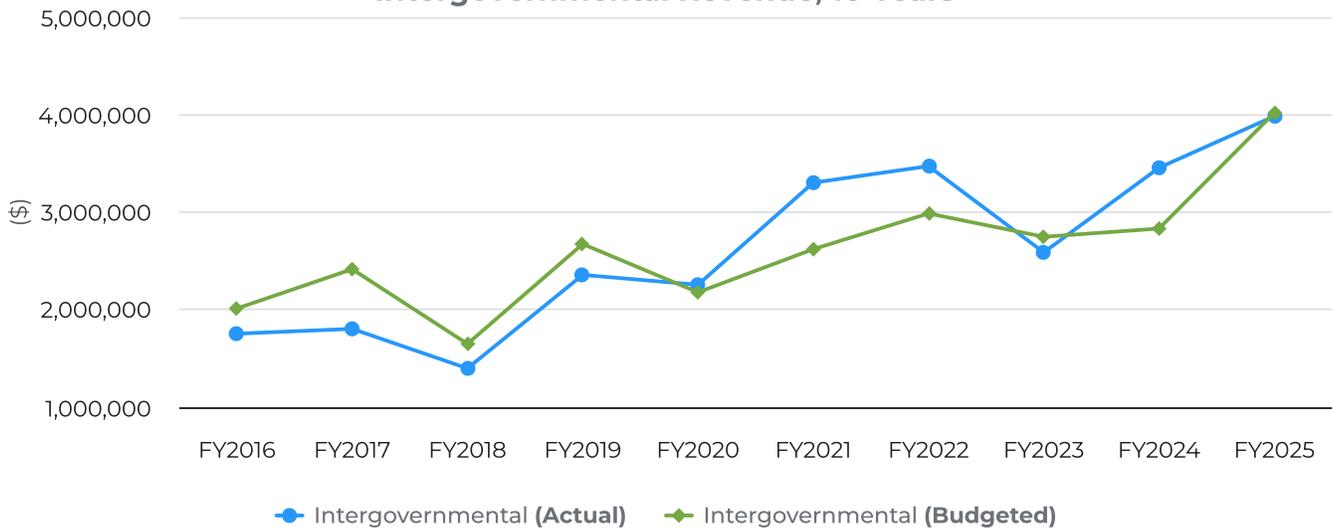


### State Sales Taxes, 10 Years



**Intergovernmental Revenues** - The largest portion of this revenue comes from the Claytex Fire District agreement, through which the Town is reimbursed for fire services provided beyond town limits. This type of revenue is generally budgeted based on the agreement between the two parties involved.

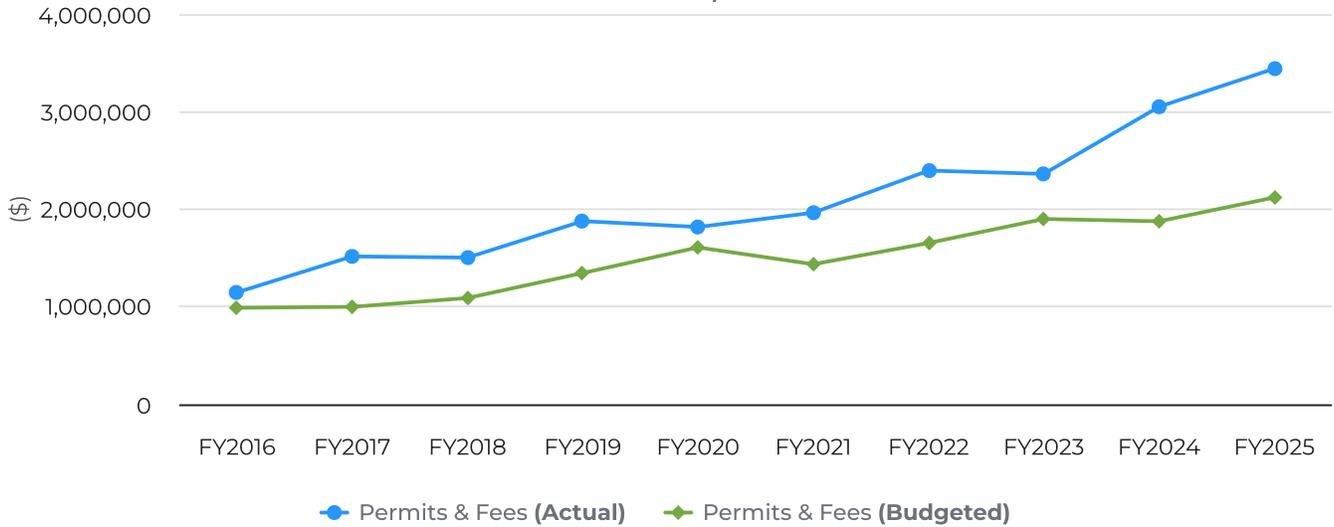
### Intergovernmental Revenue, 10 Years



**Permits and Fees** – The Town collects fees for development activities, such as building permits, stormwater utility fees, and inspections. This revenue type accounts for around 3.5% of total General Fund revenues, and is budgeted based on trends in recent population and community development growth. Actual collections often exceed budgeted estimates, particularly in FY24 and FY25, due to large, unanticipated building projects that generate significantly higher inspection fee revenues. Because budgeted figures are based on conservative assumptions of normal growth, these occasional spikes are not reflective of ongoing revenue trends. Importantly, excess building inspection revenues are not available for general use in the Town’s budget. Under [North Carolina General Statute § 160D-402\(d\)](#), all building inspection fees must be used exclusively to support the administration and operations of the building inspection department and for no other purposes.

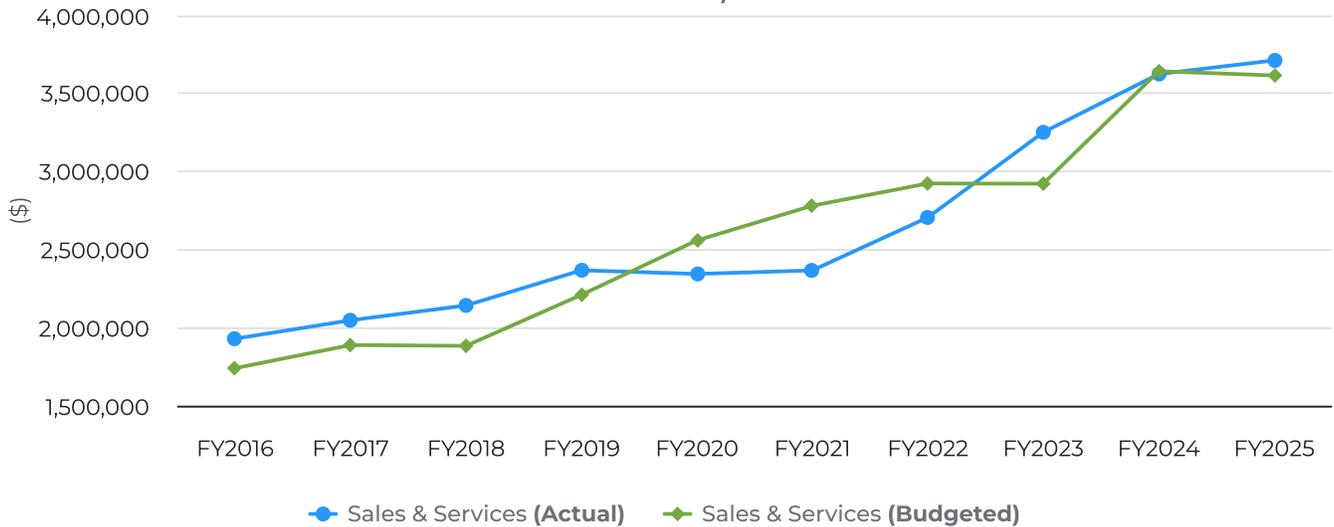


### Permits & Fees, 10 Years



**Sales and Services** - These revenues come from solid waste services, Parks & Recreation programs and facility rentals, and ticket sales from events hosted at the Clayton Center and other cultural venues. Sales and Services revenues bring in 5% of total General Fund Revenues. Budgets for these types of revenues are based on recent trends in population growth as well as feedback via surveys and artist contracts.

### Sales & Services, 10 Years



## Other Sources of Revenues - General Fund

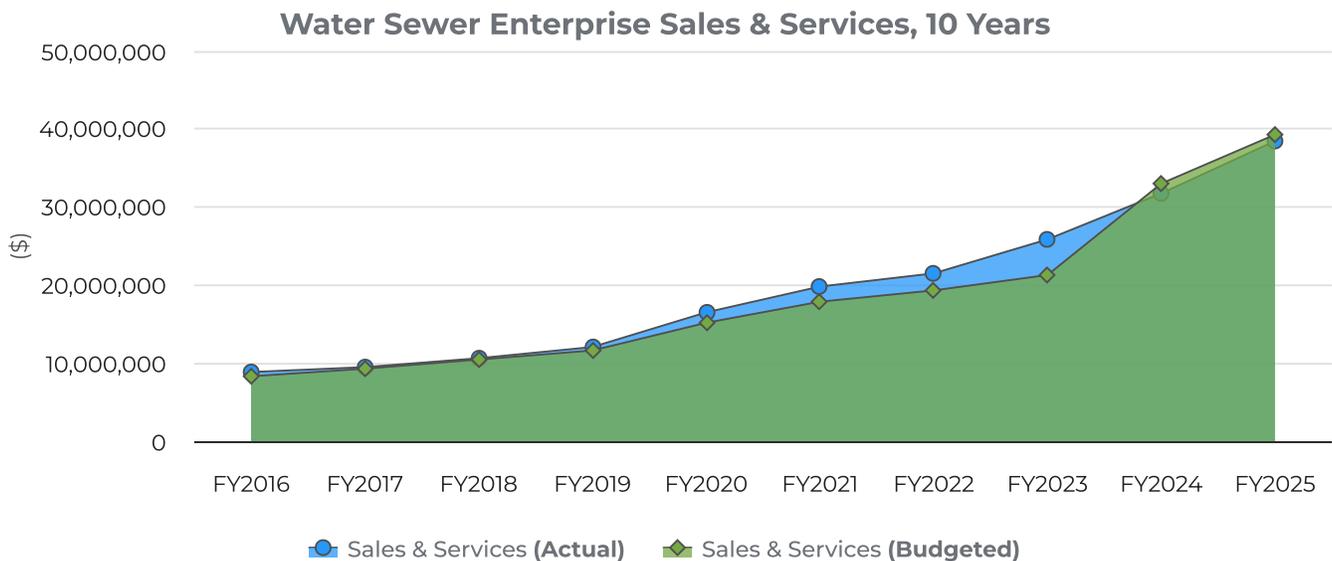
**Grants and Donations** - The Town pursues and receives state and federal grants, including public safety grants like SAFER (a federal grant that the Town was awarded to fund 6 firefighter positions for 3 years). It has also included smaller grants for specific programs. These revenues are a relatively small portion of total revenue, though the Town is committed to expanding its grant revenue. These revenues are only budgeted when awards have been confirmed or are reasonably assured.

**Miscellaneous Revenues** - These include interest income on investments, financing proceeds for capital projects, and the use of fund balance when needed. Interest income is forecast and budgeted based on current trends in interest rates as set by the Federal Reserve.

# Funding Sources Overview - Water Sewer Fund

Below is a summary of the primary revenue sources that support the Town of Clayton's Water Sewer Fund operating budget in FY2026. In addition, a 10-year history is charted for the sources that represent the largest proportion of the total overall General Fund revenues.

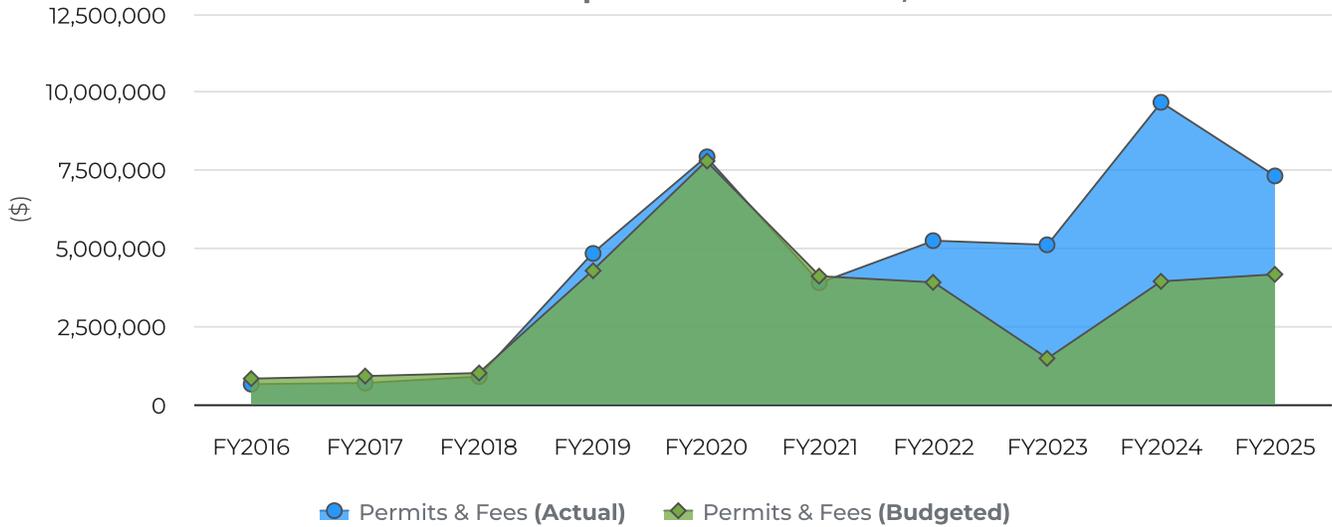
**Sales and Services** – Making up the largest share at 85% of total revenues, this category includes charges for both water distribution and wastewater treatment services. These revenues are driven by customer usage and are forecast using historical consumption patterns, rate structures, and anticipated population growth.



**Permits and Fees** – Representing approximately 14% of the total Water Sewer Fund revenue, this category includes system development fees and user surcharges. These revenues are closely tied to growth and development activity and are budgeted based on projected utility connections and historical trends in development.



### Water Sewer Enterprise Permits & Fees, 10 Years



### Other Sources of Revenues - Water Sewer Fund

**Miscellaneous Revenues** – This includes interest income from investments. While part of the overall revenue picture, this source represents an immaterial portion of the Water Sewer Fund. These revenues are budgeted conservatively based on current interest rate trends and available cash balances.

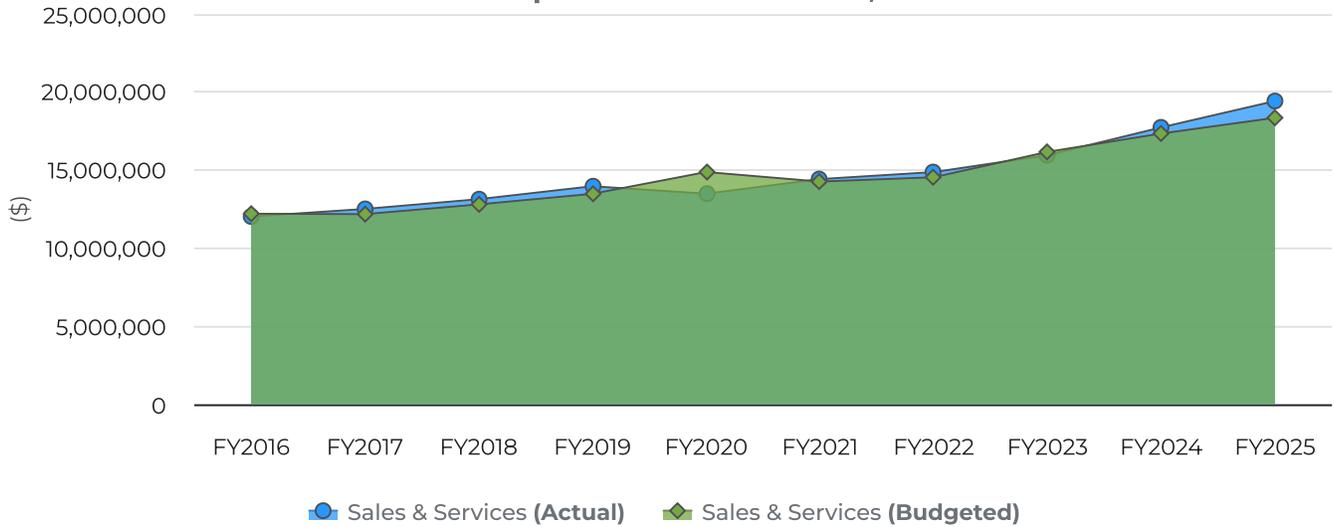
## Funding Sources Overview - Electric Fund

Below is a summary of the primary revenue sources in the FY2026 Electric Fund budget. In addition, a 10-year history is charted for the sources that represent the largest proportion of the total overall General Fund revenues.

**Sales and Services** – The sale of electricity is the primary revenue source for the Electric Fund, accounting for 78% of total revenues. This revenue is forecast using historical consumption data, rate analysis, and anticipated growth in residential and commercial development.

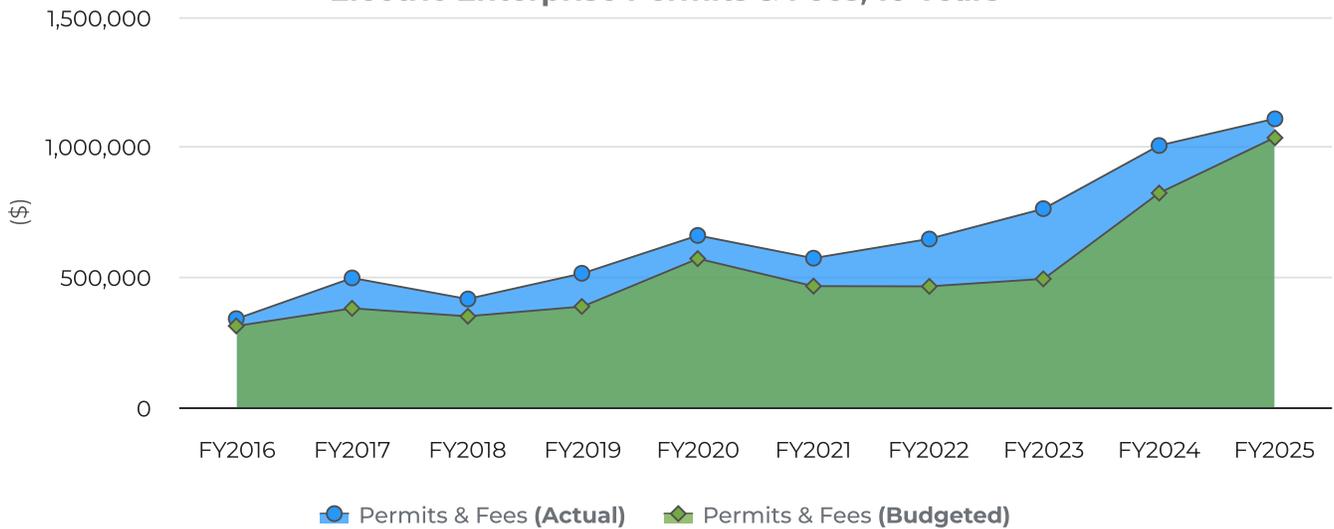


### Electric Enterprise Sales & Services, 10 Years



**Permits and Fees** – This category of meter fees, underground electric fees, and connection fees, makes up approximately 4% of the Electric Fund’s total revenue. These revenues are budgeted based on historical trends in customer growth and service activity.

### Electric Enterprise Permits & Fees, 10 Years



## Other Sources of Revenues - Electric Enterprise Fund

**Other Financing Sources** – This includes bond revenue earmarked for large Capital Improvement Projects (CIP). This is a one-time revenue source representing 7% of the total budget, and is tied to planned infrastructure investments.

**Fund Balance** – Approximately 8% of the Electric Fund's revenue comes from a one-time appropriation of fund balance, designated for capital improvements and system expansion. This reflects the Town's strategic use of reserves to support long-term infrastructure needs.

**Miscellaneous Revenues** – This includes interest income, which represents a small and immaterial portion of the Electric Fund's overall revenue. It is budgeted conservatively based on current interest rate trends.



# Changes in Personnel

Following a comprehensive organization structure study, the Town of Clayton underwent a notable organizational restructuring during FY2025. The study was conducted to improve operational efficiency and to ensure personnel and departmental structures accurately reflect core functions and service delivery.

As a result of the study, several new departments were created, and existing functions were reorganized. The most significant changes include:

- **Creation of New Departments:**
  - *Operations Management*: Established to oversee key infrastructure and service delivery functions, including Public Works, Water/Sewer and Electric Utilities, Warehouse Operations, and Administrative functions.
  - *Human Resources*: Formerly a division under General Government, Human Resources was elevated to its own department to provide dedicated support for workforce management and development.
  - *Community Development*: A new umbrella department encompassing Inspections, Engineering, Development Services, Downtown, and Planning. Notably, the previous "Community Development" department is now renamed *Planning* to reflect its core planning functions.
- **Realignment of Existing Functions:**
  - *Property Maintenance* was consolidated under *Public Works* due to shared service delivery characteristics as well as similar scopes of work and reporting structure.
  - *Customer Service*, whose primary function is utility billing and collections, was absorbed into *Financial Services* to streamline financial operations.

These adjustments resulted in visible changes to Full-Time Equivalent (FTE) counts across multiple departments. The table below shows a three-year comparison of budgeted FTEs for each department. Seven additional full-time positions were approved for FY2026. Of the seven new positions, six are allocated to operational departments to support expanded services in streets, water and sewer, and electric utilities, while the seventh establishes an Environmental Programs Manager to lead the Town’s growing stormwater program.

## FTE Changes - FY24, FY25, and FY26 (Budgeted)

This table presents the Full-Time Equivalent (FTE) staffing levels by department for the past two fiscal years, along with the approved FTE counts for FY2026. New positions authorized for FY2026 are identified in the far-right column. Any changes in departmental FTEs from FY2025 to FY2026 that are not attributed to new positions reflect adjustments made as part of the organizational restructuring.

Fund	Department	FY2024 FTE	FY2025 FTE	FY2026 FTE	New in FY2026
General Fund	40-General Government	13	15	7	
General Fund	41-Financial Services	11	13	18	



<b>General Fund</b>	42-Planning	11	14	8	
<b>General Fund</b>	43-Economic Development	3	3	2	
<b>General Fund</b>	44-Inspections	8	8	8	
<b>General Fund</b>	45-Human Resources			6	
<b>General Fund</b>	46-Community Development			8	
<b>General Fund</b>	47-Data & Technology	7	9	9	
<b>General Fund</b>	48-Communications	3	5	5	
<b>General Fund</b>	49-Customer Service	10	11	0	
<b>General Fund</b>	50-Law Enforcement	68	70	70	
<b>General Fund</b>	51-Engineering	13	14	15	+1
<b>General Fund</b>	52-Fire Protection	52	59	59	
<b>General Fund</b>	53-Operations Management			11	
<b>General Fund</b>	54-Property Maintenance	17	17	0	
<b>General Fund</b>	55-Public Works	17	17	35	+3
<b>General Fund</b>	60-Parks & Recreational Services	18	18	18	
<b>General Fund</b>	65-Cultural & Performing Arts	5	5	5	
<b>General Fund</b>	68-Library Operations	8	8	8	
<b>Water Sewer Fund</b>	56-Water Sewer Enterprise	34	41	43	+2
<b>Electric Enterprise Fund</b>	57-Electric Enterprise	16	16	15	+1
<b>Total FTE</b>		<b>314</b>	<b>343</b>	<b>350</b>	<b>7</b>





# FUNDS SUMMARY

The Funds Summary provides an overview of the Town’s major funds, including the General Fund and Enterprise Funds. Each fund is managed separately to ensure revenues are used appropriately and budgets remain balanced as required by state law.

# Funds Summary Overview

A **fund** is like a separate checking account used to manage specific programs or services. Funds ensure that money earmarked for distinct purposes—like day-to-day town services or utilities—is kept separate, tracked accurately, and spent appropriately. North Carolina law ([N.C. General Statute §159-13](#)) requires municipalities to adopt a balanced budget ordinance each year, formally establishing these funds' spending limits.

The Town of Clayton's annual operating budget is made up of three primary funds: the General Fund, the Water Sewer Fund, and the Electric Enterprise Fund. Each fund serves a different purpose, has unique revenue sources, and is governed by distinct budgetary rules and oversight processes. In addition, the Town maintains multiple capital project fund budgets. These are adopted individually through project ordinances, as required by [N.C. General Statute § 159-13.2](#), and are therefore not part of the annual operating budget development and adoption process.

## Major Funds

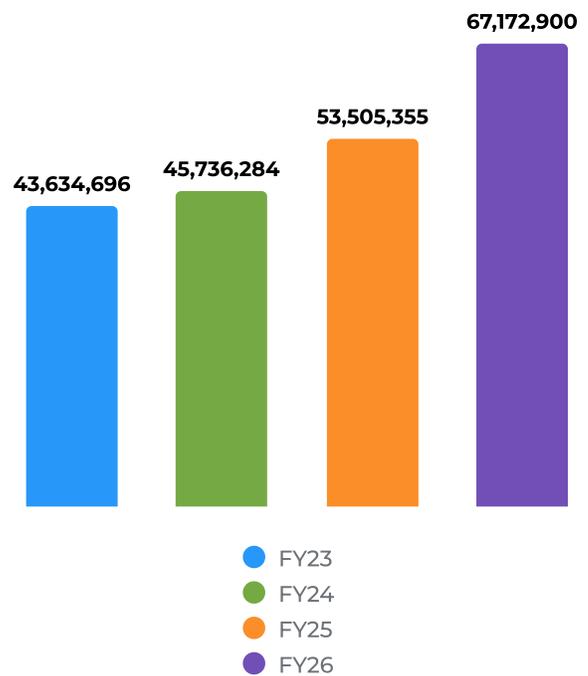
### General Fund (Appropriated Fund)

The General Fund is the Town of Clayton's primary operating fund and supports most core municipal services that residents use and depend on every day. Its funding includes property taxes, state-shared revenues, service fees, sales and services, intergovernmental revenues, and grants. This fund pays for departments such as police, fire, parks and recreation, library services, planning, inspections, public works, and general government administration.

- The Town must adopt a balanced General Fund budget with all spending approved via annual appropriation under G.S. §159-13.
- Town of Clayton policy requires a 20% unassigned fund balance for financial stability and creditworthiness.

The Town's General Fund budget is divided into 17 departments. More detail about individual department functions, as well as their budgets, is provided in the "Departmental Summary" section of this publication.

### General Fund Expense Budget



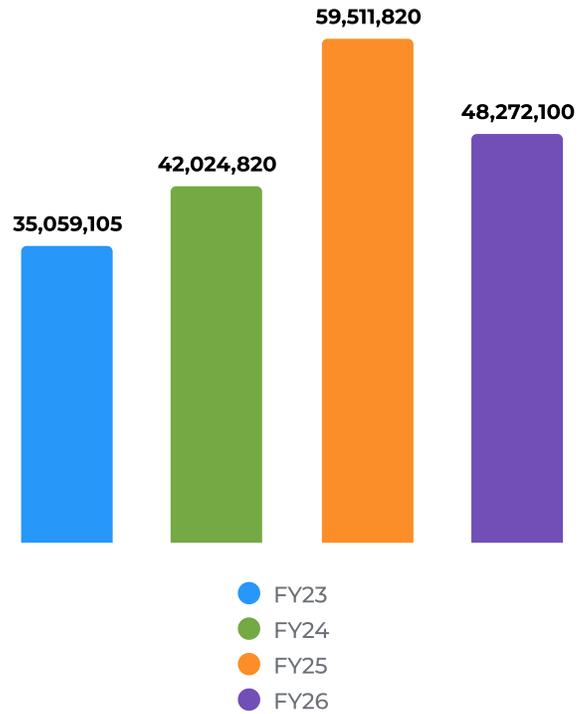
## Water & Sewer Fund (Enterprise Fund)

The Water Sewer Fund is an enterprise fund, meaning it functions as a self-sustaining utility rather than a tax-funded service. This fund supports all aspects of providing clean, reliable drinking water and safe wastewater treatment to residents and businesses. It's funded entirely through user fees, connection charges, and permit revenues—no tax dollars are appropriated or received. The fund covers the operational and capital costs of water and sewer services including: system maintenance, infrastructure expansion, and regulatory compliance.

**Budget authority** comes through [Council approval](#) rather than annual appropriation, and budgets are set to ensure revenues cover all expenditures.

- Enterprise funds operate like businesses—N.C.G.S. §159-13 (14) allows their use for self-supporting services—but they must be approved by Council.
- No tax dollars are appropriated or used; funding comes entirely from user fees and charges.

## Water Sewer Fund Expense Budget

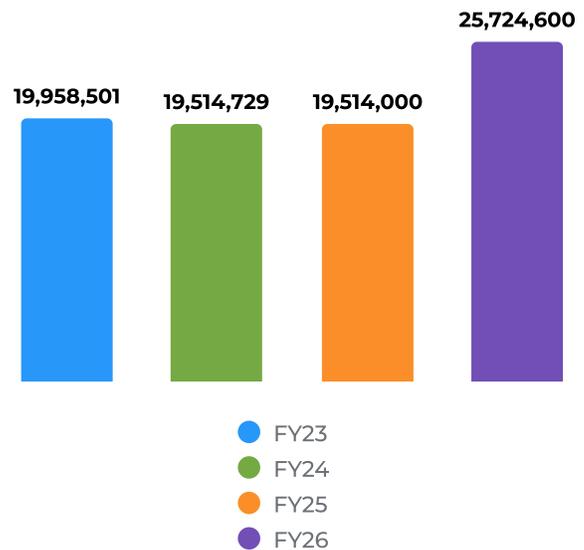


## Electric Fund (Enterprise Fund)

Like the Water Sewer Fund, the Electric Fund is an Enterprise Fund and operates independently of property tax revenue. It finances the operation and maintenance of the Town's electric utility, which provides power to over 9,200 customers. All revenue comes from electric sales and service fees, which are reinvested into infrastructure upgrades, energy purchases, and reliability improvements. The Electric Fund ensures residents have access to safe, dependable power while managing costs responsibly. It is approved by Town Council annually as part of the enterprise fund budgeting process and operates sustainably without placing a financial burden on the broader General Fund. In many ways, this fund functions like a community-owned power company serving Clayton homes and businesses.

- Also an enterprise fund, approved by Council, funded solely through user rates and fees—no tax dollars involved

## Electric Fund Expense Budget



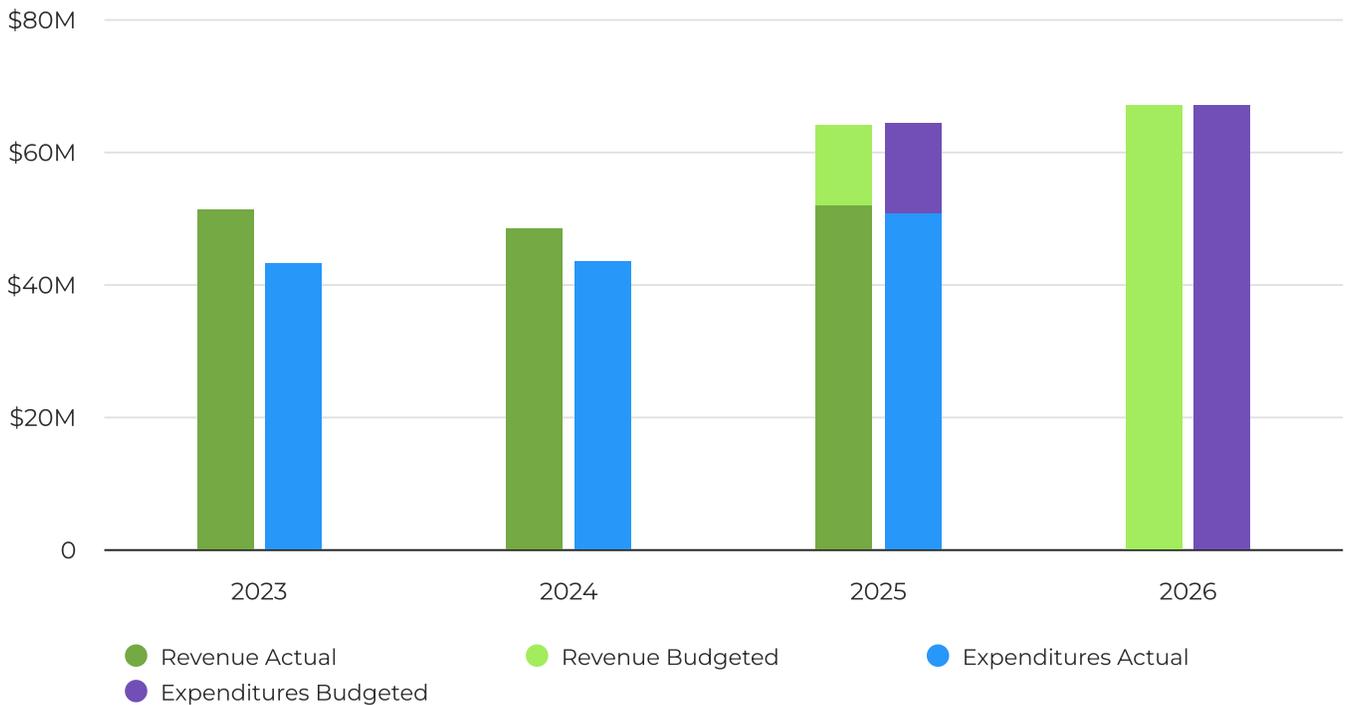
# General Fund

Between the FY25 and FY26 adopted budgets, the General Fund reflects a notable increase in both revenues and expenditures—rising from approximately \$53.5 million to \$67.2 million, a \$13.7 million (26%) increase. This large increase is primarily driven by a strategic land acquisition intended to support future economic development. Importantly, the revenue and expenditure sides of this acquisition balance each other out, as the Town plans to finance the purchase through debt. If the purchase does not occur, the associated financing recorded as a revenue would not be realized either.

The land acquisition is the major factor behind the \$9.4 million increase in capital outlay and the \$7.7 million increase in miscellaneous revenue. Personnel costs also contribute meaningfully to the overall budget growth. Salaries increased by 11.5%, and benefits by 19.5%, reflecting the addition of three new General Fund positions, a 2% **cost of living adjustment**, a 5% merit pool, and higher health insurance costs and retirement rates. Additionally, Operating Expenses and Contract Services rose moderately due to inflationary pressures and equipment upgrades.

**Note:** In some tables that follow (both in the General Fund summary and most General Fund departmental summaries), "Miscellaneous Expense" will sometimes show a negative number. These negative expenses are intentional **chargebacks** that reduce a department's gross expenses by the share of its costs attributable to services provided to the Enterprise Funds and the Inspections Department. The offsetting charges are recorded in those funds/departments, so the organization-wide total is unchanged—this simply prevents double-counting and aligns costs with the beneficiaries of the service.

## Revenues vs Expenditures Summary



# Comprehensive Fund Summary - General Fund

Below is a multi-year view of the Town's General Fund revenues and expenditures, organized by category and displayed across five fiscal years: FY2022 Actual, FY2023 Actual, FY2024 Actual, FY2025 Adopted Budget, FY2025 Actual YTD, and FY2026 Adopted Budget.

## Comprehensive Fund Summary

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended	FY 2025 Actual	FY 2026 Adopted Budget
<b>Beginning Fund Balance</b>	<b>\$25,437,923</b>	<b>\$34,799,315</b>	<b>\$37,939,732</b>	<b>\$37,939,732</b>	<b>\$37,939,732</b>	<b>-</b>
<b>Revenues</b>						
Ad Valorem	\$19,596,951	\$20,089,902	\$23,454,018	\$23,454,018	\$23,387,397	\$26,877,000
State Shared Revenue	\$10,645,713	\$11,547,267	\$11,367,386	\$11,367,386	\$12,507,178	\$11,961,400
Intergovernmental	\$2,587,679	\$3,455,275	\$4,017,603	\$4,017,603	\$3,983,662	\$5,142,600
Permits & Fees	\$2,362,151	\$3,050,492	\$2,120,475	\$2,120,475	\$3,441,309	\$2,406,400
Sales & Services	\$3,252,119	\$3,625,412	\$3,616,309	\$3,616,309	\$3,712,577	\$3,729,000
Grants & Donations	\$716,939	\$333,981	\$285,500	\$285,500	\$580,899	\$742,400
Miscellaneous Revenue	\$9,928,109	\$6,268,785	\$8,644,064	\$19,145,706	\$4,199,445	\$16,314,100
Other Financing Sources	\$2,250,000	-	-	-	-	-
<b>Total Revenues</b>	<b>\$51,339,662</b>	<b>\$48,371,114</b>	<b>\$53,505,355</b>	<b>\$64,006,997</b>	<b>\$51,812,466</b>	<b>\$67,172,900</b>
<b>Expenditures</b>						
Salaries	\$15,712,859	\$17,631,694	\$19,753,159	\$20,631,236	\$19,723,508	\$22,216,200
Benefits	\$5,535,893	\$6,496,742	\$7,343,750	\$7,948,750	\$7,522,104	\$8,868,700
Operating Expense Programs	\$8,260,247	\$8,013,338	\$11,134,638	\$11,710,395	\$9,920,632	\$11,806,127
Special Appropriations	\$476,013	\$481,759	\$1,592,847	\$1,676,285	\$974,927	\$1,176,900
Contract Services	-	-	\$1,598,077	\$10,000	-	\$1,767,743
Debt Service	\$4,489,019	\$4,467,512	\$5,729,079	\$7,060,748	\$4,987,901	\$5,651,000
Capital Outlay	\$2,439,694	\$2,282,527	\$2,697,313	\$2,697,313	\$2,697,311	\$2,697,200
Miscellaneous Expense	\$4,941,606	\$5,909,076	\$9,877,477	\$18,243,255	\$10,328,622	\$17,964,298
Miscellaneous Expense	\$1,154,611	-\$1,861,722	-\$6,220,985	-\$5,770,985	-\$5,507,363	-\$4,975,268
<b>Total Expenditures</b>	<b>\$43,009,942</b>	<b>\$43,420,926</b>	<b>\$53,505,355</b>	<b>\$64,206,997</b>	<b>\$50,647,642</b>	<b>\$67,172,900</b>
<b>Total Revenues Less Expenditures</b>	<b>\$8,329,721</b>	<b>\$4,950,188</b>	<b>-</b>	<b>-\$200,000</b>	<b>\$1,164,825</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$33,767,644</b>	<b>\$39,749,503</b>	<b>\$37,939,732</b>	<b>\$37,739,732</b>	<b>\$39,104,557</b>	<b>-</b>

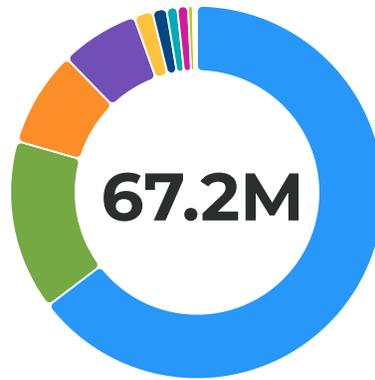
Note - The prior year's ending fund balance will not always reconcile exactly to the subsequent year's beginning fund balance. This occurs because the Town's financial statements remain subject to final year-end closing entries and audit adjustments after the fiscal year has ended. The beginning balance for the new fiscal year therefore reflects the finalized, audited position. In accordance with [N.C. General Statute 159-8](#), the Town is required to adopt a balanced budget. As a result, the budget is not impacted by the actual fund balance at the close of FY25, which will not be determined until after publication of this document (likely Fall of 2025). Accordingly, no fund balance amount is presented for FY26.

## Revenues by Department

The FY26 "Revenues by Department" chart illustrates a total budgeted revenue of \$67.2 million in the General Fund, with the majority—64.64%—attributed to the General Government department. This category includes all levied property and sales taxes, making it the primary funding source for the Town. The Financial Services department accounts for 14.80% of revenues and includes financing proceeds for major capital investments such as land for economic development and new fire apparatus. Additional significant contributions come from Fire Protection and Public Works, which together represent over 15% of total revenues.



### FY26 Revenues by Department

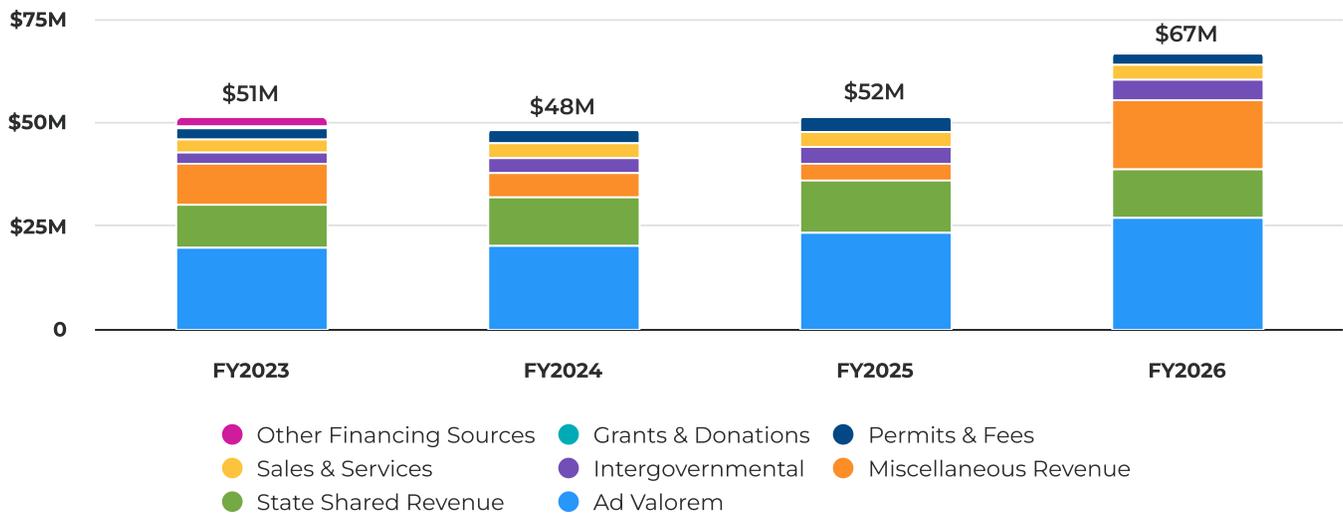


General Government	\$43,420,200	64.64%
Financial Services	\$9,940,000	14.80%
Fire & Emergency Services	\$5,577,700	8.30%
Public Works	\$4,557,700	6.79%
Inspections	\$1,081,500	1.61%
Engineering	\$830,000	1.24%
Parks & Recreational Services	\$627,000	0.93%
Law Enforcement	\$624,600	0.93%
Cultural and Performing Arts	\$275,000	0.41%
Planning	\$131,400	0.20%
Communications	\$52,000	0.08%
Library Operations	\$40,800	0.06%
Community Development	\$15,000	0.02%

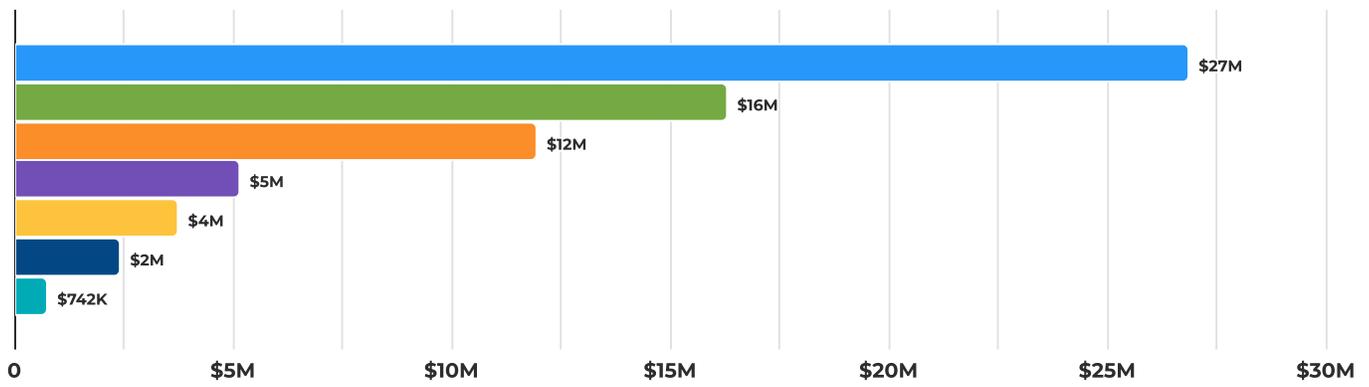
### Revenues by Revenue Source

In FY26 Ad Valorem taxes—primarily property taxes—make up the largest share of FY2026 General Fund revenues (40%). Miscellaneous Revenue follows at 24%, which includes financing proceeds for capital investments (though technically loan proceeds, the Town is required to account for them as revenues), and any interest income. Other key sources include state shared revenue (state sales taxes) at 18%, Intergovernmental funds (8%) which include the Claytex Fire District revenues, and sales & services (6%).

### Historical Revenue by Revenue Source



### FY26 Revenues by Revenue Source



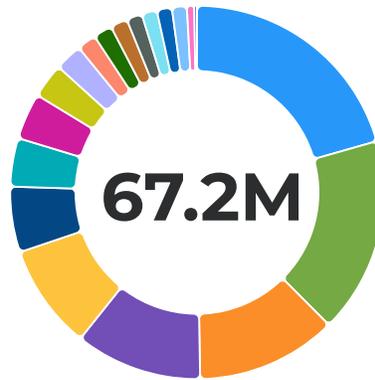
● Ad Valorem	<b>\$26,877,000</b>	40.01%
● Miscellaneous Revenue	<b>\$16,314,100</b>	24.29%
● State Shared Revenue	<b>\$11,961,400</b>	17.81%
● Intergovernmental	<b>\$5,142,600</b>	7.66%
● Sales & Services	<b>\$3,729,000</b>	5.55%
● Permits & Fees	<b>\$2,406,400</b>	3.58%
● Grants & Donations	<b>\$742,400</b>	1.11%

### Expenditures by Department

The FY26 “Expenditures by Department” chart outlines the \$67.2 million budget. Spending is largely concentrated in departments that maintain the largest workforce. Public Works, Law Enforcement, and Fire Protection collectively account for over 43% of total expenditures, while those three departments account for 56% of the budgeted positions in the general fund. An exception to this trend is General Government, which comprises 16.97% of the budget. This higher-than-usual share is due to a one-time capital expenditure, making it an outlier compared to its typical staffing and operational costs.



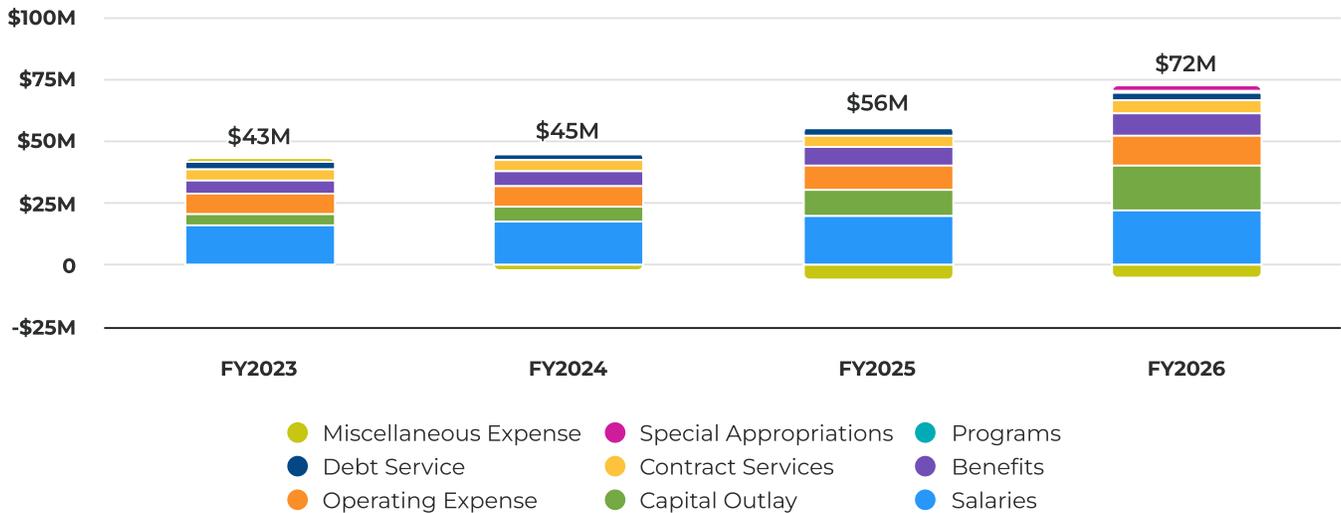
### FY26 Expenditures by Department



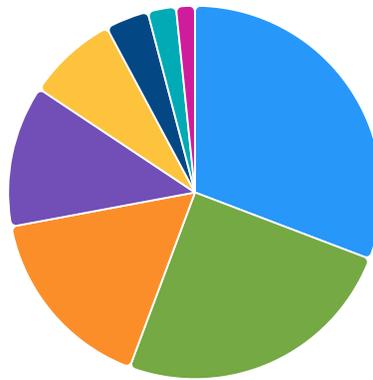
Public Works	\$13,825,353	20.58%
General Government	\$11,397,609	16.97%
Law Enforcement	\$8,184,900	12.18%
Fire & Emergency Services	\$7,375,600	10.98%
Financial Services	\$6,111,828	9.10%
Data and Technology Services	\$3,821,265	5.69%
Parks & Recreational Services	\$2,820,100	4.20%
Debt Service	\$2,697,200	4.02%
Inspections	\$2,019,338	3.01%
Non-Departmental	\$1,600,000	2.38%
Engineering	\$1,117,413	1.66%
Library Operations	\$1,092,000	1.63%
Cultural and Performing Arts	\$993,000	1.48%
Planning	\$909,841	1.35%
Operations Management	\$882,700	1.31%
Community Development	\$878,038	1.31%
Human Resources	\$864,640	1.29%
Communications	\$424,861	0.63%
Economic Development	\$157,214	0.23%

### Expenditures by Expense Type

#### Historical Expenditures by Expense Type



### FY26 Expenditures by Expense Type



● Salaries	<b>\$22,216,200</b>	33.07%
● Capital Outlay	<b>\$17,964,298</b>	26.74%
● Operating Expense	<b>\$11,806,127</b>	17.58%
● Benefits	<b>\$8,868,700</b>	13.20%
● Contract Services	<b>\$5,651,000</b>	8.41%
● Debt Service	<b>\$2,697,200</b>	4.02%
● Special Appropriations	<b>\$1,767,743</b>	2.63%
● Programs	<b>\$1,176,900</b>	1.75%
● Miscellaneous Expense	<b>-\$4,975,268</b>	-7.41%

### Fund Balance

The Town reports **Fund Balance** for its General Fund and **Net Position** for its Enterprise Funds. Fund balance represents the difference between governmental fund assets and liabilities at the end of the fiscal year, essentially showing the funds available for future spending. Net position serves a similar purpose for Enterprise Funds but follows full accrual accounting, including capital assets and long-term liabilities, to reflect the overall financial position of those funds.

Fund Balance is classified into five categories based on the constraints placed on how resources can be used:

- Unassigned – This portion of Fund Balance is fully available for any lawful purpose, giving the Town the flexibility to handle unexpected needs or emergencies. Currently, the Town of Clayton aims to maintain an unassigned fund balance equal to 30% of net expenditures, which for FY26 is \$15,064,940. This reserve helps ensure that essential services can continue even if revenues suddenly drop. The Town's long-term goal is to reach 40% of net expenditures, a level considered a benchmark for municipalities with the strongest financial health and a AAA credit rating.
- Assigned – Amounts intended for a specific purpose, as determined by internal policy, so without the formal restrictions of committed funds. In The Town of Clayton's Fund Balance, this category includes program initiative dollars, funding set aside for CIP PayGo funding, and carryover funds from the prior year.
- Committed – Resources that can only be used for specific purposes determined by a formal action (such as an ordinance) of the governing body, which can only be changed by similar formal action. This category includes dollars earmarked for our Capital Reserve, Public Improvements.
- Restricted – Funds that must be used for specific purposes due to external constraints, such as statutory provisions, grant requirements, or contractual obligations.
- Nonspendable – Amounts that cannot be spent in their current form, such as inventory or prepaid items, or legally/contractually required to remain intact.

As shown in the table below, the Town's Total Fund Balance increased steadily from \$14.46 million in FY 2019 to \$37.94 million in FY 2024. While Unassigned Fund Balance makes up the largest portion, providing financial flexibility, significant amounts are also reported in Assigned and Restricted categories, reflecting funds set aside for designated purposes or



legally mandated uses. This mix of classifications ensures the Town maintains liquidity for emergent or non-routine operations and compliance with external requirements.

### Fund Balance Summary

Fund Balance	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Unassigned	\$7,646,406.00	\$10,078,366.00	\$16,270,223.00	\$11,110,765.00	\$16,944,446.00	\$16,753,297.00
Assigned	\$3,516,728.00	\$3,725,054.00	\$4,068,519.00	\$9,371,041.00	\$11,451,056.00	\$14,741,561.00
Committed	\$844,401.00	\$551,053.00	\$1,159,469.00	\$2,080,522.00	\$3,062,521.00	\$1,187,617.00
Restricted	\$2,441,536.00	\$2,631,868.00	\$1,958,779.00	\$2,839,395.00	\$3,318,068.00	\$5,237,369.00
Nonspendable	\$6,244.00	\$3,811.00	\$20,051.00	\$36,200.00	\$23,224.00	\$19,888.00
<b>Total Fund Balance</b>	<b>\$14,455,315.00</b>	<b>\$16,990,152.00</b>	<b>\$23,477,041.00</b>	<b>\$25,437,923.00</b>	<b>\$34,799,315.00</b>	<b>\$37,939,732.00</b>

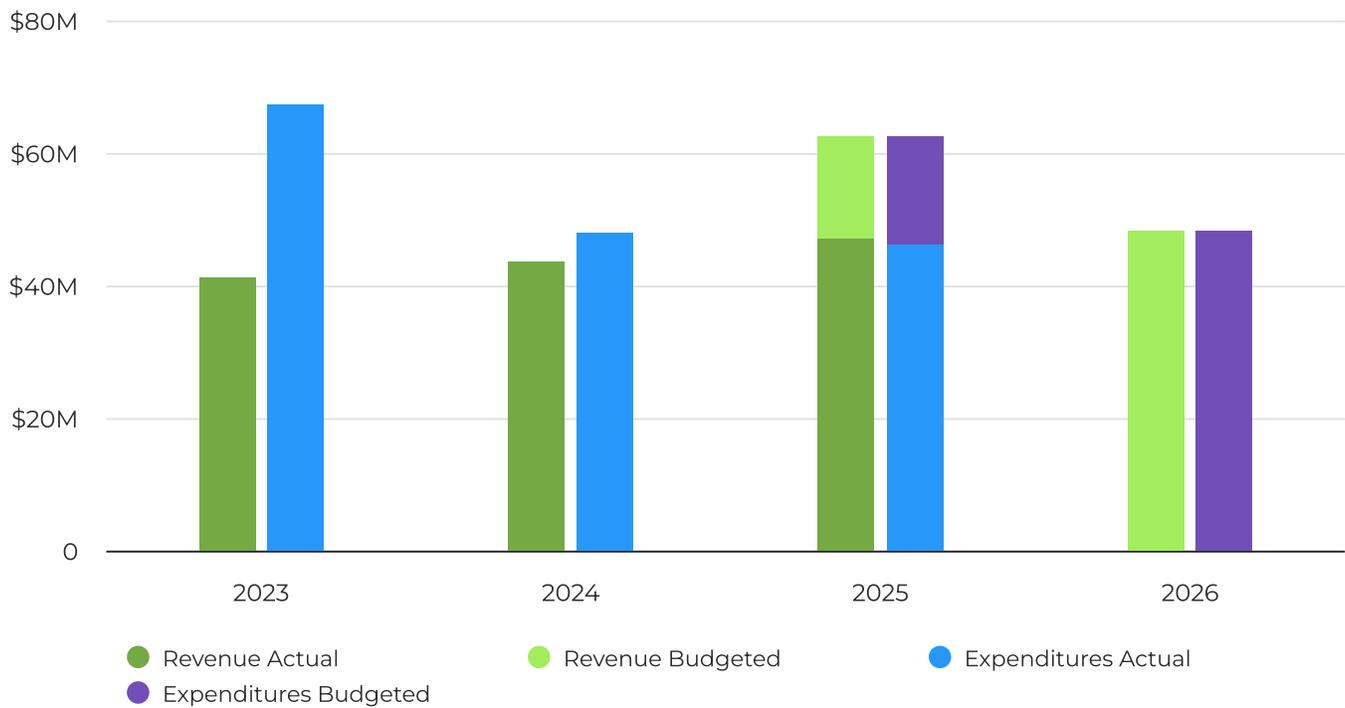


# Water Sewer Fund Financial Information

The FY 2026 Adopted Budget for the Water Sewer Fund totals \$48.3 million. This total reflects a decrease of \$11.2 million from the FY 2025 Adopted Budget. This change is primarily due to the removal of a planned \$14 million grant for a major capital project that ultimately was not awarded. The associated project and funding were removed, which also accounts for the corresponding decrease in Capital Outlay expenditures.

Sales & Services revenues increased by \$2 million, driven by rate adjustments tied to system growth and increased debt service obligations. Salaries increased by 9.5%, and benefits by 11.6%, reflecting the addition of two new positions, a 2% cost of living adjustment, a 5% merit pool, and higher health insurance and retirement costs. The aforementioned debt service increased by nearly \$10 million as repayment begins for the Sam's Branch Water Reclamation Facility project. Additionally, Miscellaneous Expenses increased by \$1 million due to higher internal service charges supporting General Fund operations.

## Water Sewer Fund Revenues vs Expenditures Summary



## Comprehensive Fund Summary - Water Sewer Fund

Multi-year view of the Water Sewer Fund revenues and expenditures, organized by category and displayed across five fiscal years: FY2022 Actual, FY2023 Actual, FY2024 Actual, FY2025 Adopted Budget, FY2025 Actual YTD, and FY2026 Adopted Budget.

### Comprehensive Fund Summary

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended	FY 2025 Actual	FY 2026 Adopted Budget
<b>Revenues</b>						
Permits & Fees	\$5,109,770	\$9,675,235	\$4,164,320	\$4,164,320	\$7,317,528	\$6,964,300
Sales & Services	\$25,870,108	\$31,768,513	\$39,296,500	\$39,296,500	\$38,475,781	\$41,259,300

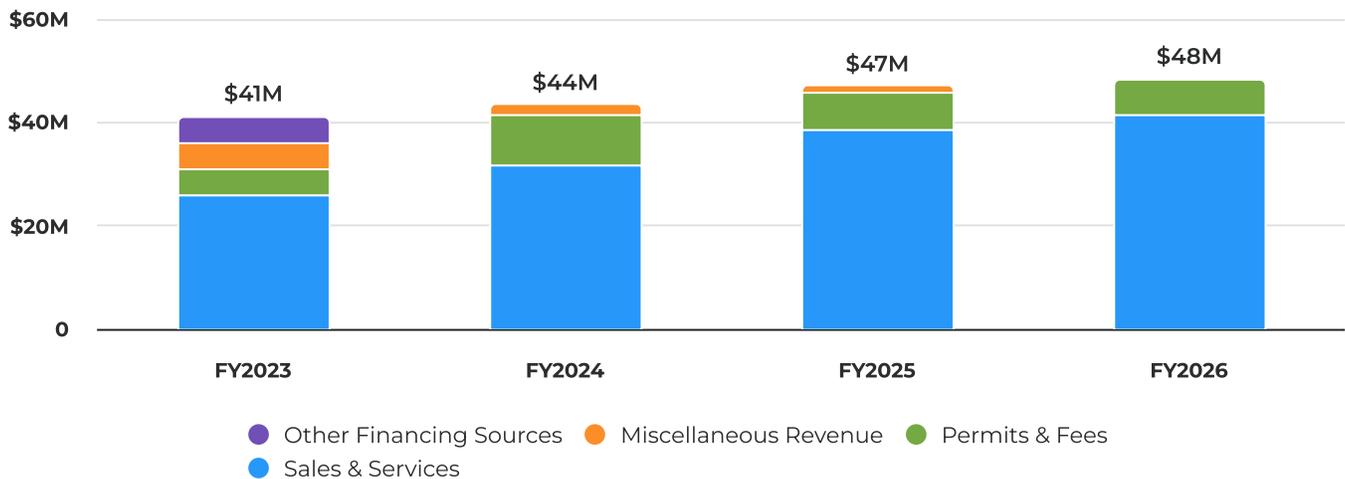


Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended	FY 2025 Actual	FY 2026 Adopted Budget
Grants & Donations	-	-	\$14,000,000	\$14,000,000	-	-
Miscellaneous Revenue	\$5,155,798	\$2,083,360	\$2,051,000	\$5,000,415	\$1,338,087	\$48,500
Other Financing Sources	\$5,000,000	-	-	-	\$22,950	-
<b>Total Revenues</b>	<b>\$41,135,676</b>	<b>\$43,527,108</b>	<b>\$59,511,820</b>	<b>\$62,461,235</b>	<b>\$47,154,346</b>	<b>\$48,272,100</b>
<b>Expenditures</b>						
Salaries	\$1,398,223	\$1,650,779	\$2,380,946	\$2,480,946	\$2,024,354	\$2,857,100
Benefits	\$571,673	\$593,313	\$998,256	\$1,048,256	\$755,783	\$1,139,800
Operating Expense	\$1,588,541	\$1,627,689	\$2,588,014	\$2,852,125	\$2,003,699	\$2,579,700
Programs	\$7,058,802	\$10,439,924	\$15,169,500	\$7,273,852	\$6,069,545	\$9,139,215
Special Appropriations	-	-	\$359,895	\$209,895	-	\$400,000
Contract Services	\$4,739,203	\$4,126,382	\$5,934,830	\$6,971,705	\$6,515,834	\$5,047,800
Debt Service	\$7,575,128	\$6,463,624	\$5,947,189	\$5,947,189	\$5,947,189	\$15,625,100
Capital Outlay	\$3,183,678	\$855,498	\$18,015,260	\$19,559,337	\$2,942,680	\$2,240,000
Miscellaneous Expense	\$41,104,200	\$22,250,946	\$8,117,930	\$16,117,930	\$19,954,954	\$9,243,385
<b>Total Expenditures</b>	<b>\$67,219,447</b>	<b>\$48,008,155</b>	<b>\$59,511,820</b>	<b>\$62,461,235</b>	<b>\$46,214,038</b>	<b>\$48,272,100</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$26,083,772</b>	<b>-\$4,481,047</b>	<b>-</b>	<b>-</b>	<b>\$940,308</b>	<b>-</b>

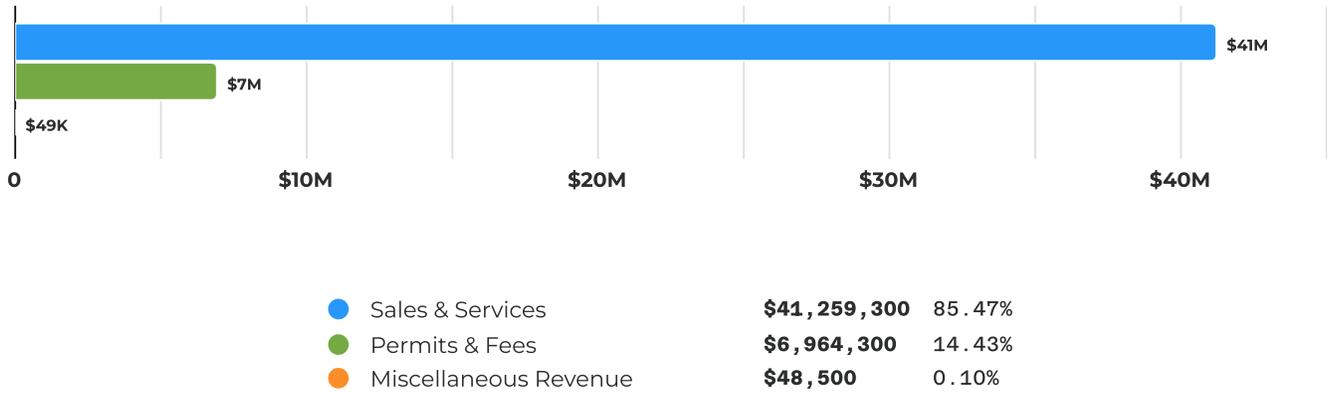
## Revenues by Revenue Source

Sales and Services account for the largest portion of the Town of Clayton’s Water Sewer Fund revenue, comprising approximately 85% of total revenues in FY26. This category includes charges for water and water reclamation services provided to residents and businesses. Permits and Fees represent around 13–15% of total revenues, and include user surcharges and System Development Fees associated with new development and infrastructure expansion. Miscellaneous Revenue contributes less than 1% of total revenues, and consists primarily of interest income earned on town investments. Other Financing Sources vary by year and are used when necessary to fund large capital projects through borrowing.

### Historical Revenue by Revenue Source



### FY26 Revenues by Revenue Source



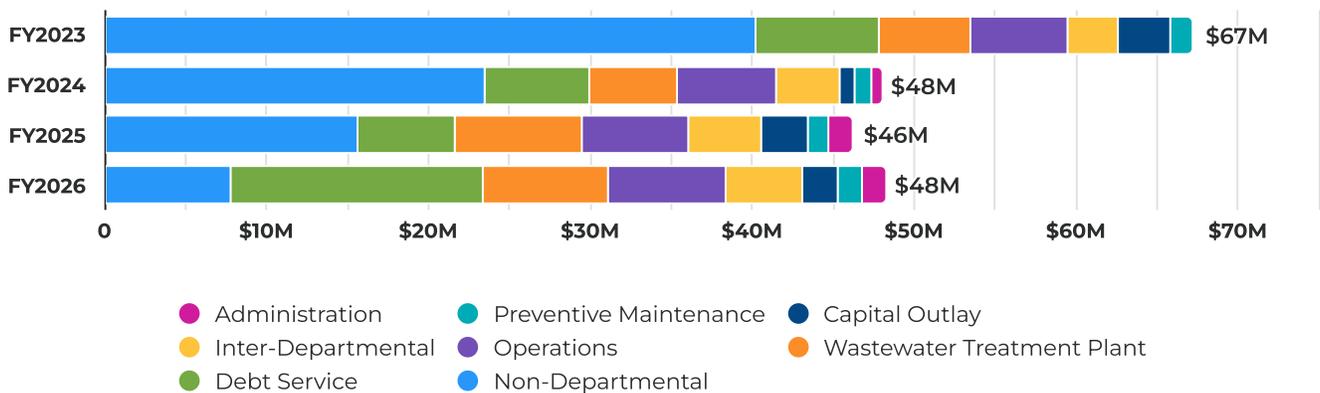
### Expenditures by Division

The “Expenditures by Division” charts below show the FY26 Water Sewer Fund budget of \$48.3 million, with the largest portion—32.4%—allocated to debt service. This reflects ongoing repayments tied to major capital investments, including the Sam’s Branch Water Reclamation Facility and related infrastructure upgrades.

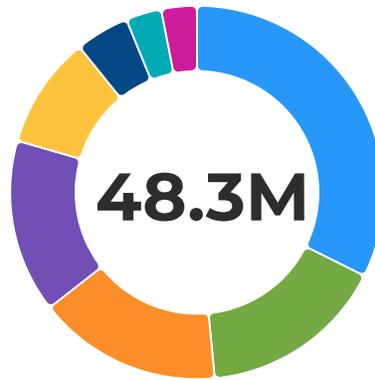
Non-departmental spending comprises 16.1% of the budget and typically includes transfers to the System Development Fees Fund and costs for purchasing extra water capacity. The Wastewater Treatment Plant (15.9%) and Operations divisions (15.0%) represent core utility functions such as wastewater processing, water distribution, and daily system maintenance. These two divisions also include the bulk of the personnel costs attributed to the Water Sewer Fund.

Inter-Departmental charges (9.7%) represent internal services provided by other Town departments. Capital outlay, at 4.6%, supports targeted system upgrades and new equipment. Administration (3.1%) covers general oversight and program management. Preventive Maintenance (3.1%) funds proactive repairs and upkeep that help extend asset life and reduce long-term costs.

### Historical Expenditures by Division



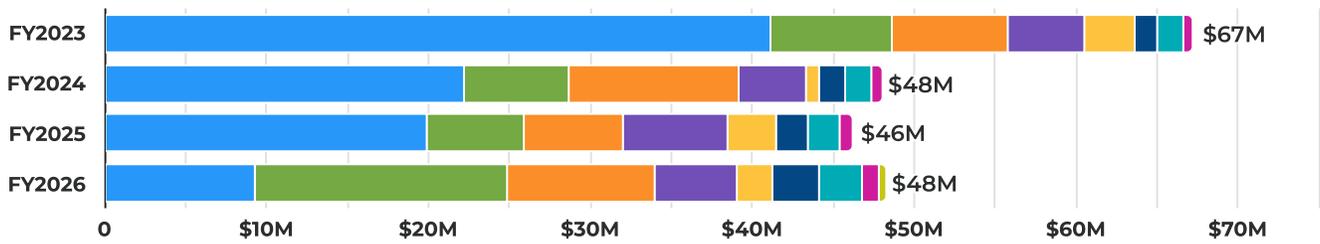
### FY26 Expenditures by Division



Debt Service	\$15,625,100	32.37%
Non-Departmental	\$7,781,215	16.12%
Wastewater Treatment Plant	\$7,696,800	15.94%
Operations	\$7,254,300	15.03%
Inter-Departmental	\$4,698,385	9.73%
Capital Outlay	\$2,240,000	4.64%
Administration	\$1,492,900	3.09%
Preventive Maintenance	\$1,483,400	3.07%

### Expenditures by Expense Type

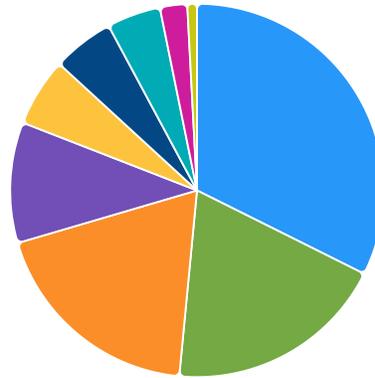
Historical Expenditures by Expense Type



Special Appropriations	Benefits	Operating Expense
Salaries	Capital Outlay	Contract Services
Programs	Debt Service	Miscellaneous Expense



### FY26 Expenditures by Expense Type



Debt Service	\$15,625,100	32.37%
Miscellaneous Expense	\$9,243,385	19.15%
Programs	\$9,139,215	18.93%
Contract Services	\$5,047,800	10.46%
Salaries	\$2,857,100	5.92%
Operating Expense	\$2,579,700	5.34%
Capital Outlay	\$2,240,000	4.64%
Benefits	\$1,139,800	2.36%
Special Appropriations	\$400,000	0.83%

### Net Position - Water Sewer Fund

Since the basis of accounting for Enterprise Funds differs slightly from the General Fund, the way in which we state equity for Enterprise Funds is slightly different. For the Water Sewer Fund (as well as the Electric Fund that follows here), *net position* is reported in the below table. Net position represents the difference between the fund's assets plus deferred outflows and liabilities plus deferred inflows. It reflects the financial position of the water and sewer utility, which is intended to recover its costs primarily through user charges rather than taxes.

Net position in Water Sewer is reported in three categories:

1. Net Investment in Capital Assets – The value of capital assets (e.g., water treatment plants, utility infrastructure) minus accumulated depreciation and any related debt used to acquire or improve those assets.
2. Restricted – Resources legally or contractually restricted for a specific purpose, such as bond covenants, debt service, or customer deposits.
3. Unrestricted – The portion available for any lawful purpose, such as working capital for operations or unforeseen expenses. This category provides the greatest flexibility for managing the fund's day-to-day activities.

This classification ensures the Water Sewer Fund is presented in a manner consistent with GAAP and GASB standards while clearly showing how much of the fund's resources are invested, restricted, or available for general use.

Net Position	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Net Investments in Capital Assets	\$ 39,542,521	\$ 74,497,129	\$75,271,235	\$ 86,317,304	\$ 89,629,159	\$ 66,678,232
Restricted	\$ 3,887,548	\$ 3,668,433	\$ 6,337,501	\$ 10,235,468	\$ 13,538,865	\$ 19,872,506



<b>Net Position</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Unrestricted</b>	\$ 4,975,578	\$ 11,759,469	\$12,232,153	\$ 3,869,556	\$ 19,045,136	\$ 92,528,895
<b>Total Net Position</b>	<b>\$ 48,405,647</b>	<b>\$ 89,925,031</b>	<b>\$93,880,889</b>	<b>\$ 100,422,328</b>	<b>\$ 122,213,160</b>	<b>\$ 179,079,633</b>



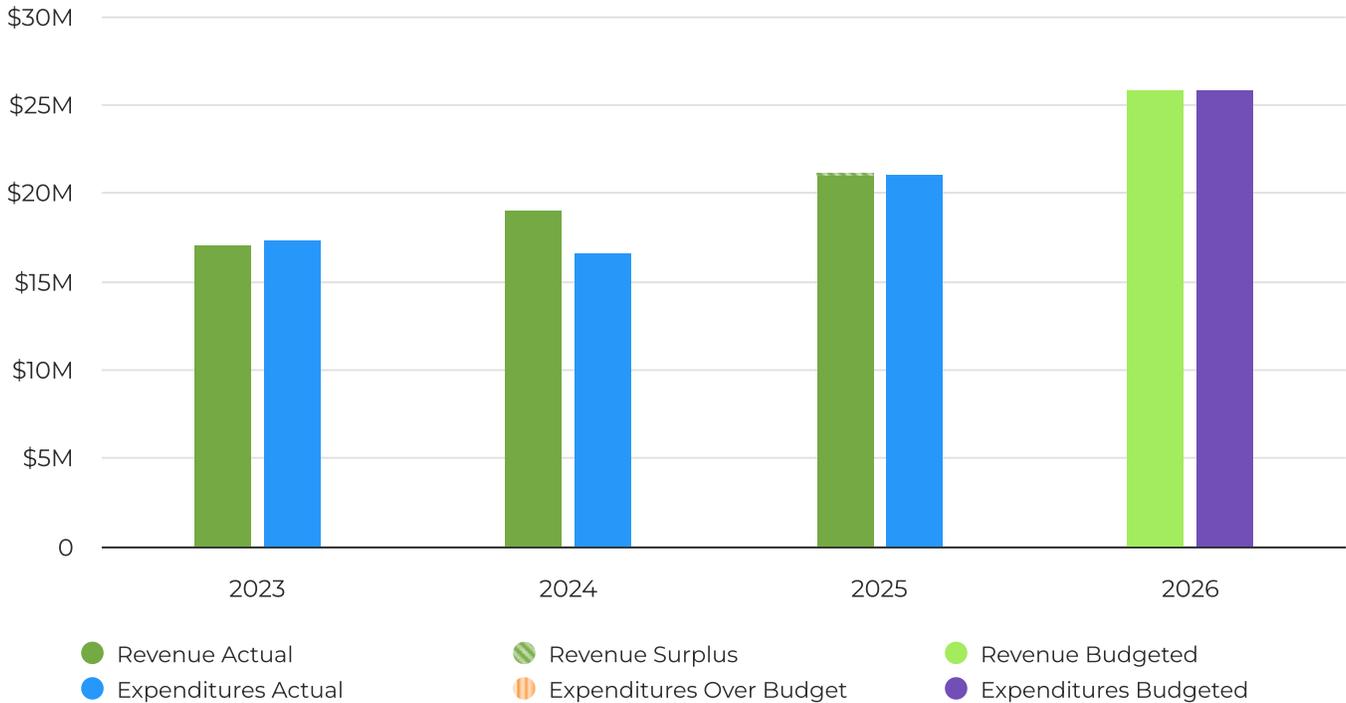
# Electric Fund Financial Information

The FY 2026 Adopted Budget for the Electric Fund totals \$25.7 million, representing a \$6.2 million increase over the FY 2025 Adopted Budget. This growth is primarily due to a significant increase in Capital Outlay, which reflects planned infrastructure upgrades and system reinvestment totaling \$6.2 million. These capital investments are designed to support long-term reliability and accommodate growth across the electric service area.

Sales & Services revenues increased by nearly \$2 million, driven by customer growth, increased consumption, and rate adjustments to support ongoing infrastructure investment. Miscellaneous Revenue shows an increase of over \$4 million due to using **revenue bond** revenue for the aforementioned capital improvements.

Salaries and Benefits remain relatively flat, with Salaries decreasing slightly by 1.5% and Benefits decreasing by 0.2%. This stability reflects minimal staffing changes and a strategic effort to hold personnel costs steady while maintaining service levels. Programs expense also increased by \$1.9 million due to an announced increase in purchase price of power for resale.

## Revenues vs Expenditures Summary



## Comprehensive Fund Summary - Electric Fund

Multi-year view of the Town’s Electric Fund revenues and expenditures, organized by category and displayed across five fiscal years: FY2022 Actual, FY2023 Actual, FY2024 Actual, FY2025 Adopted Budget, FY2025 Actual, and FY2026 Adopted Budget.

### Comprehensive Fund Summary

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended	FY 2025 Actual	FY 2026 Adopted Budget
<b>Revenues</b>						
Permits & Fees	\$763,481	\$1,006,165	\$1,036,000	\$1,036,000	\$1,108,878	\$1,114,800

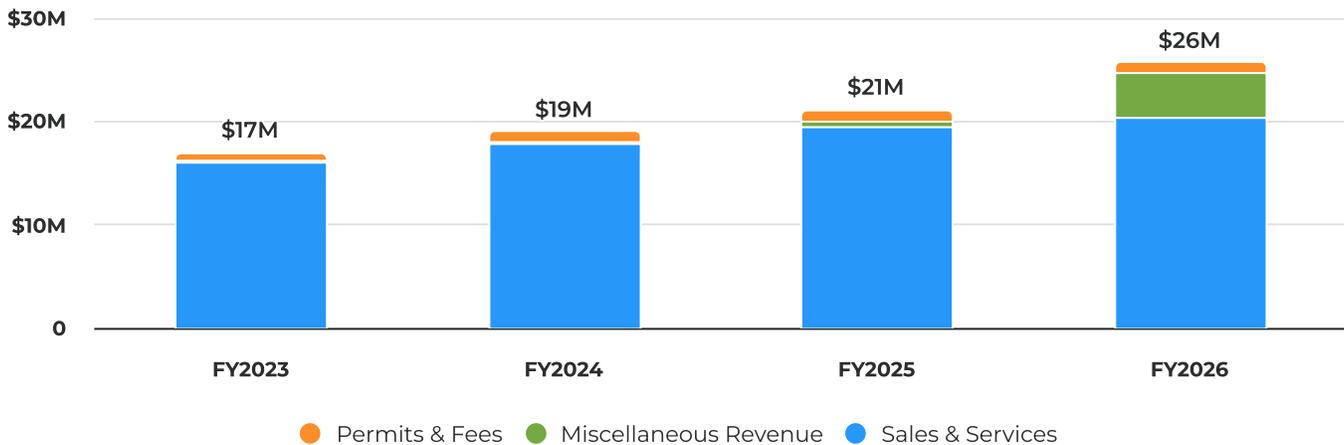


Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Amended	FY 2025 Actual	FY 2026 Adopted Budget
Sales & Services	\$15,961,868	\$17,746,529	\$18,360,000	\$19,560,000	\$19,435,243	\$20,294,800
Miscellaneous Revenue	\$253,599	\$236,688	\$118,000	\$418,737	\$554,898	\$4,315,000
<b>Total Revenues</b>	<b>\$16,978,948</b>	<b>\$18,989,382</b>	<b>\$19,514,000</b>	<b>\$21,014,737</b>	<b>\$21,099,019</b>	<b>\$25,724,600</b>
<b>Expenditures</b>						
Salaries	\$973,669	\$1,055,748	\$1,117,740	\$1,117,740	\$1,180,922	\$1,160,400
Benefits	\$348,017	\$387,588	\$442,321	\$442,321	\$447,683	\$441,400
Operating Expense	\$856,051	\$642,715	\$813,730	\$831,230	\$751,971	\$811,300
Programs	\$10,188,725	\$10,041,472	\$11,301,878	\$12,536,564	\$12,419,780	\$13,180,617
Special Appropriations	-	-	\$72,163	\$72,163	-	\$100,000
Contract Services	\$283,261	\$403,491	\$851,076	\$1,127,830	\$336,834	\$452,000
Debt Service	\$564,464	\$557,126	\$549,718	\$549,718	\$549,718	\$1,309,700
Capital Outlay	\$2,354,208	\$2,023,995	\$2,570,000	\$2,541,797	\$2,490,387	\$6,195,000
Miscellaneous Expense	\$1,767,153	\$1,481,717	\$1,795,374	\$1,795,374	\$2,860,267	\$2,074,183
<b>Total Expenditures</b>	<b>\$17,335,547</b>	<b>\$16,593,854</b>	<b>\$19,514,000</b>	<b>\$21,014,737</b>	<b>\$21,037,562</b>	<b>\$25,724,600</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$356,599</b>	<b>\$2,395,528</b>	<b>-</b>	<b>-</b>	<b>\$61,458</b>	<b>-</b>

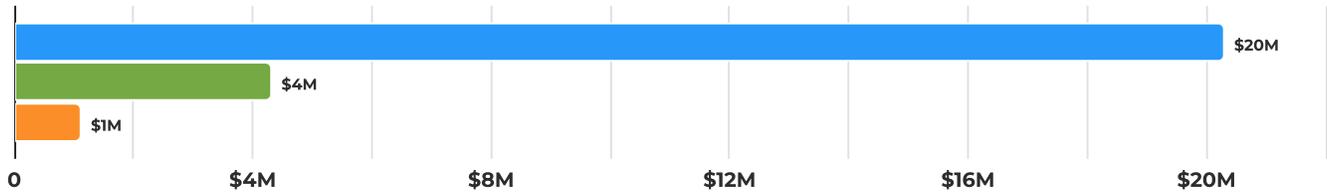
## Revenues by Revenue Source

Sales & Services account for the largest portion of Electric Enterprise Fund FY26 revenues (79%). This category includes charges for electric services and serves as the primary funding source for the Town's electric utility operations. Miscellaneous revenue (17%) includes bond proceeds, interest income, and other non-operating sources, mostly used for capital investment. Permits & fees contribute just over 4% of the total. This revenue composition highlights the self-sustaining nature of the Electric Enterprise Fund, with utility operations primarily supported by direct user charges and supplemented by one-time and fee-based revenues.

Historical Revenue by Revenue Source



### FY26 Revenues by Revenue Source



● Sales & Services	<b>\$20,294,800</b>	78.89%
● Miscellaneous Revenue	<b>\$4,315,000</b>	16.77%
● Permits & Fees	<b>\$1,114,800</b>	4.33%

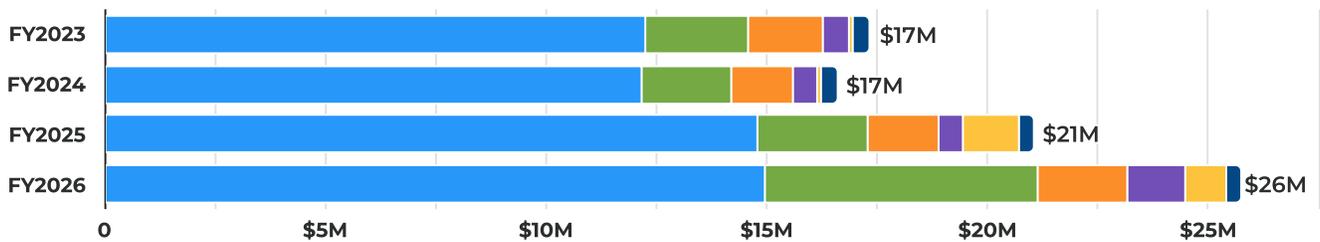
### Expenditures by Division

The FY26 “Expenditures by Division” charts below illustrate how the \$25.7 million Electric Fund budget is allocated across six divisions, with Operations division comprising the largest share at 58.1%. This significant portion reflects the division’s responsibility for day-to-day electric utility functions, most Electric Fund personnel, and the purchase of wholesale power for resale—the fund’s single largest expenditure line item.

Capital outlay (24.1%) supports infrastructure projects and system reinvestment to ensure long-term reliability. Inter-Departmental charges (7.9%) reflect the cost of internal services provided by other Town departments.

Debt service (5.1%) covers repayment obligations on utility-related borrowing. Non-departmental expenditures (3.6%) are typically used for financial reserves, contingency, or other non-operational items. Finally, administration (1.3%) covers general management and support functions.

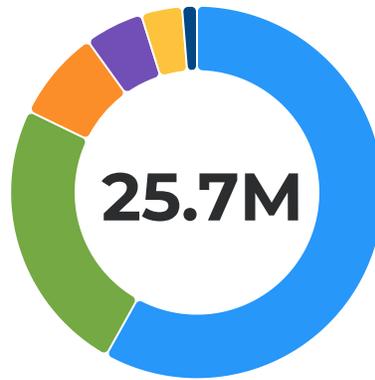
### Historical Expenditures by Division



● Administration	● Non-Departmental	● Debt Service
● Inter-Departmental	● Capital Outlay	● Operations



### FY26 Expenditures by Division



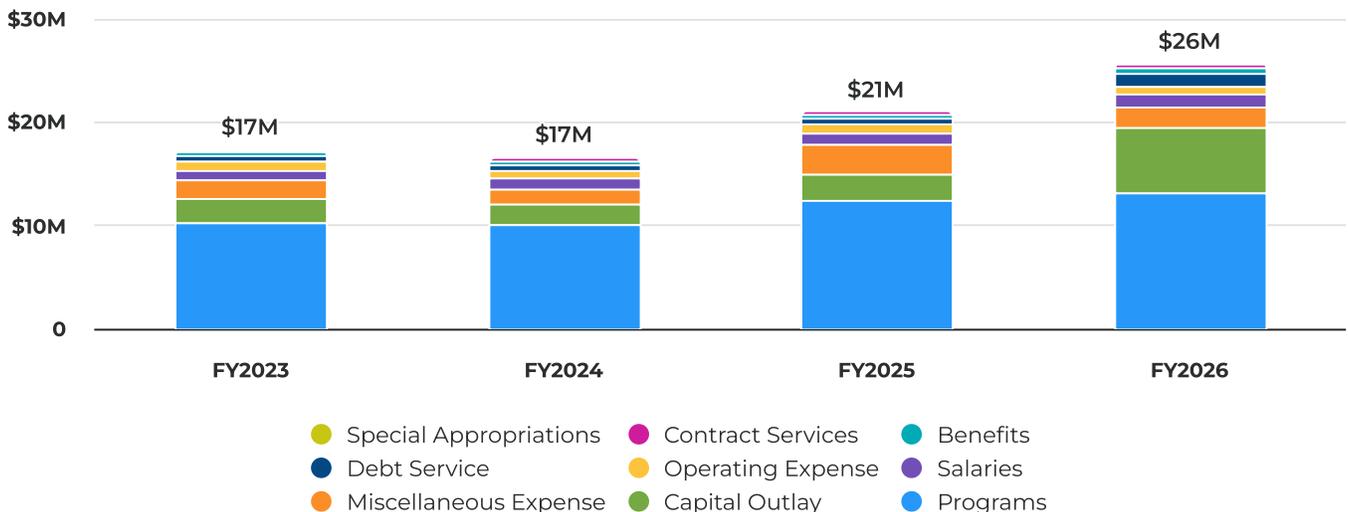
● Operations	<b>\$14,947,800</b>	58.11%
● Capital Outlay	<b>\$6,195,000</b>	24.08%
● Inter-Departmental	<b>\$2,024,183</b>	7.87%
● Debt Service	<b>\$1,309,700</b>	5.09%
● Non-Departmental	<b>\$917,517</b>	3.57%
● Administration	<b>\$330,400</b>	1.28%

### Expenditures by Division

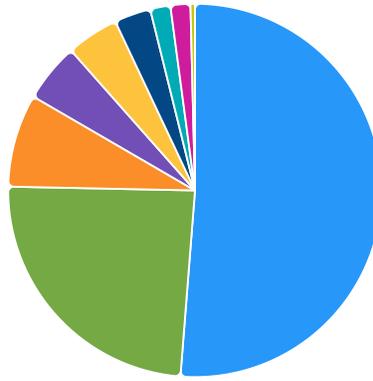
Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2025 Actual	FY 2026 Adopted Budget
Administration	\$406,446.49	\$367,040.99	\$381,709.00	\$332,852.18	\$330,400.00
Non-Departmental	\$80,078.33	\$79,392.27	\$426,841.00	\$1,244,629.90	\$917,517.00
Operations	\$12,240,776.37	\$12,158,974.24	\$13,840,358.00	\$14,801,837.34	\$14,947,800.00
Debt Service	\$564,463.51	\$557,126.21	\$549,718.00	\$549,718.26	\$1,309,700.00
Capital Outlay	\$2,354,207.71	\$2,023,995.10	\$2,570,000.00	\$2,490,387.15	\$6,195,000.00
Inter-Departmental	\$1,689,574.96	\$1,407,324.96	\$1,745,374.00	\$1,618,136.96	\$2,024,183.00
<b>Total Expenditures</b>	<b>\$17,335,547.37</b>	<b>\$16,593,853.77</b>	<b>\$19,514,000.00</b>	<b>\$21,037,561.79</b>	<b>\$25,724,600.00</b>

### Expenditures by Expense Type

#### Historical Expenditures by Expense Type



### FY26 Expenditures by Expense Type



● Programs	<b>\$13,180,617</b>	51.24%
● Capital Outlay	<b>\$6,195,000</b>	24.08%
● Miscellaneous Expense	<b>\$2,074,183</b>	8.06%
● Debt Service	<b>\$1,309,700</b>	5.09%
● Salaries	<b>\$1,160,400</b>	4.51%
● Operating Expense	<b>\$811,300</b>	3.15%
● Contract Services	<b>\$452,000</b>	1.76%
● Benefits	<b>\$441,400</b>	1.72%
● Special Appropriations	<b>\$100,000</b>	0.39%

## Net Position - Electric Enterprise Fund

Similar to the Water Sewer Fund, the Electric Enterprise Fund's net position is shown below in the table. It represents the difference between the fund's assets plus deferred outflows and liabilities plus deferred inflows. It reflects the financial position of the electric utility, which is intended to recover its costs primarily through user charges rather than taxes.

Net position in the Electric Enterprise Fund is reported in three categories:

1. Net Investment in Capital Assets – The value of capital assets (e.g., water treatment plants, utility infrastructure) minus accumulated depreciation and any related debt used to acquire or improve those assets.
2. Restricted – Resources legally or contractually restricted for a specific purpose, such as bond covenants, debt service, or customer deposits.
3. Unrestricted – The portion available for any lawful purpose, such as working capital for operations or unforeseen expenses. This category provides the greatest flexibility for managing the fund's day-to-day activities.

This classification ensures the Electric Enterprise Fund is presented in a manner consistent with GAAP and GASB standards while clearly showing how much of the fund's resources are invested, restricted, or available for general use.

Net Position	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>Net Investments in Capital Assets</b>	\$ 8,964,649	\$ 10,458,237	\$ 11,060,353	\$ 11,911,581	\$ 13,864,712	\$ 13,233,733
<b>Restricted</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,586,588
<b>Unrestricted</b>	\$ 5,307,238	\$ 4,606,524	\$ 5,640,320	\$ 5,559,232	\$ 5,226,664	\$ 6,567,754
<b>Total Net Position</b>	<b>\$ 14,271,887</b>	<b>\$ 15,064,761</b>	<b>\$ 16,700,673</b>	<b>\$ 17,470,813</b>	<b>\$ 19,091,376</b>	<b>\$ 21,388,075</b>





# DEPARTMENTS SUMMARY

The Town's budget is structured into Funds, Departments, Divisions, and Accounts to clearly plan, allocate, and track spending. General Fund budgets are adopted by department; Enterprise Funds by division. Accounts provide detailed tracking of specific costs.

# Introduction to Departments

A **department** is a major area of service or support within the Town government. Each department is typically led by a director and is responsible for a broad function such as providing police protection, maintaining parks, managing roadways, or supporting development and planning. Departments can also include internal service areas like Finance or Information Technology, which don't provide direct services to the public but are essential for supporting the work of all other departments.

Departments are the building blocks of the Town of Clayton's annual operating budget. Each year, the Town Council adopts the General Fund budget at the department level, meaning that each department receives a set amount of funding approved through the official budget ordinance.

Within departments, the Town uses **divisions** to organize more specific services. Divisions tend to focus on a single function or type of service, such as water treatment, sewer collections, or electric distribution. These are especially common in the Town's enterprise funds, which operate more like standalone business units and are funded through user fees instead of taxes.

Both of the Town's enterprise funds have one department budgeted, so budgets are adopted at the division level. This provides a more detailed view of how resources are allocated across each area of service.

Finally, each department and division budget is further broken down into accounts, which track specific types of spending—such as salaries, utilities, equipment, or contracts. While the Town does not adopt budgets at the account level, this level of detail is used internally to ensure transparency and accountability.

This structure—funds, departments, divisions, and accounts—allows the Town to budget clearly, manage effectively, and communicate transparently. The following pages provide an overview of each department's role, accomplishments, and approved budget for the upcoming year.

In the pages that follow, each department's summary begins with a brief description of its purpose and core responsibilities, along with an overview of its staffing and organizational structure. This is followed by financial charts and tables showing the department's revenues and expenses. Each summary concludes with a set of departmental goals, which are generally tied to the Town's Strategic Plan and designed to ensure that resources are directed toward advancing our seven key strategic focus areas.

## Organizational Structure

Funds, departments, divisions, and accounts (also called **general ledger accounts**) create an organized framework for planning, allocating, and tracking the use of 1) General Fund public resources and 2) Enterprise Fund sales and fees revenue. At the highest level, funds represent broad categories of money that are legally or operationally separated based on their purpose. Within each fund, departments group related programs and services, such as Police, Parks and Recreation, or Public Works. Departments are often further divided into divisions, which capture more specific functions or service areas. Finally, at the most granular level, accounts record individual types of revenues or expenditures, providing the detailed financial data necessary for day-to-day tracking, auditing, and reporting. Moving from Funds down to Accounts, each step increases the level of detail and specificity.



## Town of Clayton Budget Structure



# Communications

Director: Nathanael Shelton

The Communications Department connects residents, businesses, and visitors with timely, accurate, and engaging information about Town services, programs, events, and emergency situations. Through digital media, video production, press releases, print materials, and direct outreach, the department ensures transparent communication and fosters community engagement. This team manages the Town’s website, social media channels, public information campaigns, branding, and internal communication strategies. In times of crisis or emergency, Communications serves as the lead for public information, helping to coordinate accurate messaging across departments and with regional partners.



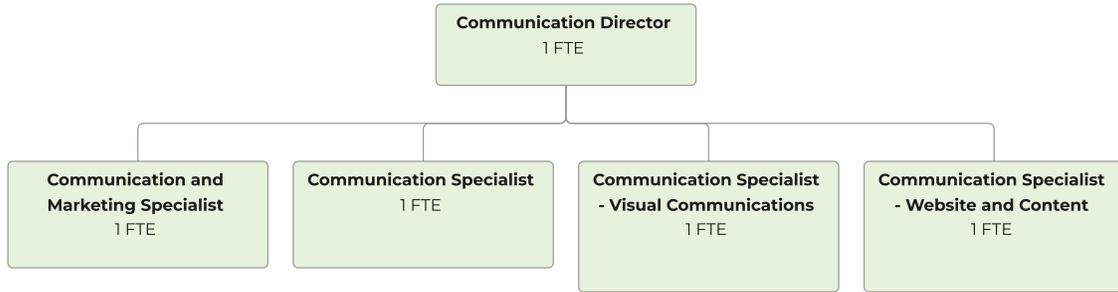
## Communications & Outreach Full-Time Equivalent (FTE) Summary

For FY26, the Communications & Outreach Department includes 5 budgeted full-time positions within one division: Administration.

The department leads the Town’s internal and external communications efforts, ensuring that residents are informed, engaged, and connected through timely updates, public information campaigns, digital media, and community outreach. **Administration** manages strategic messaging, brand management, and media relations to maintain a consistent and effective public presence for the Town. Through its efforts, the department strengthens community trust, enhances civic engagement, and supports responsive local government.

# Organization Chart

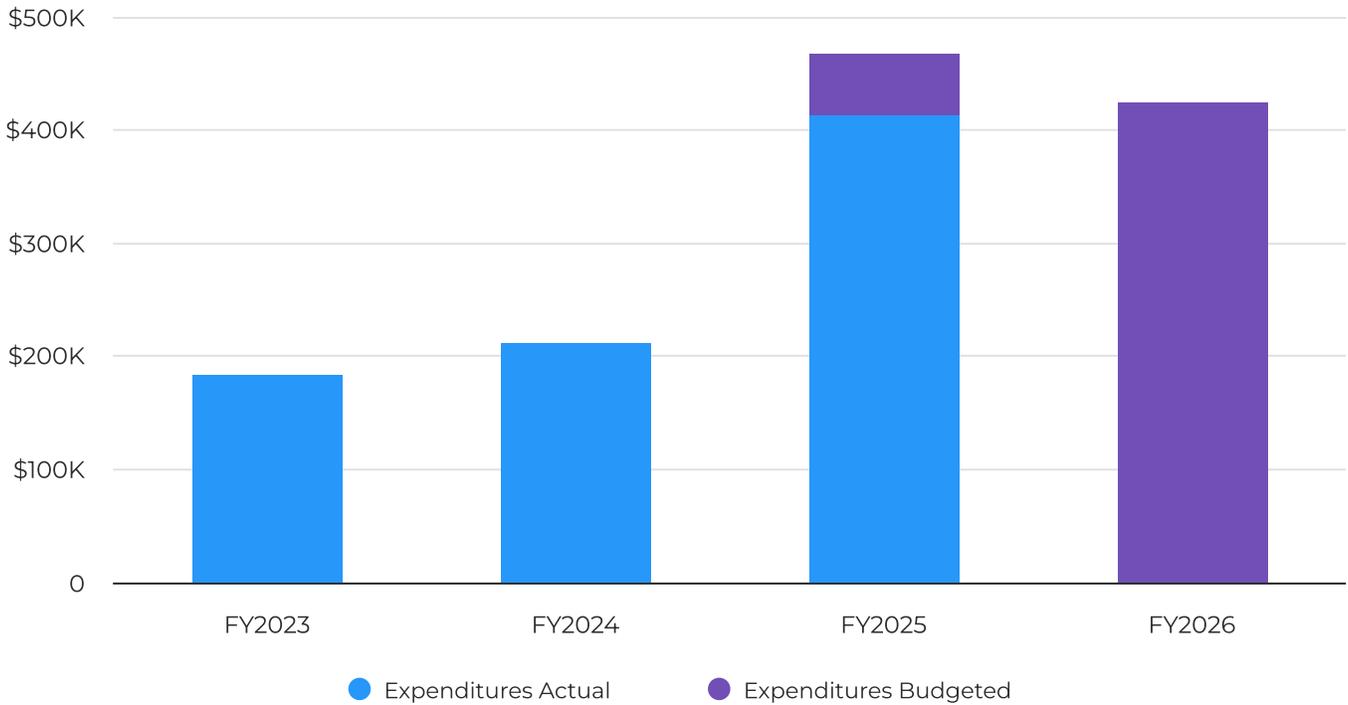
## Communications Organizational Structure



# Expenditures and Revenues

The charts below illustrate the Communications Department’s historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures support administrative functions and outreach initiatives that keep residents informed and engaged, including public information, media relations, and digital communications. Revenues are minimal and generated through miscellaneous sources, with departmental operations primarily funded by the General Fund to ensure clear, timely, and accessible communication between the Town and its community.

## Historical Expenditures Across Department



### FY26 Expenditures by Division

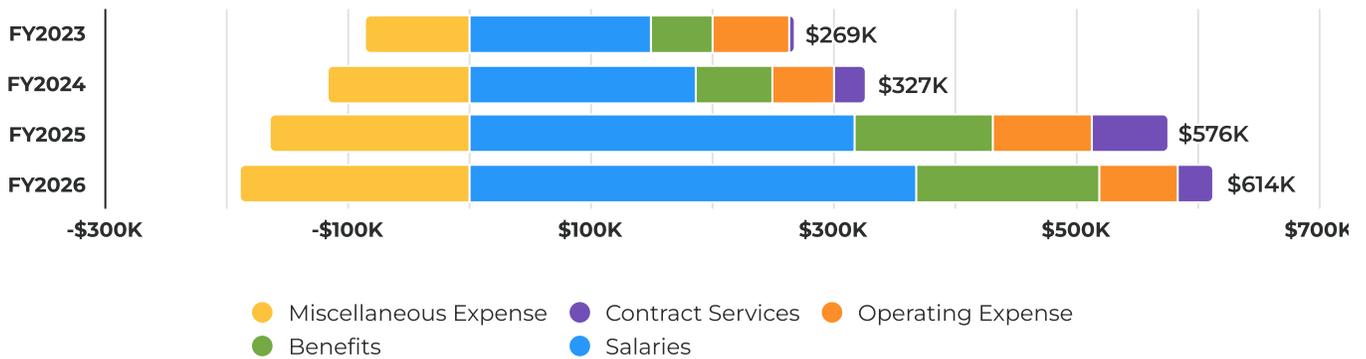


● Administration **\$424,861** 100.00%

### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	\$182,657	\$210,628	\$367,797	\$424,861
<b>Total Expenditures</b>	<b>\$182,657</b>	<b>\$210,628</b>	<b>\$367,797</b>	<b>\$424,861</b>

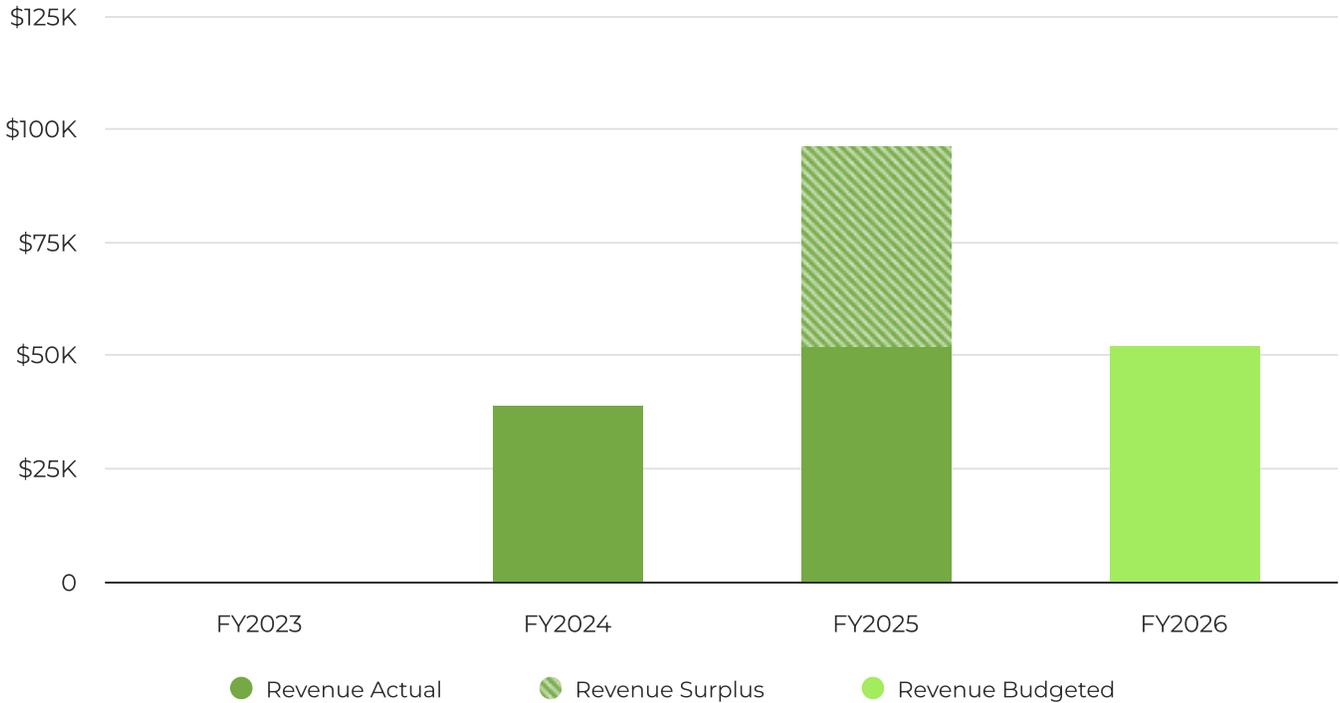
### Historical Expenditures by Expense Type



Note - negative numbers in Miscellaneous Expense are attributed to Support Services charges from the Enterprise funds and/or the Inspections Department.



### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Miscellaneous Revenue	-	\$38,709.66	\$52,000.00	\$52,000.00
<b>Total Revenues</b>	-	<b>\$38,709.66</b>	<b>\$52,000.00</b>	<b>\$52,000.00</b>

## Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Communications Department resolved to:

- Update the Town’s communication and marketing strategy to reflect current best practices.
- Expand communication efforts through non-social media channels including email and targeted advertising.
- Redesign the Town’s website to improve content, navigation and overall user experience.
- Engage the public with the Town by producing Clayton 4U episodes covering local government topics for residents.



# Community Development

Deputy Town Manager: Courtney Tanner

The Community Development Department plays a key role in managing growth and shaping the long-term vision of the Town of Clayton. It provides leadership and administrative support to the Planning, Inspections, and Engineering functions, ensuring that development activity and land use planning align with the Town's strategic goals. The department oversees site development, permitting processes, and infrastructure coordination while also supporting downtown revitalization and community engagement efforts.

By coordinating planning, development review, and permitting services under one umbrella, the department streamlines the customer experience and ensures that projects are processed accurately and efficiently. Through these efforts, Community Development helps guide sustainable growth, maintain high-quality standards for new development, and foster a vibrant, welcoming community for residents and businesses.



## Community Development Full-Time Equivalent (FTE) Summary

For FY26, the Community Development Department includes 8 budgeted full-time positions across three divisions: Administration, Development Services, and Downtown.

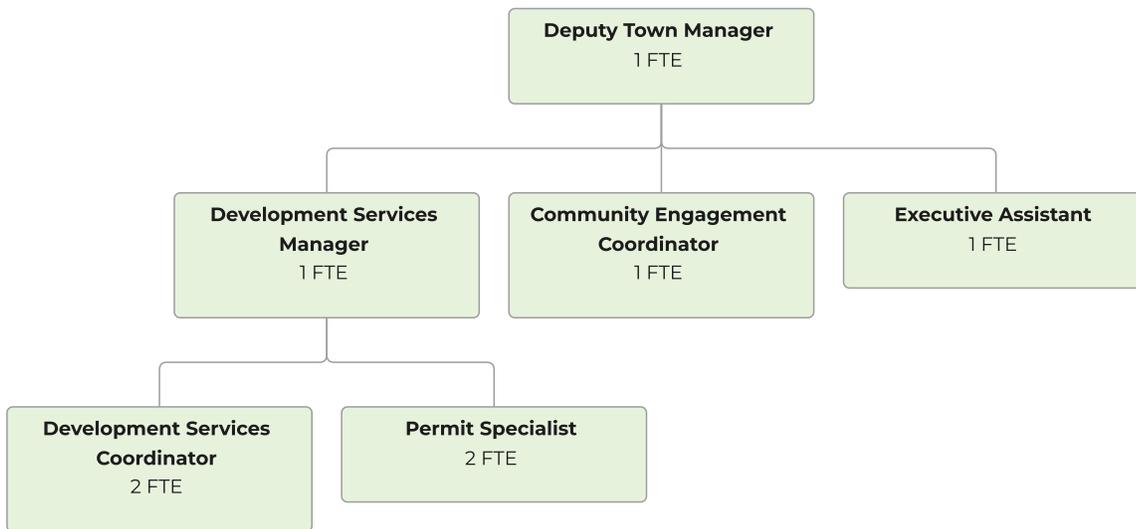
**Administration** provides department leadership and administrative support to the Planning, Inspections, and Engineering functions, overseeing budgeting, policy development, and coordination of long-range planning efforts.

**Development Services** serve as the customer-facing arm of the department, managing all aspects of site development and permitting, from application intake to final approvals, while ensuring accuracy and efficiency throughout the process.

**Downtown** focuses on supporting local businesses, fostering community engagement, and advancing revitalization initiatives that strengthen Clayton's downtown as a vibrant hub for residents and visitors.

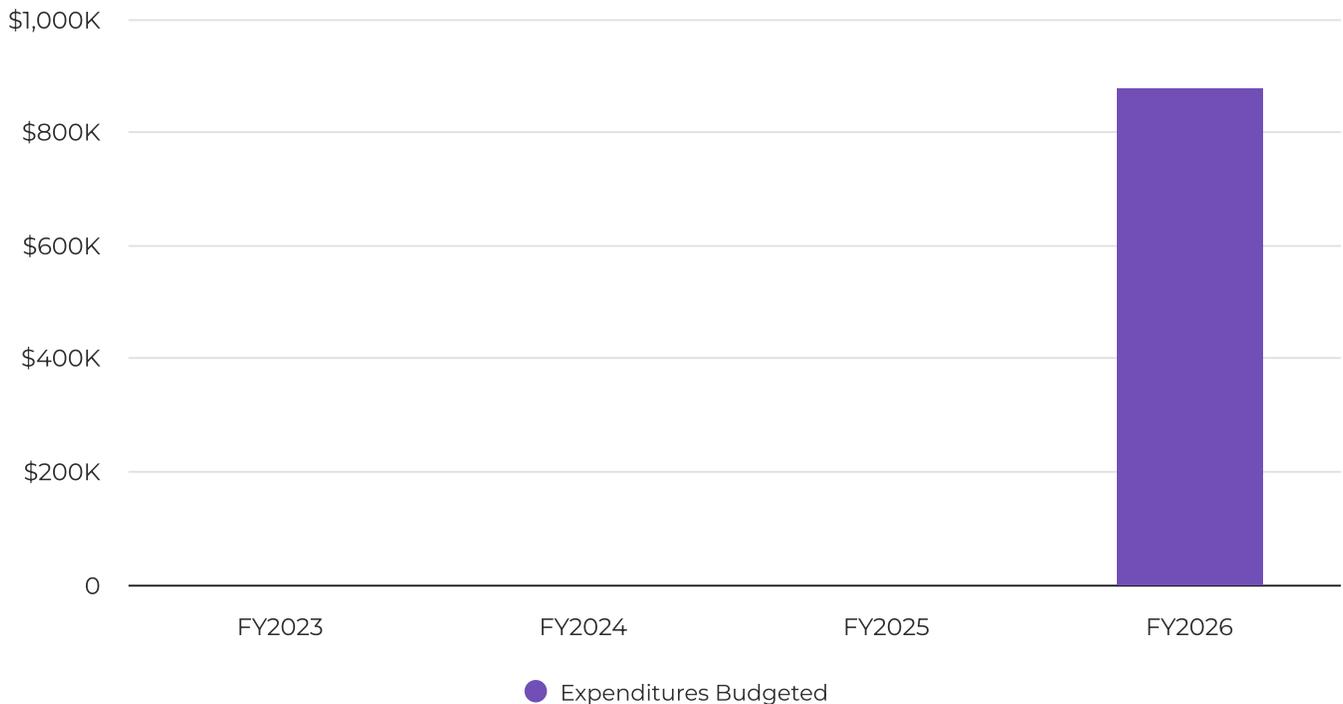
# Organization Chart

## Community Development Organizational Structure

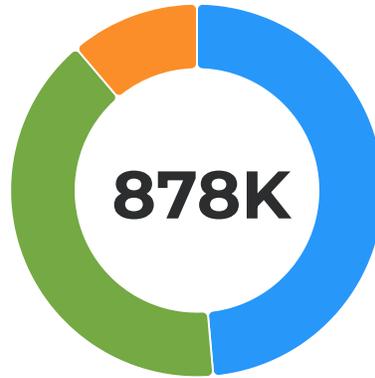


# Expenditures

## Historical Expenditures Across Department



### FY26 Expenditures by Division

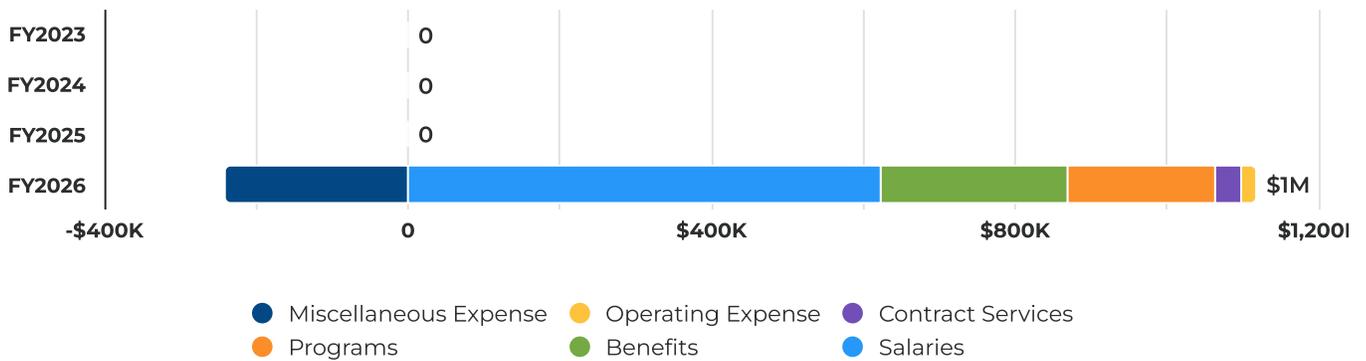


<span style="color: blue;">●</span> Development Services	<b>\$426,682</b>	48.59%
<span style="color: green;">●</span> Administration	<b>\$352,882</b>	40.19%
<span style="color: orange;">●</span> Downtown	<b>\$98,474</b>	11.22%

### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	-	-	-	\$352,882
Development Services	-	-	-	\$426,682
Downtown	-	-	-	\$98,474
<b>Total Expenditures</b>	-	-	-	<b>\$878,038</b>

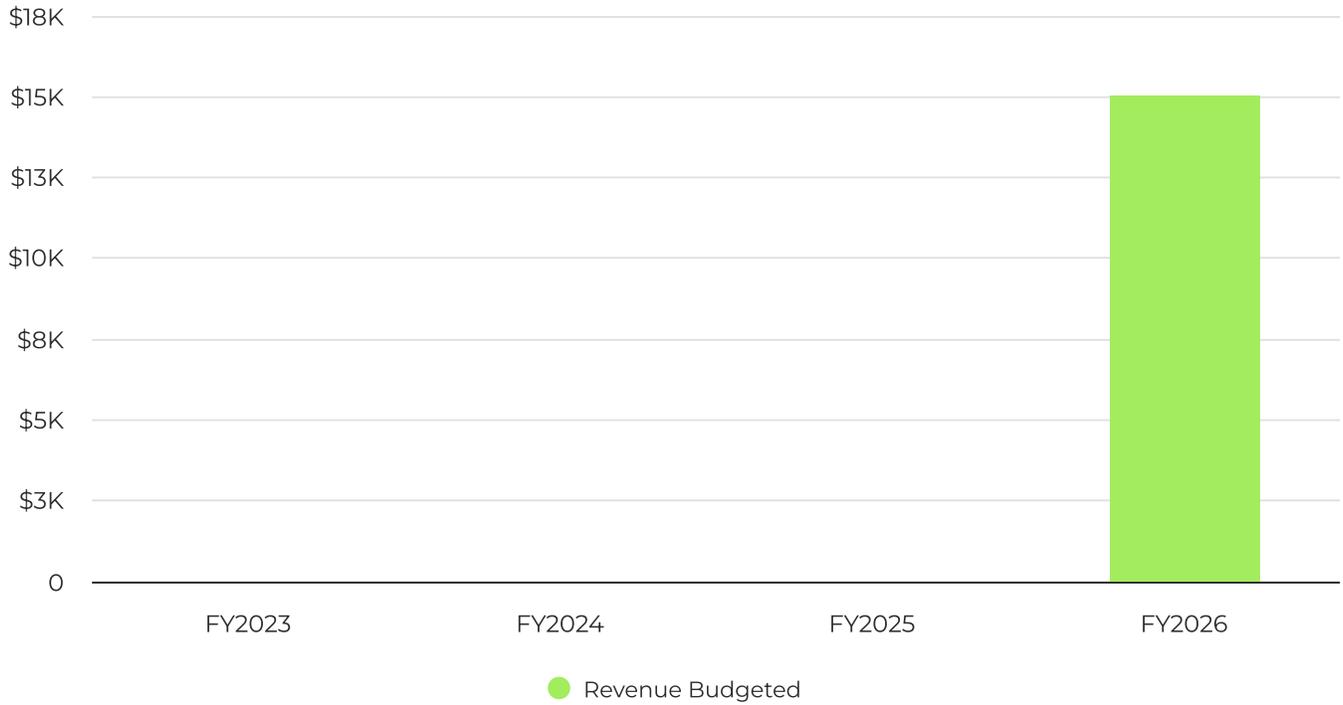
### Historical Expenditures by Expense Type



Note - negative numbers in Miscellaneous Expense are attributed to Support Services charges from the Enterprise funds and/or the Inspections Department.



### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Permits & Fees	-	-	-	\$2,500.00
Grants & Donations	-	-	-	\$12,500.00
<b>Total Revenues</b>	-	-	-	<b>\$15,000.00</b>

## Department Goals

As a newly established department, Community Development is in the process of defining its core objectives and aligning with the Town's Strategic Plan. Department goals will be developed during the next budget cycle to reflect its evolving role and priorities.



# Cultural and Performing Arts

Director: Steven Langston

The Cultural Arts Department enriches the Clayton community by offering a wide variety of ticketed performances, cultural events, and arts programming hosted at The Clayton Center. From concerts and theatrical productions to comedy shows and speaker series, the department curates an annual calendar of entertainment that reflects the diverse interests of the community. In addition to presenting shows, the department manages facility operations at The Clayton Center, including space rentals, room reservations, and event setup. Whether hosting community meetings, private events, or professional performances, the Cultural Arts team ensures every event is well-coordinated, welcoming, and accessible.



## Cultural Arts Full-Time Equivalent (FTE) Summary

For FY26, the Cultural Arts Department includes 5 budgeted full-time positions across two divisions: Administration and Facility Enterprises.

The department enriches community life by providing diverse cultural programming, performances, and public art experiences that reflect and celebrate Clayton's identity. **Administration** oversees strategic planning, day-to-day operations, and community partnerships. **Facility Enterprises** manages the daily operations, rentals, and programming of cultural venues such as The Clayton Center, ensuring residents and visitors have access to high-quality arts experiences.

# Organization Chart

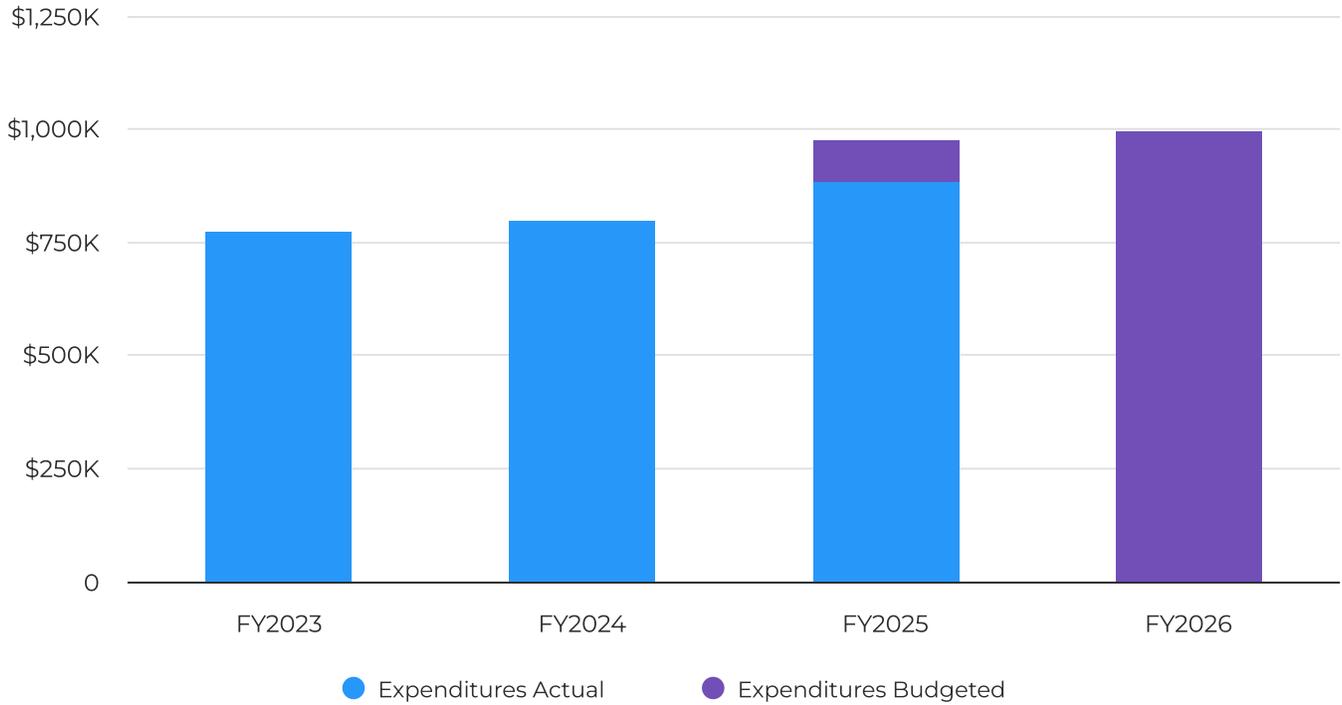
## Cultural & Performing Arts Org. Structure



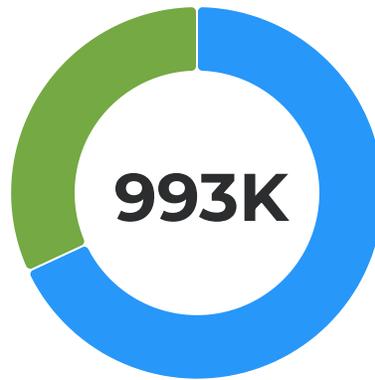
## Expenditures and Revenues

The charts below illustrate the Cultural and Performing Arts Department’s historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures are distributed across administration and facility enterprise divisions, supporting cultural programming, facility operations, and administrative oversight. The majority of spending is dedicated to programming and facility-related operations, reflecting the department’s role in providing accessible arts and cultural opportunities to the community. Revenues are primarily generated from sales and services, grants, and miscellaneous sources, which help offset program costs and support the department’s mission to foster community engagement through the arts.

### Historical Expenditures Across Department



### FY26 Expenditures by Division



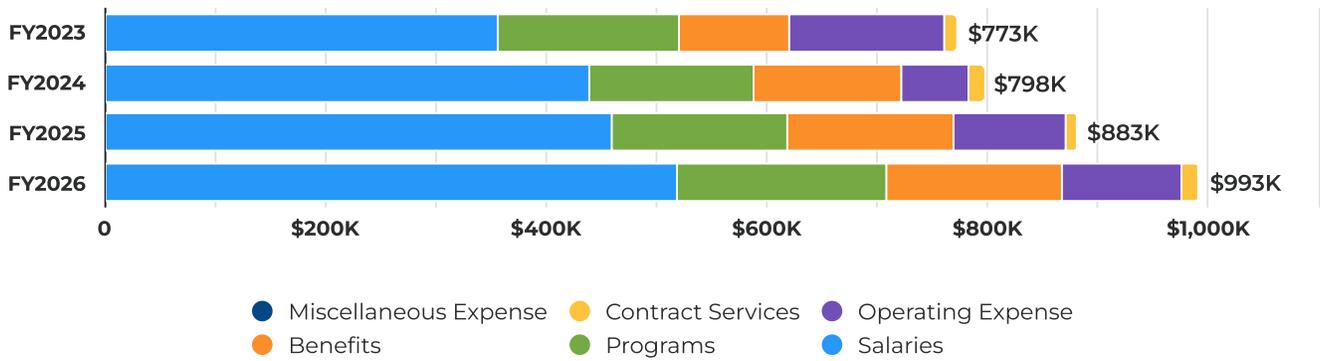
● Administration **\$676,100** 68.09%  
● Facility Enterprises **\$316,900** 31.91%

### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	\$541,204	\$563,001	\$618,061	\$676,100
Facility Enterprises	\$231,677	\$235,203	\$314,641	\$316,900
<b>Total Expenditures</b>	<b>\$772,881</b>	<b>\$798,204</b>	<b>\$932,702</b>	<b>\$993,000</b>



### Historical Expenditures by Expense Type



### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Sales & Services	\$273,101.38	\$346,843.49	\$275,033.00	\$275,000.00
Grants & Donations	\$15,183.00	\$7,500.00	-	-
Miscellaneous Revenue	\$9,272.00	-	-	-
<b>Total Revenues</b>	<b>\$297,556.38</b>	<b>\$354,343.49</b>	<b>\$275,033.00</b>	<b>\$275,000.00</b>



# Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Cultural & Performing Arts Department resolved to:

- Engage citizens in a comprehensive survey to assess and determine priorities for Cultural & Performing Arts.
- Develop a strategic plan prioritized based on citizen input and department needs.
- Diversify Clayton Center programming to serve the full range of ages, cultures and preferences of citizens.

# Data & Technology Services

Chief Information Officer: John Mack

The Data & Technology Services Department provides the technology tools and support that power the Town's operations. This department manages IT infrastructure, cybersecurity, software systems, networks, and technical support for all departments. It ensures data security, implements new technologies, and provides training and troubleshooting for staff. The department also supports communications systems, digital records, cloud services, and system integration projects that enhance service delivery. By maintaining a reliable and secure IT environment, Data & Technology Services enables efficient government operations and improves service accessibility for residents.



## Data & Technology Full-Time Equivalent (FTE) Summary

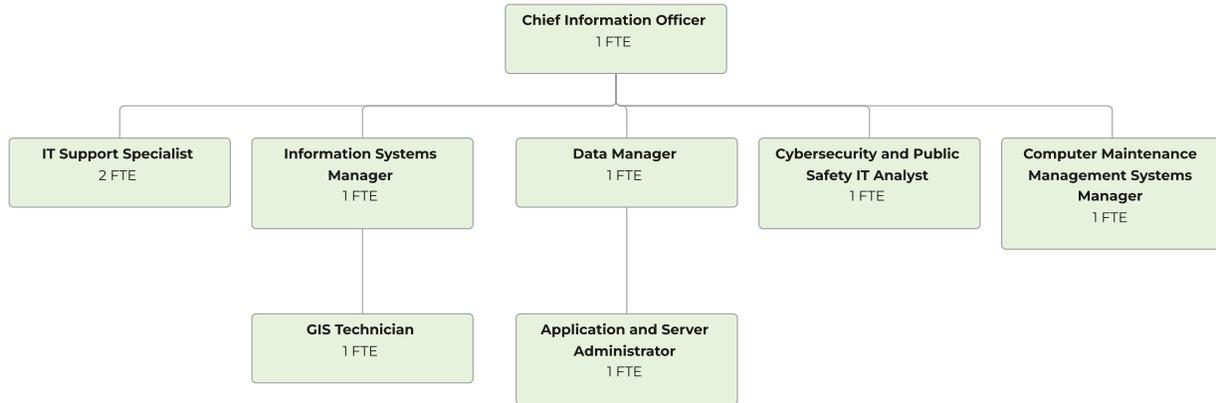
For FY26, the Data & Technology Department includes 9 budgeted full-time positions across two divisions: Administration and GIS.

The department supports the Town's technology infrastructure, data management, and innovation efforts.

**Administration** is responsible for IT operations, cybersecurity, and strategic planning to ensure secure, reliable, and scalable technology services across all departments. **GIS** manages the Town's geospatial data, mapping systems, and spatial analysis tools that inform planning, development, and service delivery. These divisions work together to ensure Clayton's technology systems are efficient, secure, and aligned with the Town's growth and operational goals.

# Organization Chart

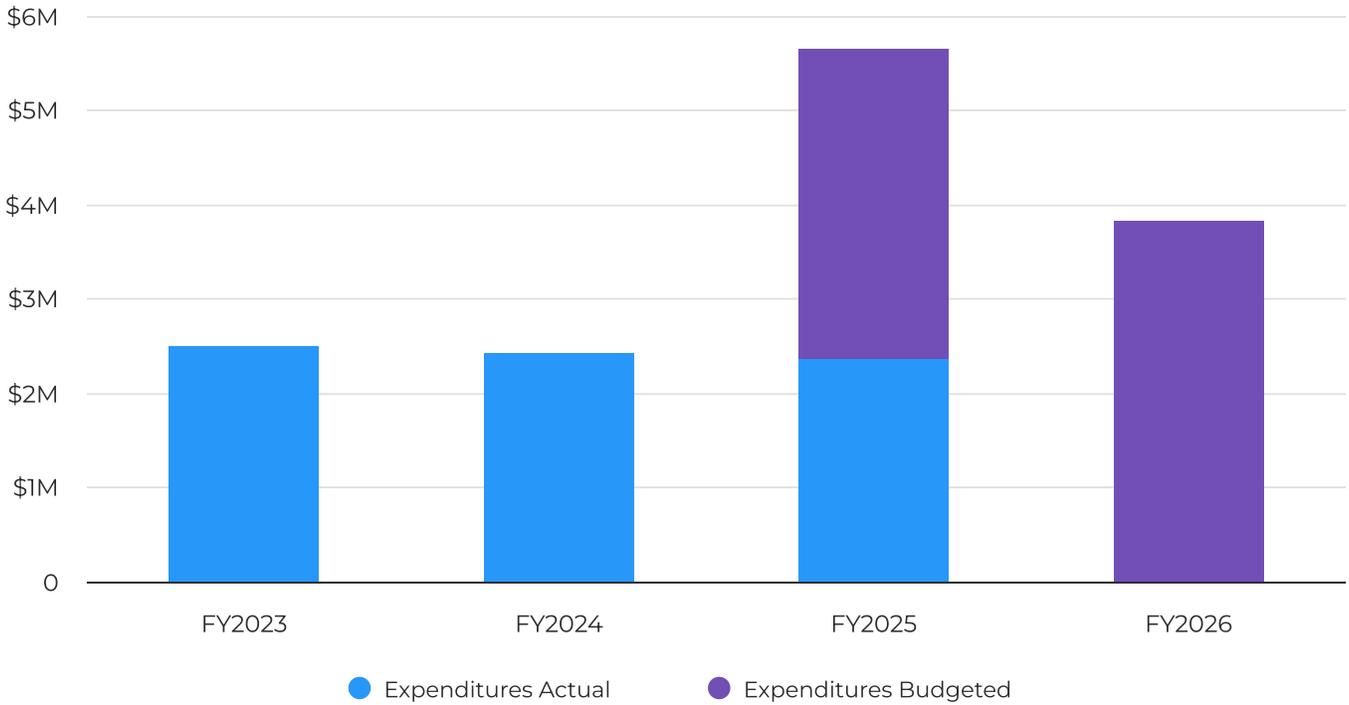
## Data and Technology Organizational Structure



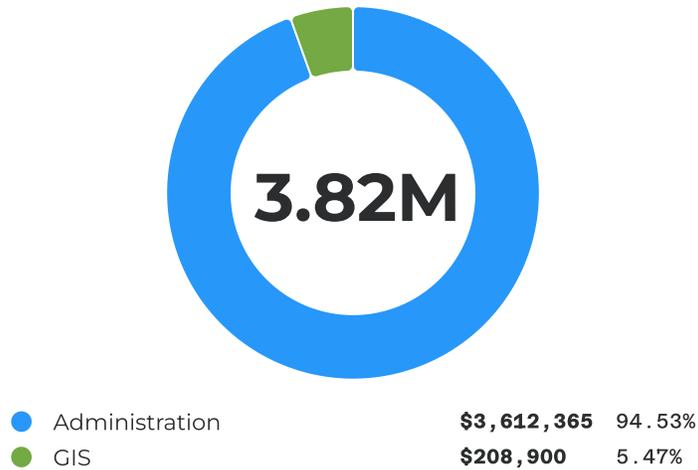
## Expenditures and Revenues

The charts below illustrate the Data and Technology Services Department's historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures support administrative operations and Geographic Information Systems (GIS), with the majority of FY26 funding allocated to technology infrastructure, system support, and data management services. Revenues for this department are minimal, derived from miscellaneous sources in prior years, while ongoing operations are supported by the General Fund to ensure secure, efficient, and innovative technology solutions across all Town departments.

### Historical Expenditures Across Department



### FY26 Expenditures by Division

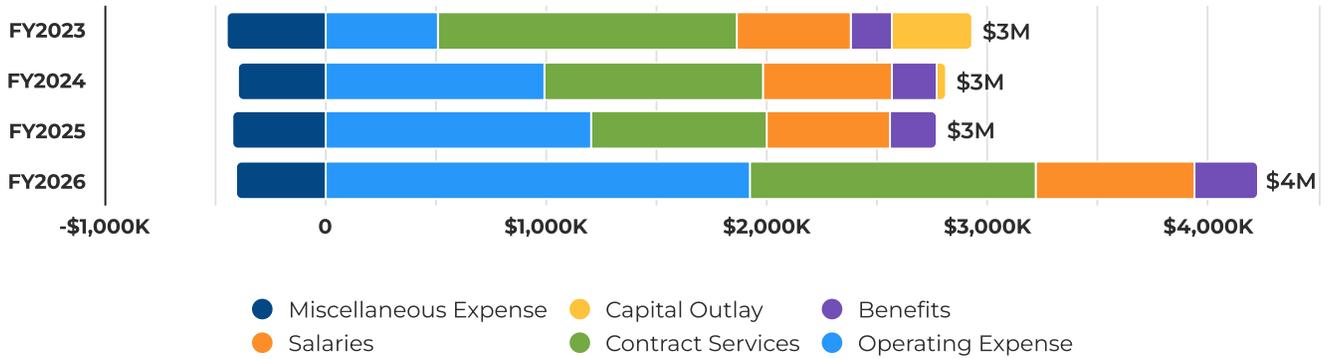


### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	\$2,119,636	\$2,377,002	\$3,233,716	\$3,612,365
GIS	-	-	-	\$208,900
Capital Outlay	\$371,659	\$43,748	\$1,500,000	-
<b>Total Expenditures</b>	<b>\$2,491,295</b>	<b>\$2,420,750</b>	<b>\$4,733,716</b>	<b>\$3,821,265</b>

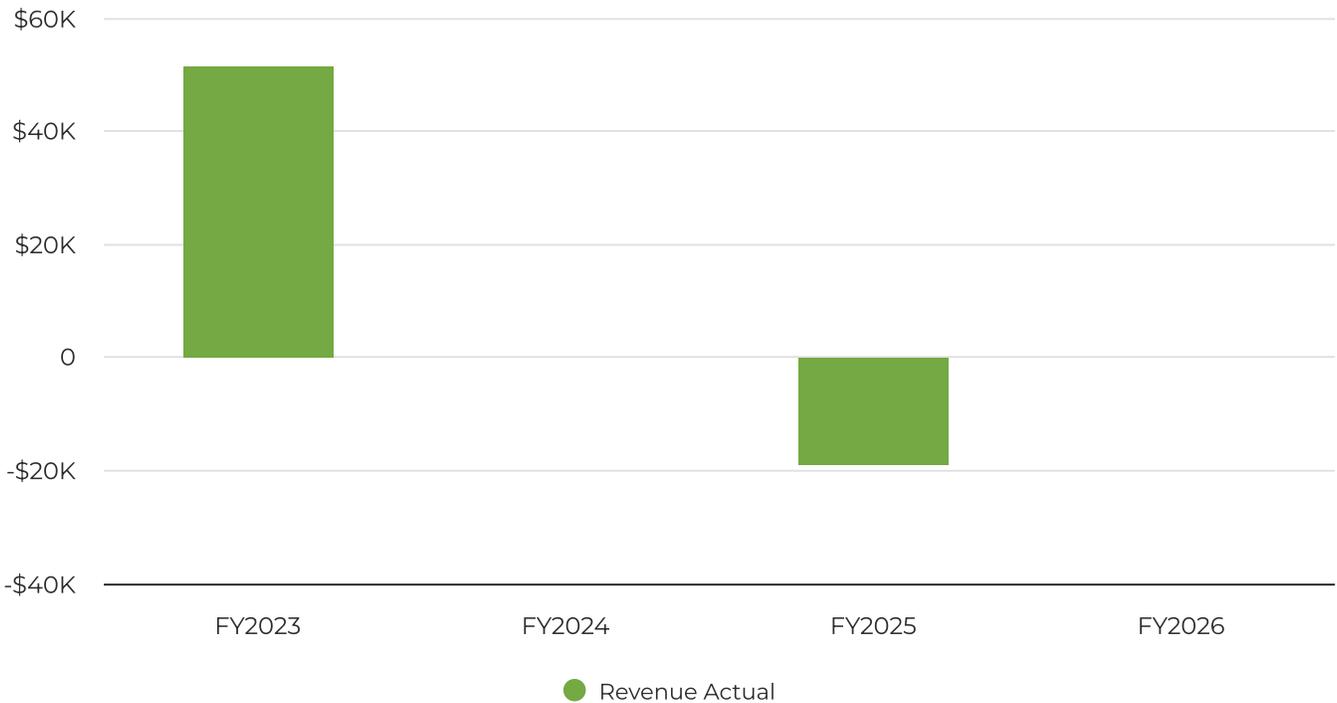


### Historical Expenditures by Expense Type



Note - negative numbers in Miscellaneous Expense are attributed to Support Services charges from the Enterprise funds and/or the Inspections Department.

### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Miscellaneous Revenue	\$51,282.08	-	-	-
<b>Total Revenues</b>	<b>\$51,282.08</b>	<b>-</b>	<b>-</b>	<b>-</b>



# Department Goals

- Plan and implement a wireless infrastructure upgrade.
- Select, configure and implement strategic planning management software.
- Deploy Citiworks respond mode to better support department operations.

# Economic Development

Director: Joseph Stallings

The Economic Development Department drives business attraction, retention, and expansion to support job creation and long-term economic vitality. This department partners with local businesses, developers, regional agencies, and educational institutions to create a diverse and resilient economy. Key initiatives include marketing Clayton as a destination for investment, supporting entrepreneurial activity, and facilitating infrastructure improvements that enable business growth. Economic Development also manages incentive programs and workforce development strategies. The department plays a central role in shaping Clayton's economic future through strategic planning and collaborative partnerships.



## Economic Development Full-Time Equivalent (FTE) Summary

For FY26, the Economic Development Department includes 2 budgeted full-time positions within one division: Administration.

The department leads efforts to attract, retain, and grow businesses that contribute to Clayton's economic vitality. The **Administration Division** oversees strategic planning, business outreach, marketing, and coordination with developers and regional partners. Through these efforts, the department supports a thriving local economy, job creation, and a strong commercial tax base.

# Organization Chart

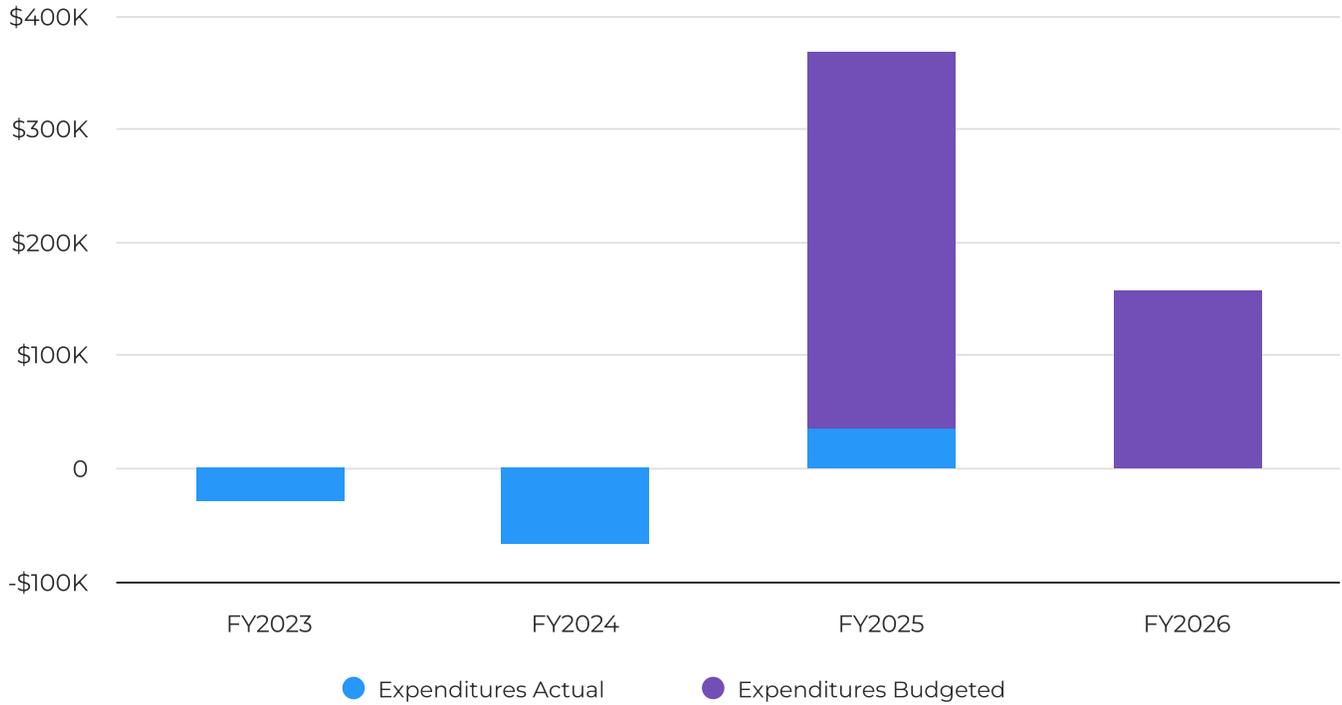
## Economic Development Organizational Structure



## Expenditures and Revenues

The charts below illustrate the Economic Development Department’s historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures are dedicated to administrative operations and programs that promote business growth, support community development initiatives, and encourage private investment. Revenues are derived from a mix of permits and fees, grants, donations, and miscellaneous sources, reflecting the department’s efforts to leverage diverse funding streams to drive economic opportunities and enhance the Town’s overall vitality.

### Historical Expenditures Across Department



### FY26 Expenditures by Division

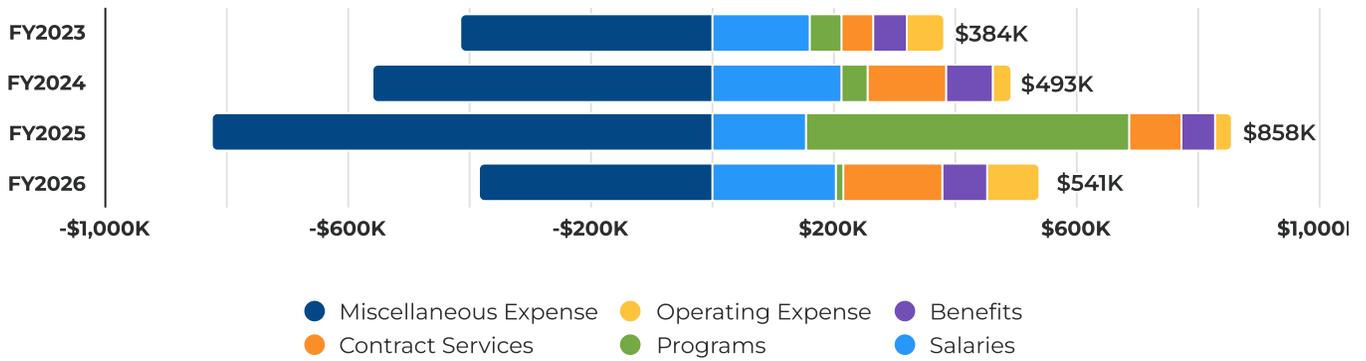


### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	-\$29,048	-\$66,391	\$337,437	\$157,214
<b>Total Expenditures</b>	<b>-\$29,048</b>	<b>-\$66,391</b>	<b>\$337,437</b>	<b>\$157,214</b>

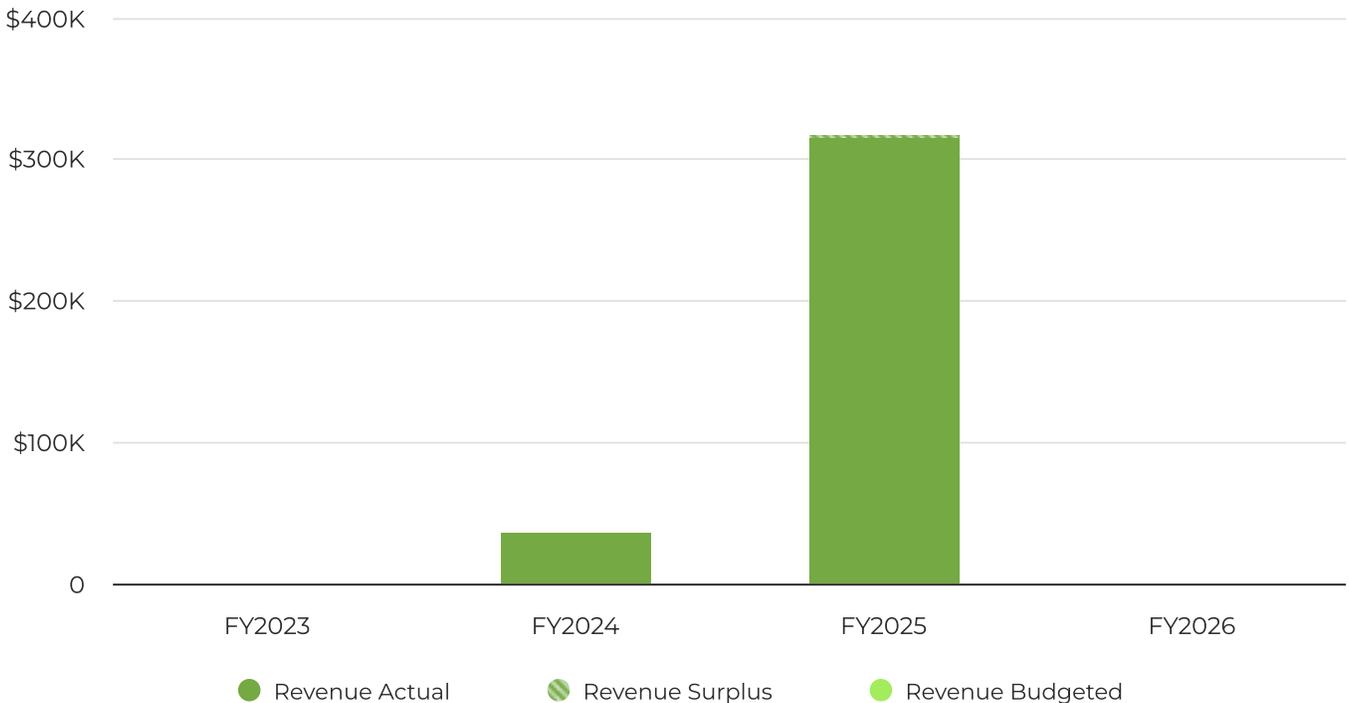


### Historical Expenditures by Expense Type



Note - negative numbers in Miscellaneous Expense are attributed to Support Services charges from the Enterprise funds and/or the Inspections Department.

### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Permits & Fees	-	-	\$2,500.00	-
Grants & Donations	-	\$35,702.34	\$12,500.00	-
Miscellaneous Revenue	-	-	\$300,000.00	-
<b>Total Revenues</b>	-	<b>\$35,702.34</b>	<b>\$315,000.00</b>	-



# Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Economic Development Department resolved to:

- Update the Economic Development Strategic Plan to reflect current trends, opportunities, and challenges.
- Identify new opportunities for industrial and commercial development while building stronger relationships with existing businesses.
- Identify redevelopment opportunities for underutilized spaces throughout the town

# Engineering

The Engineering Department designs, reviews, and manages infrastructure projects that support Clayton's public safety, mobility, and quality of life. The department provides professional engineering services for roadways, sidewalks, stormwater systems, water and sewer infrastructure, and capital improvement projects. Engineering also ensures proposed projects meet technical standards and long-term maintenance requirements. Staff coordinate with state and federal agencies on transportation and utility improvements and help manage construction timelines, budgets, and inspections. Engineering ensures that growth is supported by durable, efficient, and sustainable public infrastructure.



## Engineering Full-Time Equivalent (FTE) Summary

For FY26, the Engineering Department includes 15 budgeted full-time positions across three divisions: Administration, Project Management, and Environmental Programs.

The department oversees the planning, design, and delivery of public infrastructure projects that support Clayton's growth and long-term sustainability. **Administration** provides departmental oversight and coordination. **Project Management** leads the implementation of capital improvement projects, ensuring they are delivered on time, within budget, and to established standards. **Environmental Programs** supports regulatory compliance, stormwater management, and environmental stewardship efforts that promote a resilient and sustainable community. The department also manages significant infrastructure and equipment investments necessary to maintain service quality and meet the evolving needs of a growing population.

## Organization Chart

### Engineering Organizational Structure

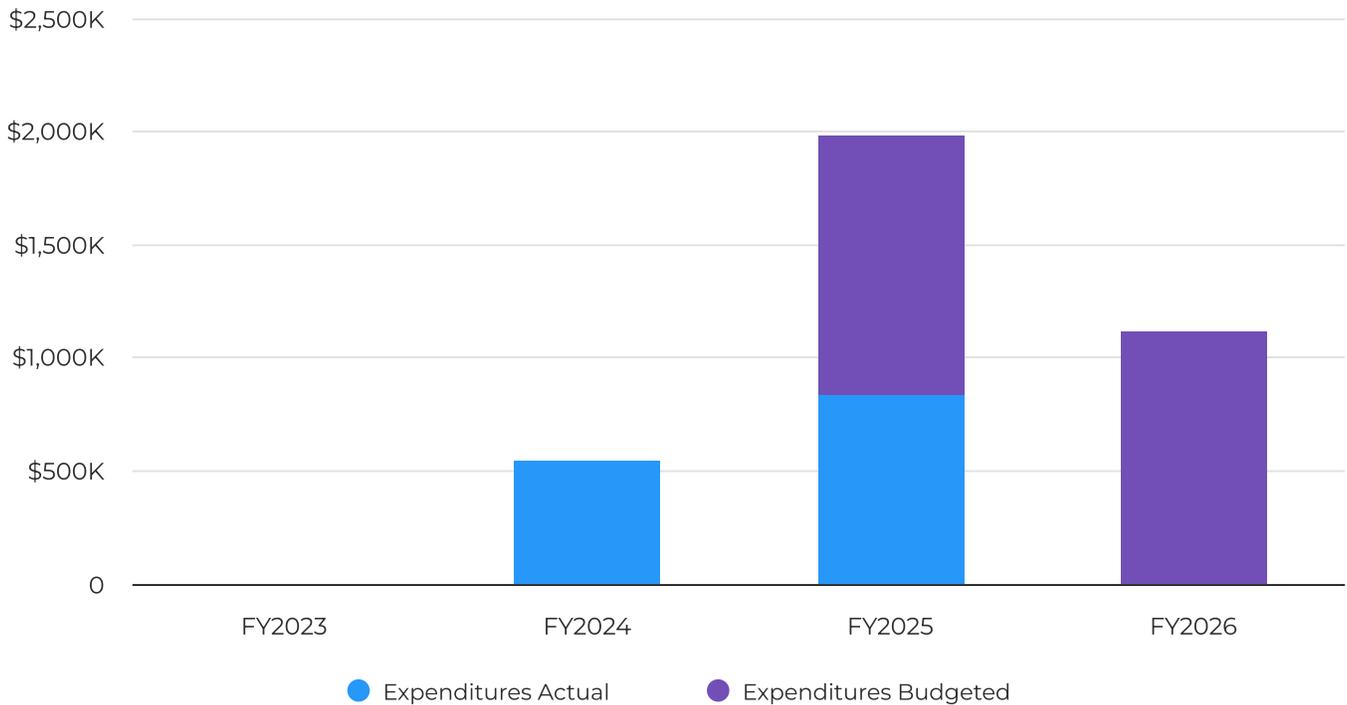


# Expenditures and Revenues

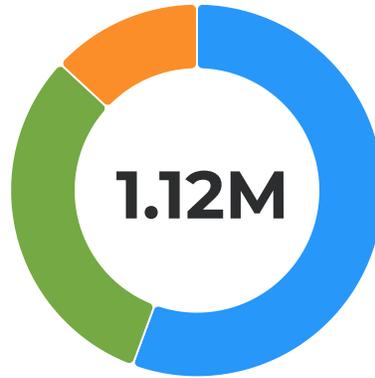
The charts below illustrate the Engineering Department’s historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures are distributed across project management, environmental programs, and administrative functions, with the largest share supporting oversight of capital projects and infrastructure initiatives. Revenues are generated through permits, fees, and miscellaneous sources, which help fund programs that ensure the Town’s infrastructure meets safety, environmental, and regulatory standards while supporting responsible growth.

Through FY23, Engineering was a division within the Public Works department. As a result, the Engineering department shows no budget or actuals prior to FY24.

### Historical Expenditures Across Department



### FY26 Expenditures by Division

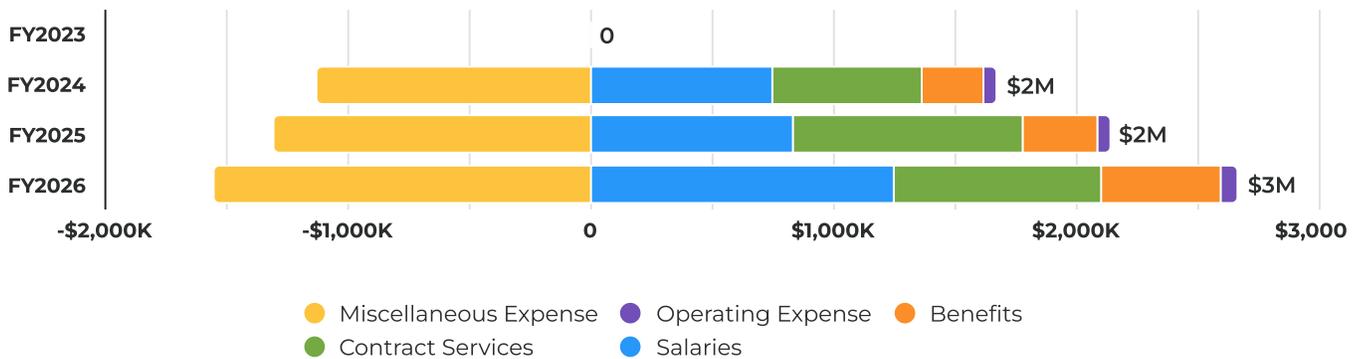


<span style="color: blue;">●</span> Project Management	<b>\$621,522</b>	55.62%
<span style="color: green;">●</span> Environmental Programs	<b>\$349,538</b>	31.28%
<span style="color: orange;">●</span> Administration	<b>\$146,353</b>	13.10%

### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	-	\$543,851	\$1,012,486	\$146,353
Project Management	-	-	-	\$621,522
Environmental Programs	-	-	-	\$349,538
<b>Total Expenditures</b>	-	<b>\$543,851</b>	<b>\$1,012,486</b>	<b>\$1,117,413</b>

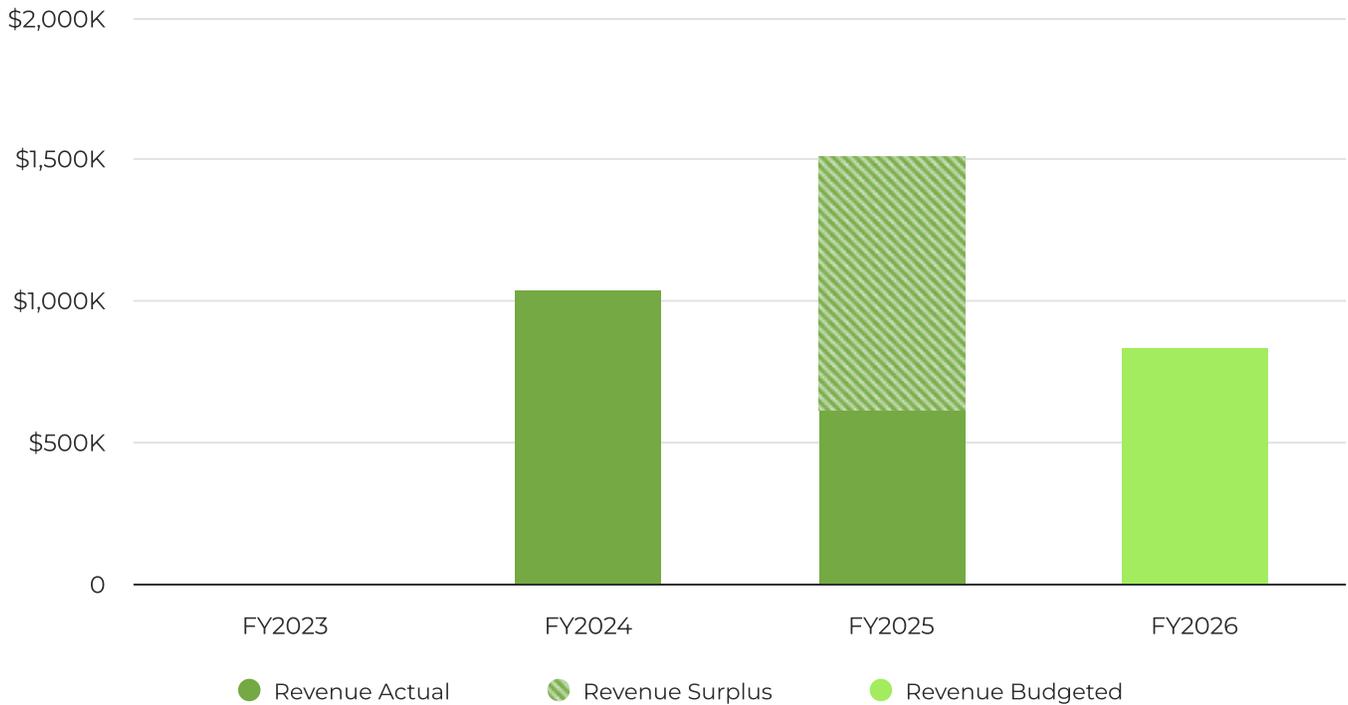
### Historical Expenditures by Expense Type



Note - negative numbers in Miscellaneous Expense are attributed to Support Services charges from the Enterprise funds and/or the Inspections Department.



## Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Permits & Fees	-	\$1,033,695.85	\$615,000.00	\$830,000.00
Miscellaneous Revenue	-	\$2,000.00	-	-
<b>Total Revenues</b>	-	<b>\$1,035,695.85</b>	<b>\$615,000.00</b>	<b>\$830,000.00</b>

## Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Engineering Department resolved to:

- Amend the Manual of Standard Specifications & Details (MSSD) to align with the newly adopted Comprehensive Transportation Plan and Unified Development Ordinance.
- Expand the Capital Improvement Plan and contribute to Town modernization initiatives by implementing ClearGov management software for all ongoing projects.



# Financial Services

Director: Robert McKie

The Financial Services department ensures the financial stability, integrity, and accountability of the Town of Clayton through sound accounting, financial reporting, and purchasing practices. The department monitors revenues and expenditures, ensures compliance with applicable state and federal financial regulations, and provides timely financial data to support decision-making. The department is also responsible for the Town's payroll function, ensuring employees are paid accurately and on time.

Finance also oversees debt management, investment strategies, and financial forecasting to support long-term sustainability.

Within the department, the **Procurement** Division plays a key role in managing the purchase of goods and services for all Town departments. This team ensures that procurement activities are conducted transparently, competitively, and in accordance with public sector best practices. From issuing bids and requests for proposals to maintaining vendor relationships and contract records, the Procurement Division helps ensure that taxpayer dollars are used efficiently and responsibly.

By promoting transparency, accountability, and strong financial controls, the Finance Department supports the Town's operational effectiveness and long-term fiscal health.



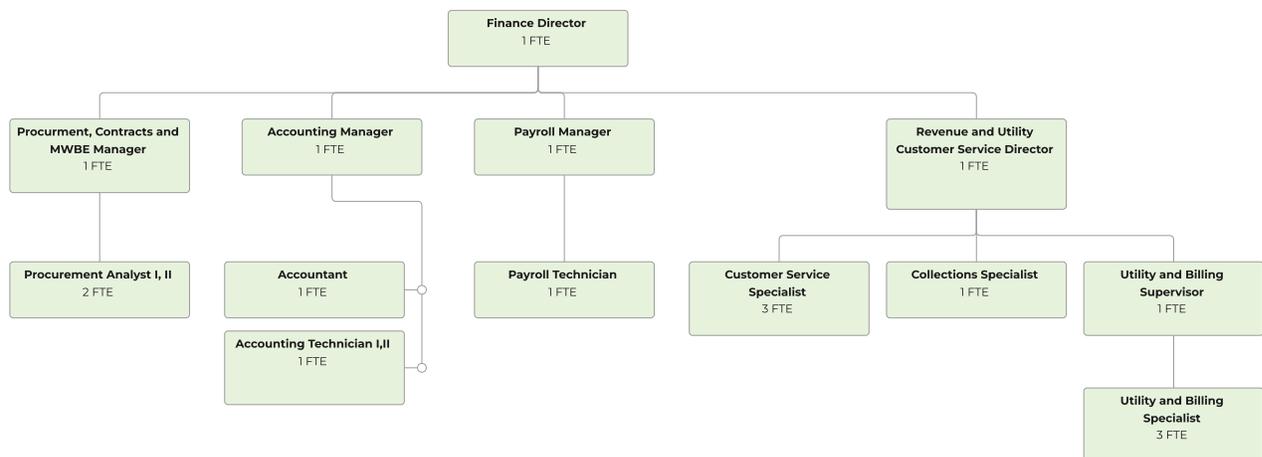
# Financial Services Full-Time Equivalent (FTE) Summary

For FY26, the Finance Department has a total of 18 budgeted full-time positions across four key divisions: Administration, Accounting and Financial Reporting, Procurement and Purchasing, and Billing and Collections.

As part of the Town's organizational realignment to improve operational efficiency and service delivery, the Billing and Collections Division has been reintegrated into the Finance Department. This strategic shift is intended to streamline financial processes and strengthen the coordination of revenue management functions. The department continues to support the Town's fiscal health through sound accounting practices, timely procurement, responsive customer service, and effective financial oversight.

## Organization Chart

**Financial Services Organizational Structure**

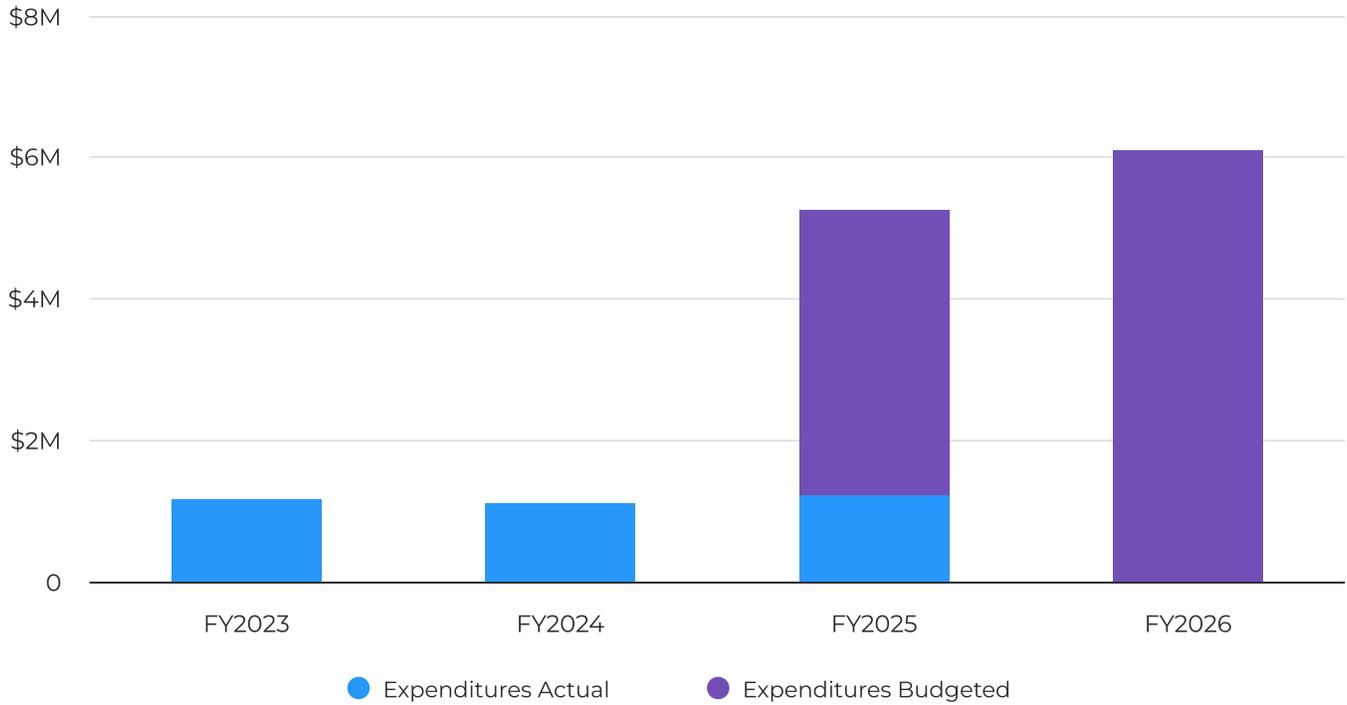


## Expenditures and Revenues

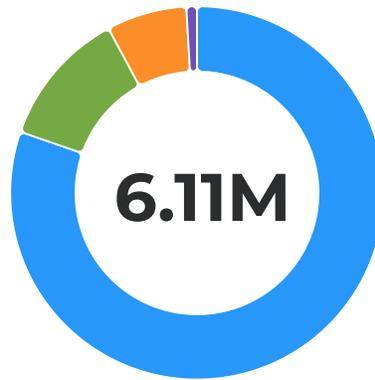
The charts below illustrate Financial Services' historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures reflect investments in administration, accounting and financial reporting, procurement, and capital outlay, with a significant portion of FY26 spending driven by capital projects. Revenues for this department are primarily derived from miscellaneous sources, which see a substantial increase in the FY26 adopted budget to support planned capital investments.



### Historical Expenditures Across Department



### FY26 Expenditures by Division



● Capital Outlay	<b>\$4,925,598</b>	80.59%
● Administration	<b>\$726,749</b>	11.89%
● Accounting & Financial Reporting	<b>\$425,400</b>	6.96%
● Procurement & Purchasing	<b>\$56,281</b>	0.92%
● Billing and Collections	<b>-\$22,200</b>	-0.36%

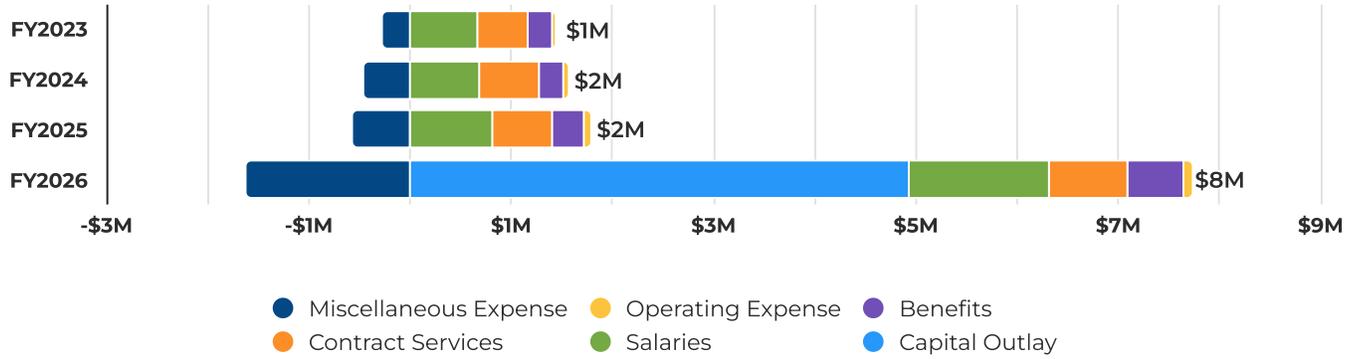
### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	\$983,310	\$808,211	\$1,161,611	\$726,749
Accounting & Financial Reporting	-	-	-	\$425,400
Procurement & Purchasing	\$178,609	\$301,095	\$316,515	\$56,281
Billing and Collections	-	-	-	-\$22,200
Capital Outlay	-	-	\$3,800,129	\$4,925,598



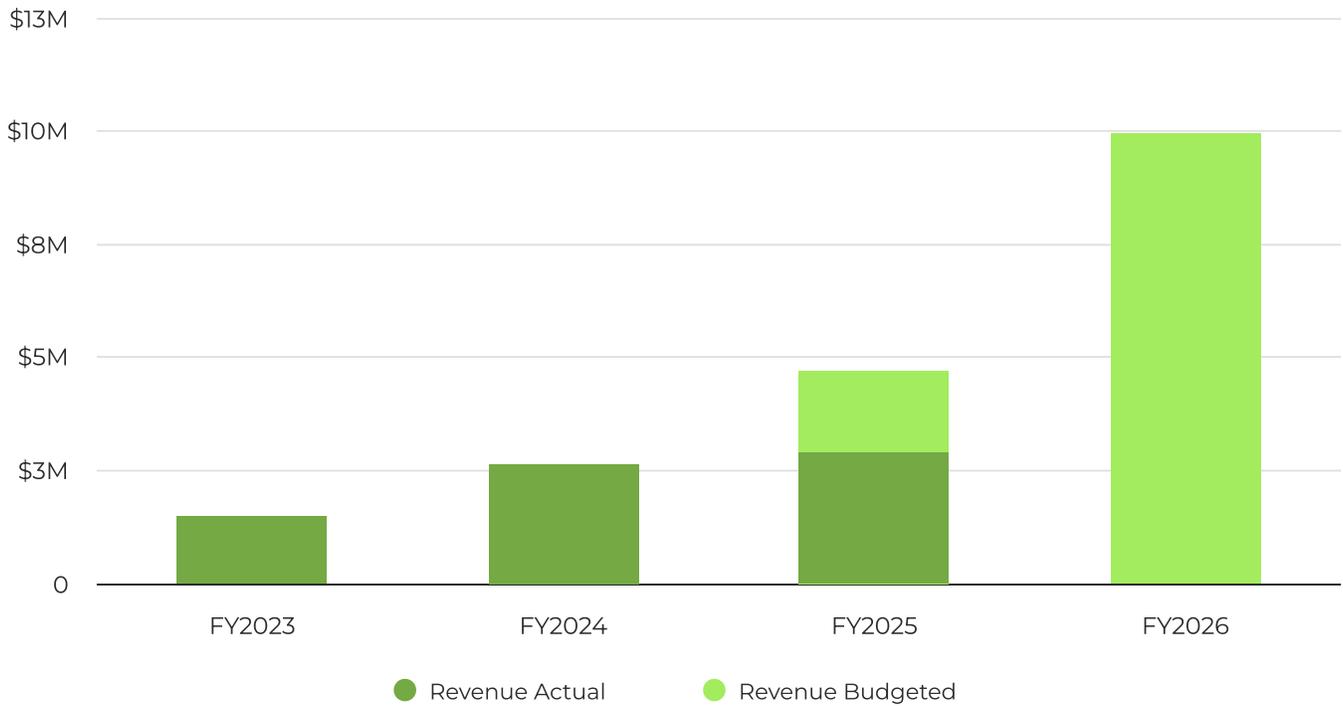
Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
<b>Total Expenditures</b>	<b>\$1,161,919</b>	<b>\$1,109,307</b>	<b>\$5,278,255</b>	<b>\$6,111,828</b>

### Historical Expenditures by Expense Type



Note - negative numbers in Miscellaneous Expense are attributed to Support Services charges from the Enterprise funds.

### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Miscellaneous Revenue	\$1,492,451.66	\$2,624,300.65	\$4,470,000.00	\$9,940,000.00
<b>Total Revenues</b>	<b>\$1,492,451.66</b>	<b>\$2,624,300.65</b>	<b>\$4,470,000.00</b>	<b>\$9,940,000.00</b>



# Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Finance Department resolved to:

- Contribute to Town modernization initiatives by supporting the bid process for a new Enterprise Resource Planning software.
- Implement new initiatives, including a new credit card provider and remote disconnect program, to streamline and improve utilities services.
- Research and implement a new bill design to improve the customer experience for Town of Clayton utilities customers.
- Develop a Minority and Women Small Business Outreach programs to move Clayton to a 10% participation rate for minority, women and locally owned businesses in Town of Clayton goods, professional services and construction projects.

# Fire Protection

Fire Chief: David Ranes

The Clayton Fire Department protects lives, property, and the environment by delivering fire suppression, emergency medical response, technical rescue, and fire prevention services. Staffed by career firefighters, the department operates multiple stations and provides 24/7 response throughout the Town and surrounding areas. In addition to responding to emergencies, the Fire Department conducts inspections, hydrant testing, and public education programs on fire safety and emergency preparedness. Through extensive training and community engagement, the department strives to reduce risks and ensure a safe and resilient community.



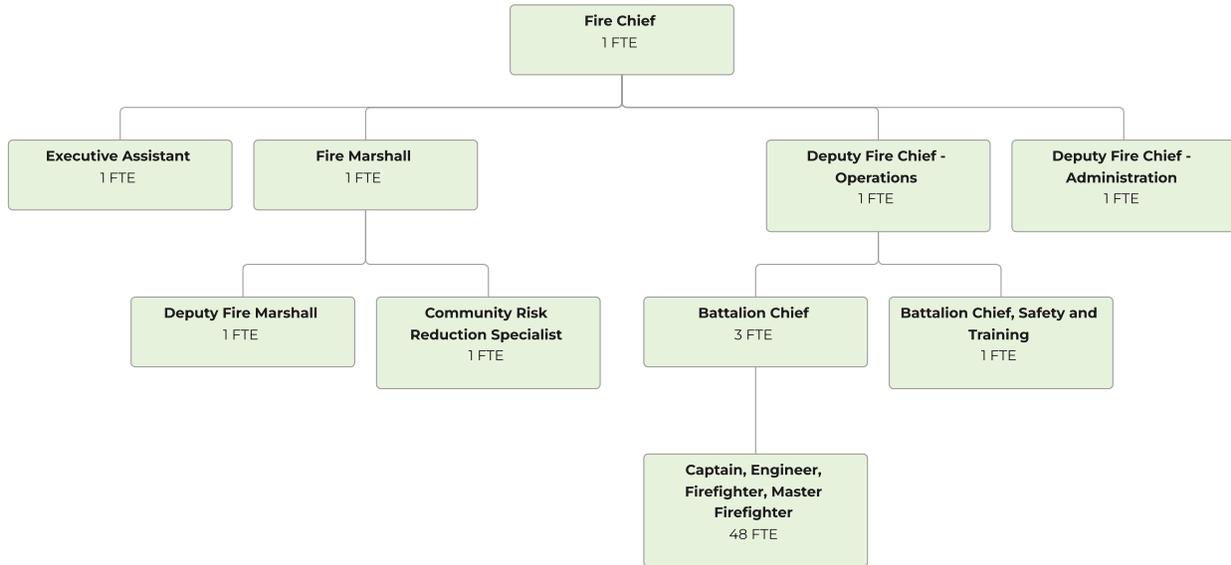
## Fire & Emergency Services Full-Time Equivalent (FTE) Summary

For FY26, the Fire Department includes 59 budgeted full-time positions across three divisions: Administration, Operations, and Emergency Management.

**Administration** oversees planning, personnel, and departmental coordination. **Operations** is the largest, responsible for frontline emergency services, including fire suppression and medical assistance. **Emergency Management** focuses on preparedness, response planning, and coordination during natural disasters and large-scale incidents.

# Organization Chart

## Fire Protection Organizational Structure

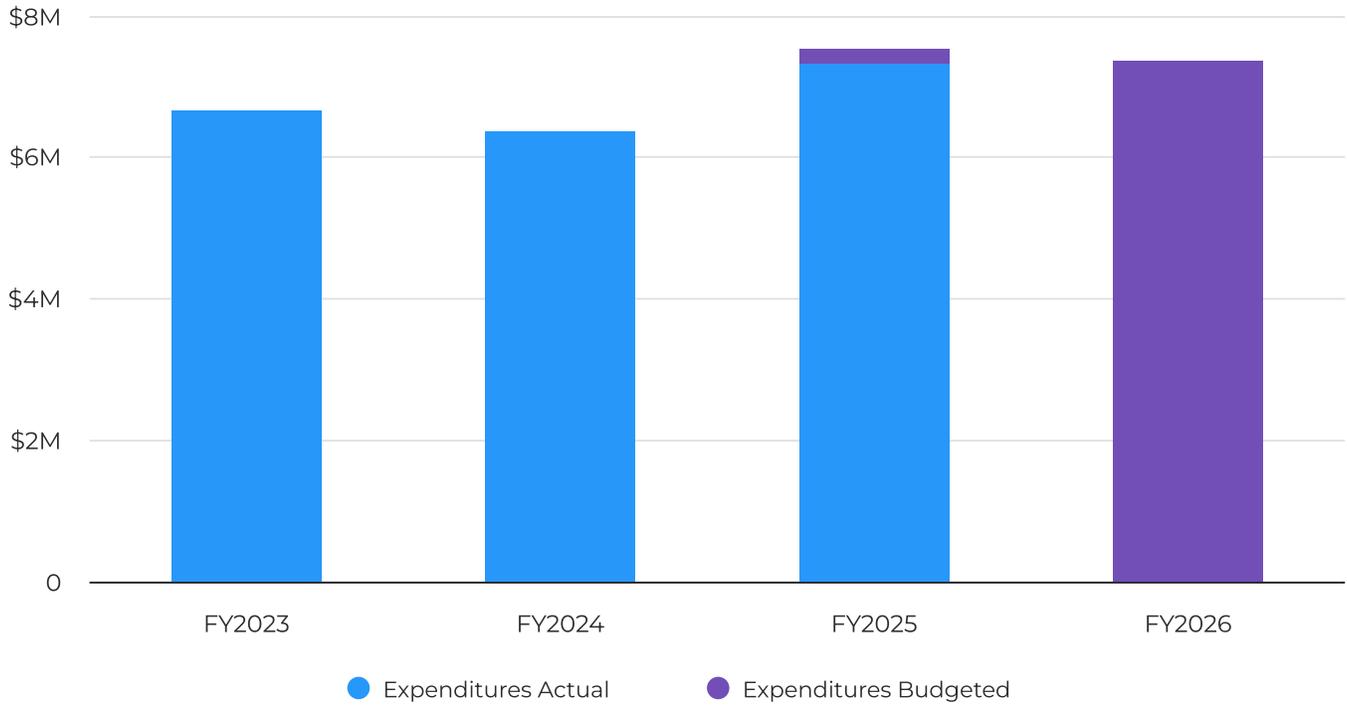


## Expenditures and Revenues

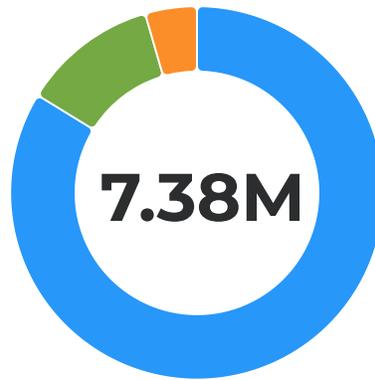
The charts below illustrate the Fire Department’s historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures are primarily focused on administration, operations, and capital outlay, with the largest share dedicated to staffing, equipment, and facility needs that ensure the department can provide essential fire protection and emergency response services. Non-tax revenues are derived from intergovernmental funding, permits and fees, grants, and miscellaneous sources, helping offset costs while supporting the department’s mission to protect life and property.



### Historical Expenditures Across Department



### FY26 Expenditures by Division



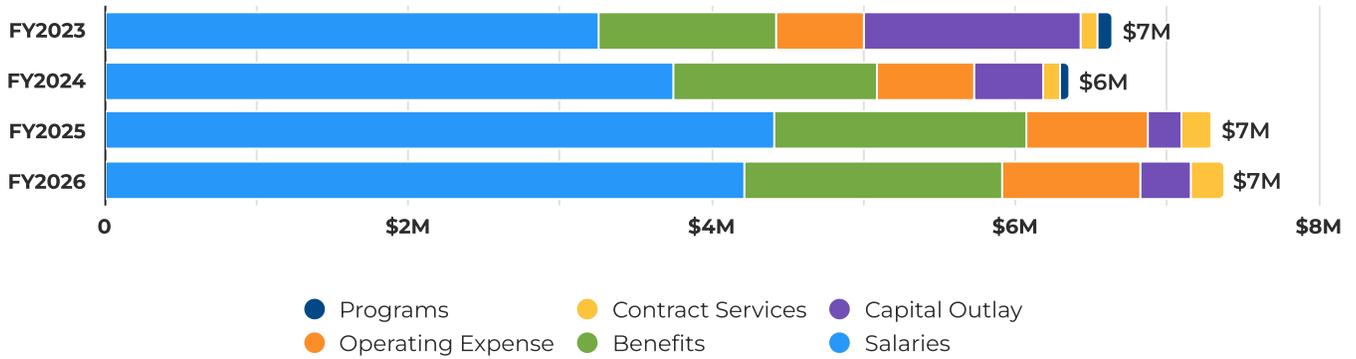
● Administration	<b>\$6,177,700</b>	83.76%
● Operations	<b>\$867,900</b>	11.77%
● Capital Outlay	<b>\$330,000</b>	4.47%

### Expenditures by Division

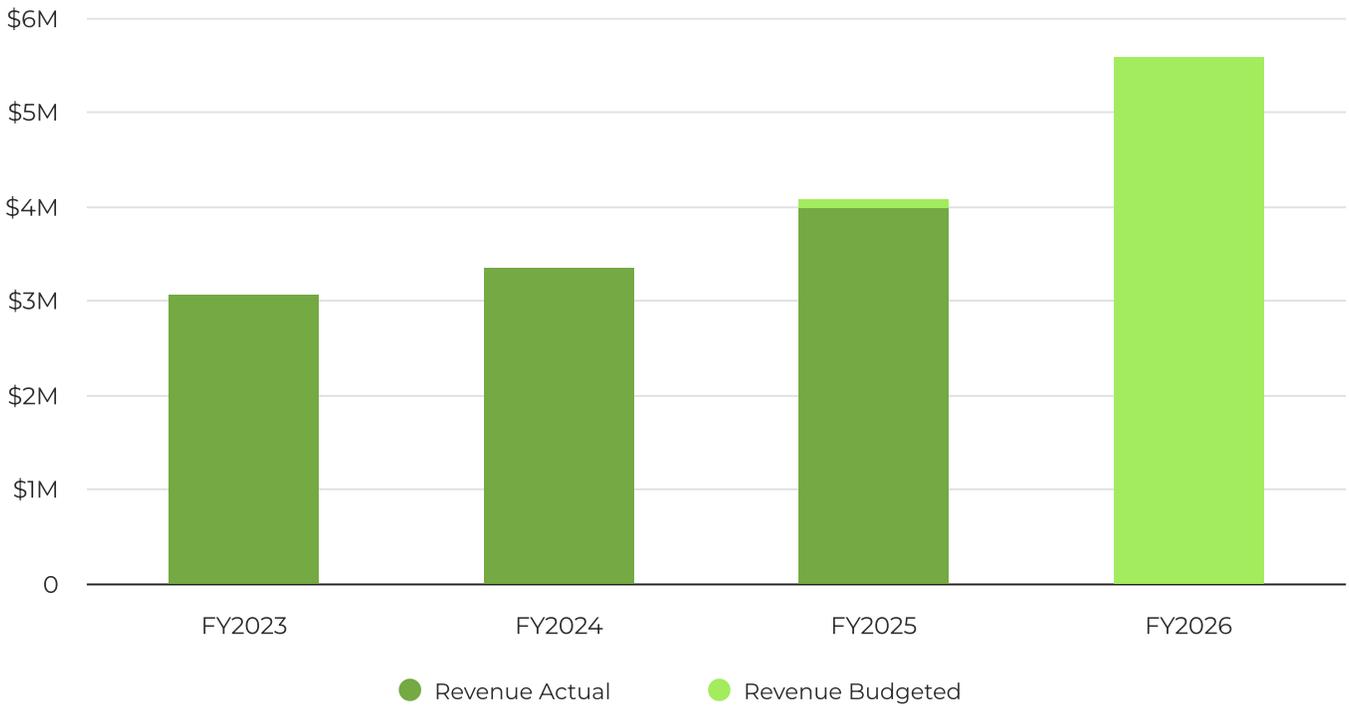
Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	\$781,588	\$675,461	\$5,481,719	\$6,177,700
Operations	\$4,431,144	\$5,234,113	\$622,730	\$867,900
Capital Outlay	\$1,428,378	\$451,512	\$327,500	\$330,000
<b>Total Expenditures</b>	<b>\$6,641,109</b>	<b>\$6,361,086</b>	<b>\$6,431,949</b>	<b>\$7,375,600</b>



### Historical Expenditures by Expense Type



### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Intergovernmental	\$2,430,550.38	\$3,325,487.00	\$3,821,784.00	\$4,821,800.00
Permits & Fees	\$20,292.87	\$10,442.00	\$7,500.00	\$42,500.00
Grants & Donations	\$610,569.32	\$4,212.36	\$240,000.00	\$711,900.00
Miscellaneous Revenue	\$6,353.00	\$1,247.00	\$1,450.00	\$1,500.00
<b>Total Revenues</b>	<b>\$3,067,765.57</b>	<b>\$3,341,388.36</b>	<b>\$4,070,734.00</b>	<b>\$5,577,700.00</b>



# Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Clayton Fire Department resolved to:

- Improve overall incident response and prepare for accreditation by evaluating incidents to limit injuries, damage and loss.
- Develop standard operating procedures for the Fire Marshall's office in keeping with legal and best practices.
- Draft a comprehensive ground operational plan.

# General Government

Town Manager: Rich Cappola

The General Government department provides executive leadership and oversight for the Town of Clayton. It supports the Mayor, Town Council, and all municipal departments by ensuring alignment with the Town's strategic goals, policies, and priorities. The department is responsible for implementing Town Council decisions, preparing council meeting agendas, overseeing major initiatives, and managing intergovernmental relations. It also ensures effective internal communication, maintains official records, and provides administrative support to advisory boards and commissions.



Additionally, the department oversees the Town's budget functions, including the development of the annual budget, coordination with departments to align spending with priorities, and the preparation of budget documents for Council consideration. The department also leads the coordination, tracking, and reporting of progress on the Town's strategic plan to ensure measurable results and accountability. Through financial planning, budget monitoring, and performance analysis, the General Government ensures responsible fiscal management and transparency. It plays a key role in long-term planning and serves as a central resource for policy development, financial strategy, and municipal coordination.

# General Government Full-Time Equivalent (FTE) Summary

For FY26, the General Government has a total of 7 budgeted full-time positions across five divisions: Legislative & Clerk, Administration, Budget & Performance, Legal and Strategic Management.

**Legislative & Clerk** supports the Mayor and Town Council in executing their duties, including organizing meetings, maintaining official records, and ensuring compliance with legal requirements related to public meetings and documentation. **Administration** manages day-to-day operations, implements Town Council decisions, oversees the development and execution of major initiatives, and handles intergovernmental relations, ensuring alignment with strategic priorities. **Budget & Performance** is responsible for the development, coordination, and monitoring of the Town's budget. It ensures that spending aligns with the Town's strategic goals and supports fiscal transparency and performance measurement. **Legal** provides legal counsel to the Town, ensuring compliance with laws and regulations, drafting legal documents, and representing the Town in legal matters to mitigate risk and uphold municipal operations. **Strategic Management** focuses on ensuring that all Town initiatives and operations are aligned with the strategic goals and priorities of the Town Council. It supports long-term planning and policy development to guide the future growth and development of the Town. **Capital Outlay** accounts for strategic land and building acquisitions that serve the long-term needs of the Town as a whole, supporting growth, service expansion, and future community investment. **Non-Departmental** is the division where townwide costs are budgeted, including compensation adjustments such as cost-of-living and merit increases, as well as other expenses that impact the organization broadly rather than a single department.

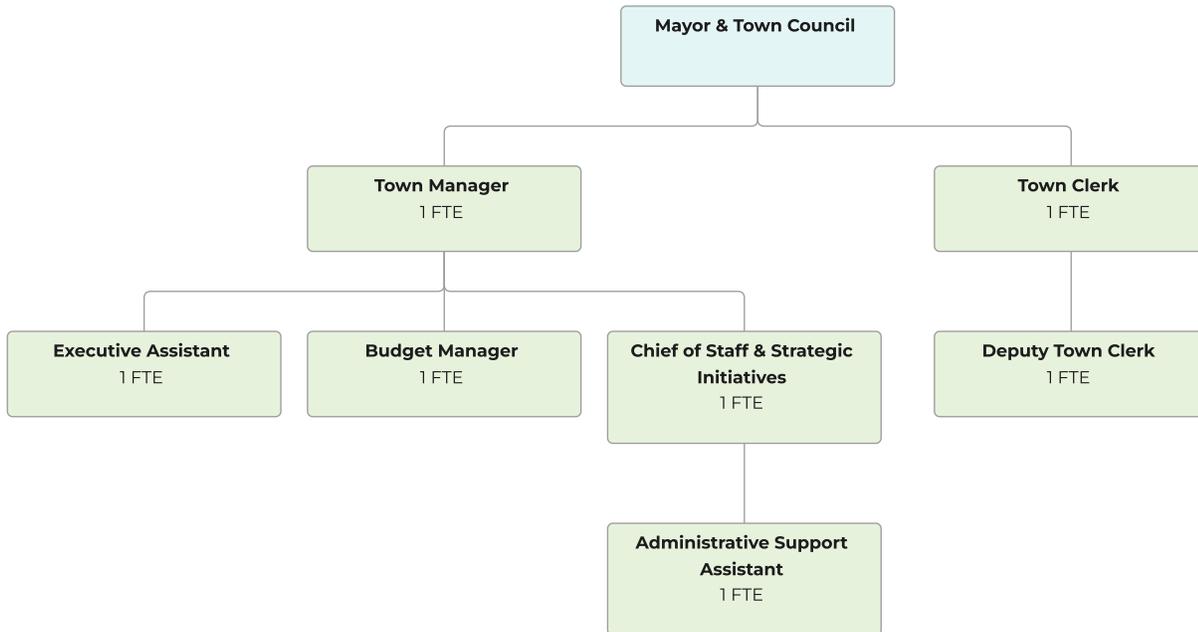
FY2026 Re-organization note:

In FY 2026, the Human Resources function was restructured from a division in the General Government department to a standalone department, as reflected in the "Town of Clayton Budgeted Positions" table. Additionally, two Deputy Town Manager positions were realigned under the respective departments they oversee—Operations and Community Development—resulting in a net reduction in full-time equivalent (FTE) positions.



# Organization Chart

## General Government Organizational Structure

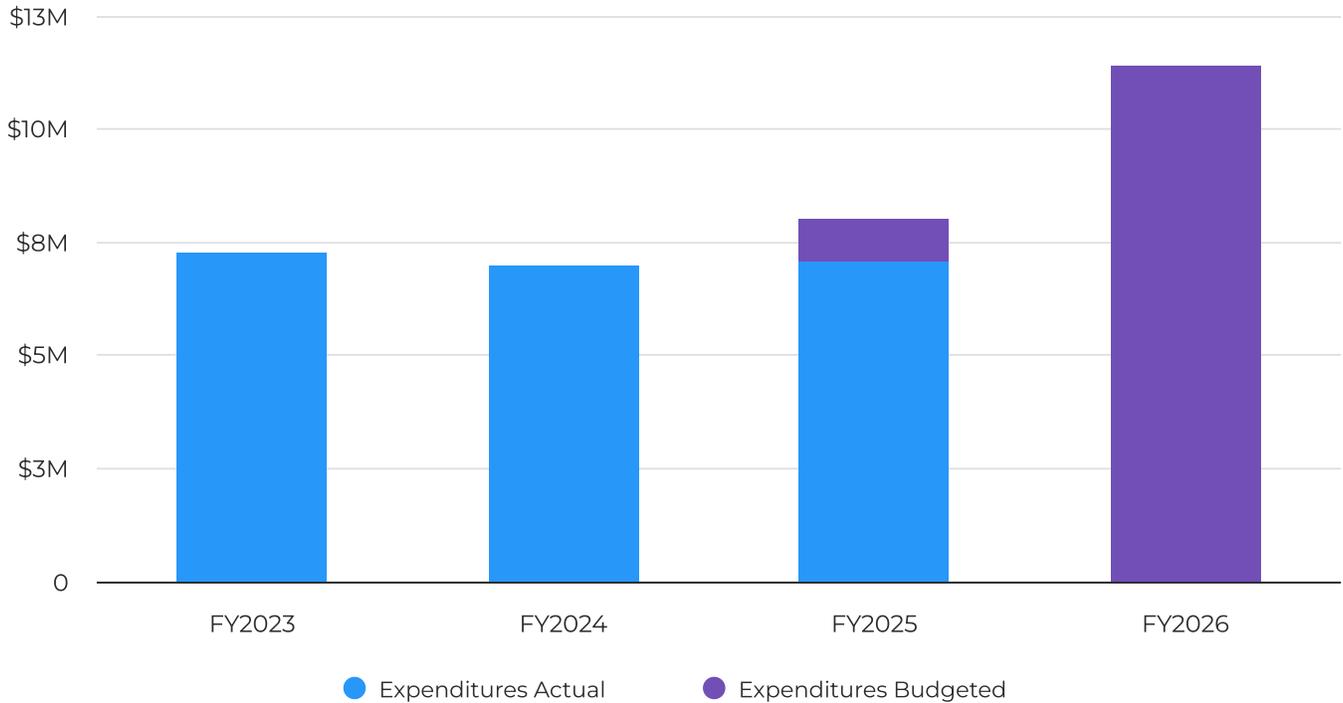


## Expenditures and Revenues

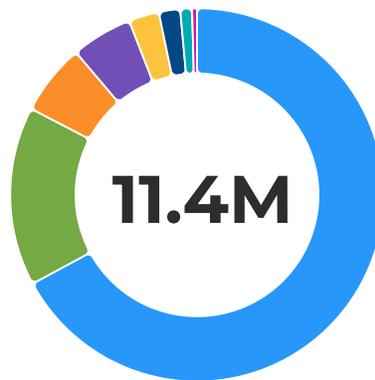
The charts below illustrate General Government's historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures reflect investments in executive leadership, legislative support, financial management, legal services, and strategic planning. Spending is primarily driven by personnel, operating costs, and capital outlay to support major initiatives. Revenues are derived from a combination of property taxes, state-shared revenues, and other miscellaneous sources that fund the department's administrative and policy functions.



## Historical Expenditures Across Department



### FY26 Expenditures by Division



Division	Amount	Percentage
Capital Outlay	\$7,650,000	67.12%
Non-Departmental	\$1,767,743	15.51%
Administration	\$703,133	6.17%
Legislative and Town Clerk	\$602,595	5.29%
Strategic Management	\$300,450	2.64%
Budget & Performance	\$209,050	1.83%
Legal	\$116,518	1.02%
Special Appropriations	\$48,120	0.42%

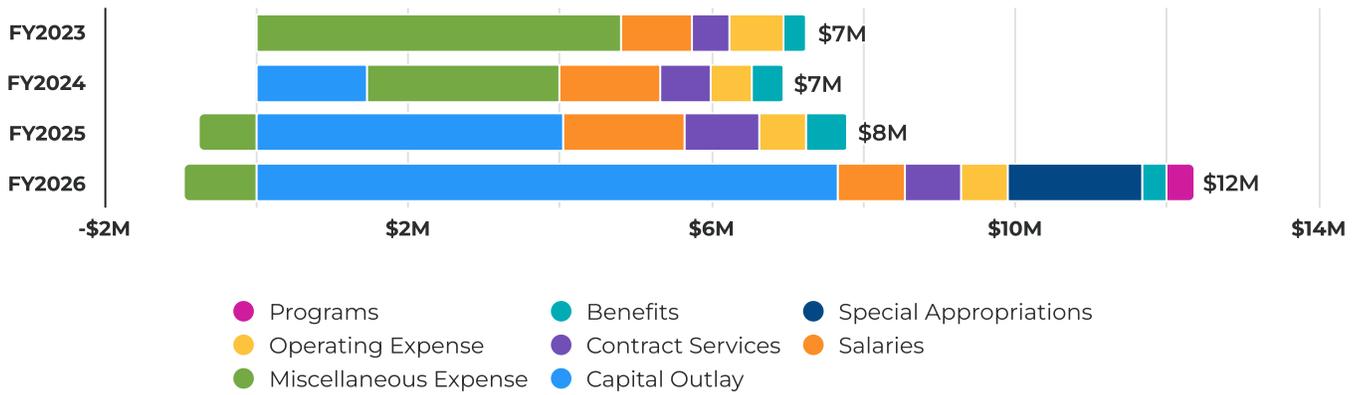
### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Legislative and Town Clerk	\$294,747	\$367,953	\$527,544	\$602,595
Administration	\$848,448	\$1,042,406	\$1,678,045	\$703,133



Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Budget & Performance	-	-	-	\$209,050
Human Resources-Inactive	\$355,642	\$558,630	\$745,112	-
Legal	-\$42,633	\$8,347	\$124,286	\$116,518
Strategic Management	-	-	-	\$300,450
Non-Departmental	\$5,786,426	\$3,486,245	\$1,598,077	\$1,767,743
Capital Outlay	-	\$1,467,235	\$150,000	\$7,650,000
Special Appropriations	\$26,957	\$39,950	\$48,309	\$48,120
<b>Total Expenditures</b>	<b>\$7,269,587</b>	<b>\$6,970,766</b>	<b>\$4,871,373</b>	<b>\$11,397,609</b>

### Historical Expenditures by Expense Type



Note - negative numbers in Miscellaneous Expense are attributed to Support Services charges from the Enterprise funds.

### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Ad Valorem	\$18,981,751.20	\$19,574,917.44	\$22,828,818.00	\$26,251,800.00
State Shared Revenue	\$9,838,083.77	\$10,635,119.31	\$10,457,000.00	\$11,051,000.00
Intergovernmental	\$151,878.73	\$122,924.31	\$195,819.00	\$320,800.00
Permits & Fees	\$78,934.10	\$113,981.36	\$81,000.00	\$81,000.00
Grants & Donations	\$500.00	-	-	-
Miscellaneous Revenue	\$8,247,749.95	\$2,717,615.05	\$3,215,614.00	\$5,715,600.00
Other Financing Sources	\$2,250,000.00	-	-	-
<b>Total Revenues</b>	<b>\$39,548,897.75</b>	<b>\$33,164,557.47</b>	<b>\$36,778,251.00</b>	<b>\$43,420,200.00</b>

## Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

Town of Clayton General Government resolved to:

- Complete and implement the Town of Clayton Strategic Plan and guide department level planning.
- Develop and implement identified Capital Improvement Plan (CIP) strategies.
- Spearhead ongoing modernization initiatives.
- Ensure sufficient staffing by researching and developing recruitment and retention strategies for new employees and investing in enhanced professional development for existing employees.



# Human Resources

Director: Kenya Walls

The Human Resources Department supports the Town's workforce by managing recruitment, employee relations, benefits administration, classification and compensation, training, and performance management. This department works to attract and retain talented professionals committed to public service, while fostering a workplace culture that values equity, inclusion, and professional development. HR provides guidance on employment law compliance, oversees workplace safety initiatives, and supports leadership training across departments. With a focus on employee well-being, HR plays a key role in maintaining a productive and motivated workforce.



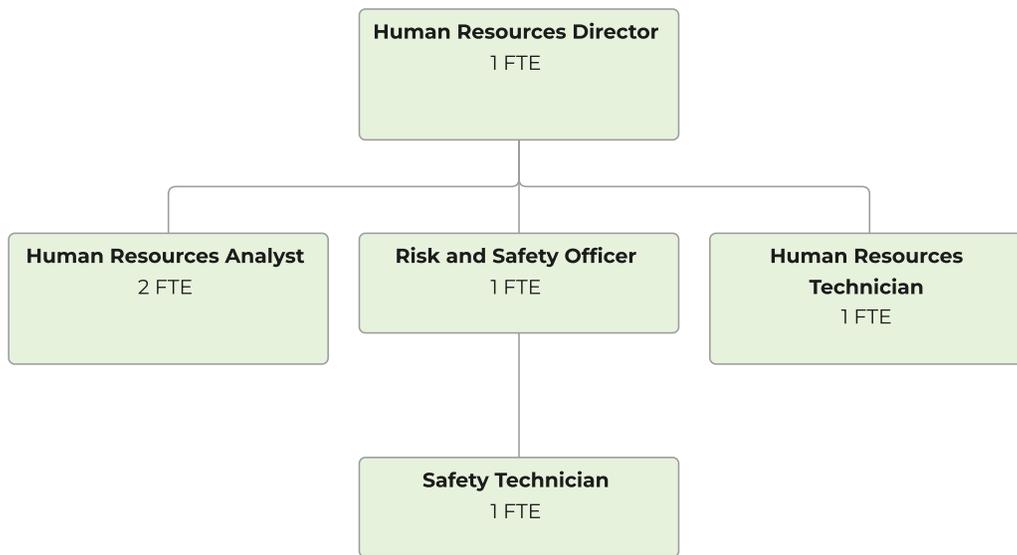
## Human Resources Full-Time Equivalent (FTE) Summary

For FY26, the Human Resources Department includes 6 budgeted full-time positions within one division: Administration.

The department plays a central role in attracting, developing, and retaining a skilled and engaged workforce that supports the Town's strategic goals. The **Administration Division** oversees a wide range of core functions, including recruitment, employee relations, benefits administration, training, and compliance with state and federal employment laws. Additionally, it supports organizational development initiatives and promotes a positive and inclusive workplace culture that contributes to employee satisfaction and performance.

# Organization Chart

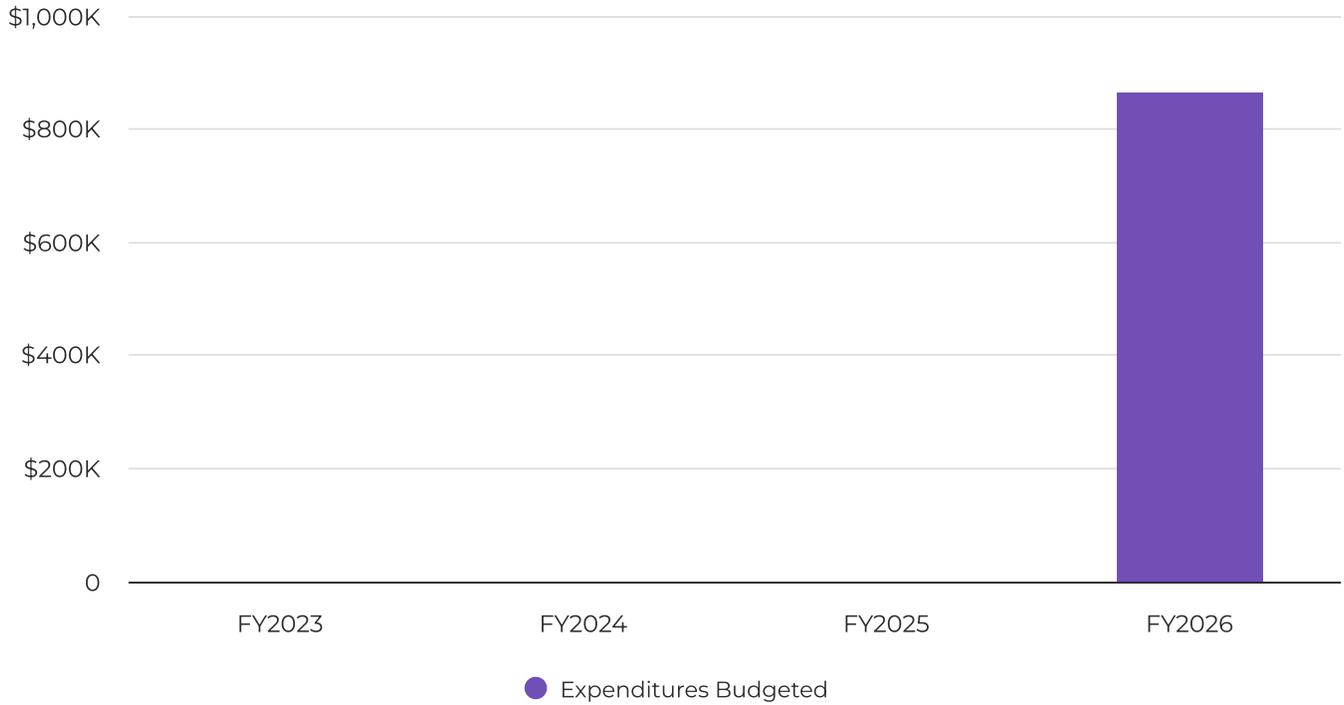
## Human Resources Organizational Structure



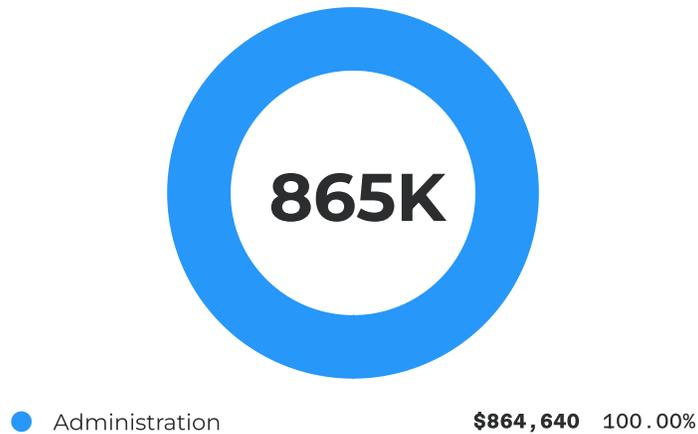
## Expenditures

The charts below illustrate the Human Resources Department's historical expenditures, including adopted budgets across fiscal years. Expenditures are dedicated entirely to administrative operations, which include employee recruitment, training, benefits management, and support for Town staff. There are no revenues associated with Human Resources, as its operations are fully supported by the General Fund to provide essential internal services that keep the Town's workforce engaged, supported, and effective.

## Historical Expenditures Across Department



## FY26 Expenditures by Division

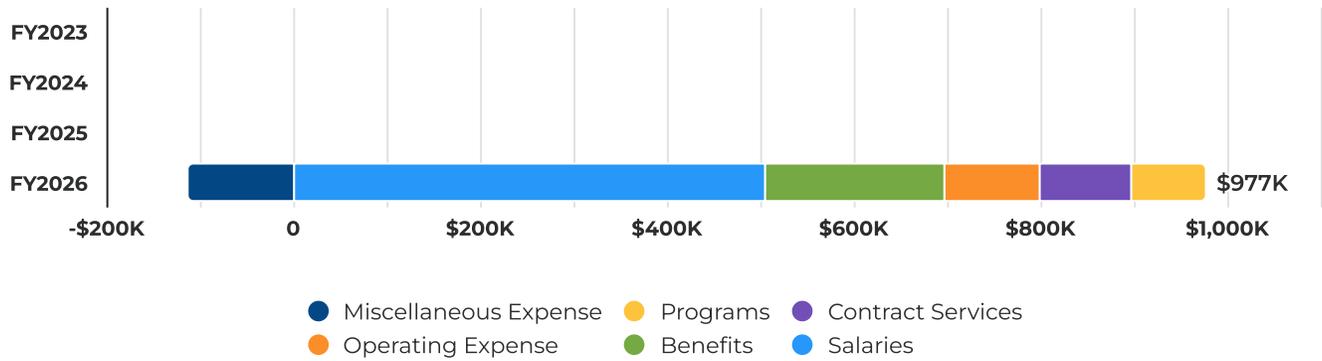


## Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	-	-	-	\$864,640
<b>Total Expenditures</b>	-	-	-	<b>\$864,640</b>



### Historical Expenditures by Expense Type



Note - negative numbers in Miscellaneous Expense are attributed to Support Services charges from the Enterprise funds and/or the Inspections Department.

## Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Human Resources Department resolved to:

- Assume the risk function from finance.
- Continue to create and roll out new policies and procedures.
- Provide additional training and information sessions that appeal to all staff.



# Inspections

Director: Barry Alston

The Inspections Department ensures that all construction and development within the Town of Clayton complies with state building codes and safety standards. Inspectors review building plans, conduct site visits, and perform inspections for residential, commercial, and industrial projects throughout all phases of construction. The department is responsible for verifying compliance with structural, plumbing, mechanical, and electrical codes to ensure that all buildings are safe, durable, and built to accepted professional standards.

By working closely with developers, contractors, and property owners, the Inspections team helps maintain construction quality and safeguards the integrity of the built environment. Whether for a new home, a commercial renovation, or a large-scale development, the department plays an important role in protecting public safety through professional and thorough inspection services.



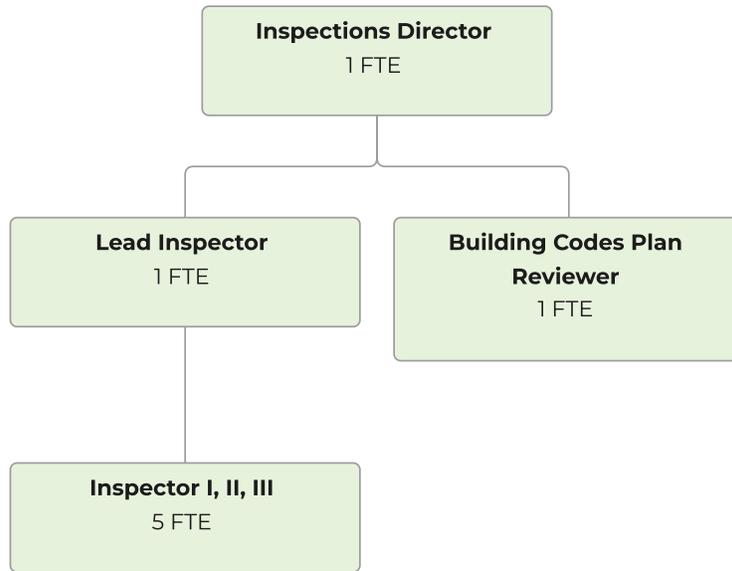
## Inspections Full-Time Equivalent (FTE) Summary

For FY26, the Inspections Department includes 8 budgeted full-time positions within one division: Administration.

The department is responsible for ensuring that construction and development in the Town of Clayton complies with local, state, and federal building codes and safety standards. The **Administration Division** oversees daily operations, permitting, plan reviews, and inspections for residential, commercial, and industrial projects. It works closely with developers, contractors, and residents to support safe, efficient growth. These efforts help maintain public safety, support development, and uphold the integrity of Clayton’s built environment.

# Organization Chart

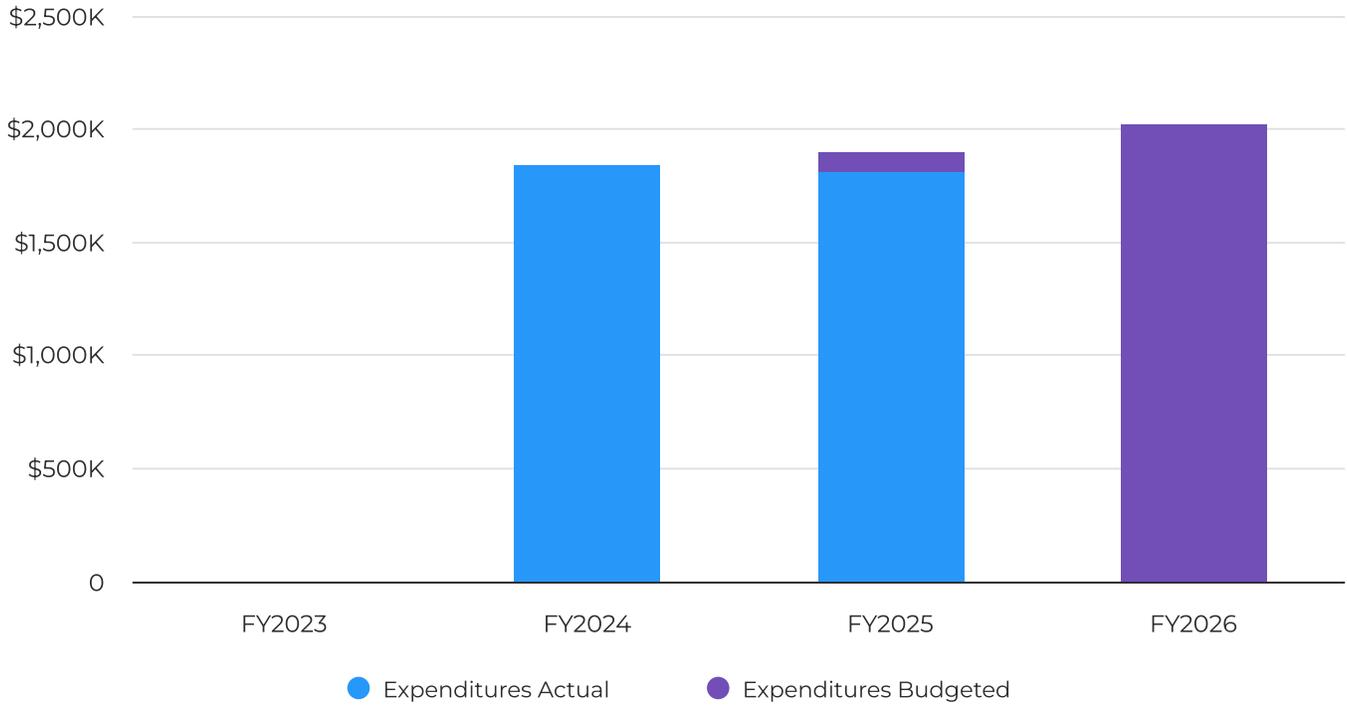
## Inspections Organizational Structure



## Expenditures and Revenues

The charts below illustrate the Inspections Department’s historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures are primarily tied to administrative operations, staffing, and related support services needed to oversee permitting and inspections. Revenues are generated largely through permits and fees, which fund the department’s work to ensure compliance with building codes, safety standards, and development regulations.

### Historical Expenditures Across Department



### FY26 Expenditures by Division



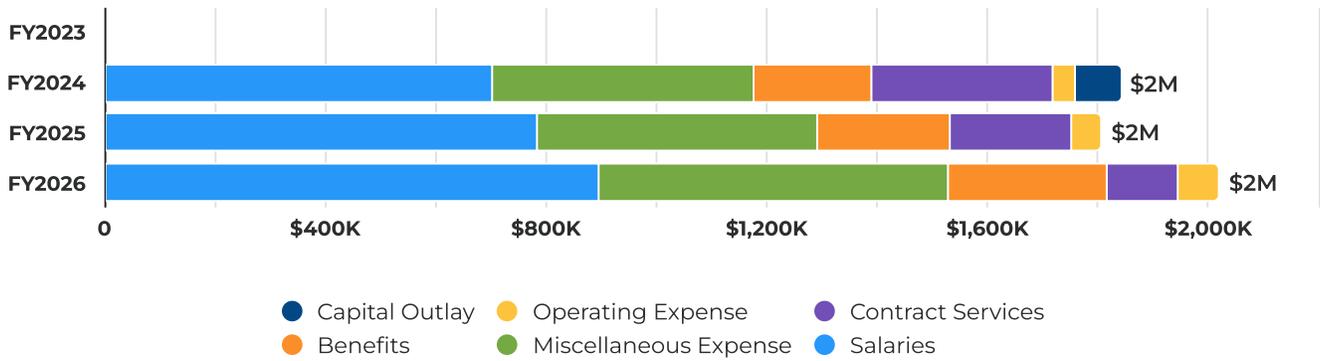
● Administration **\$2,019,338** 100.00%

### Expenditures by Division

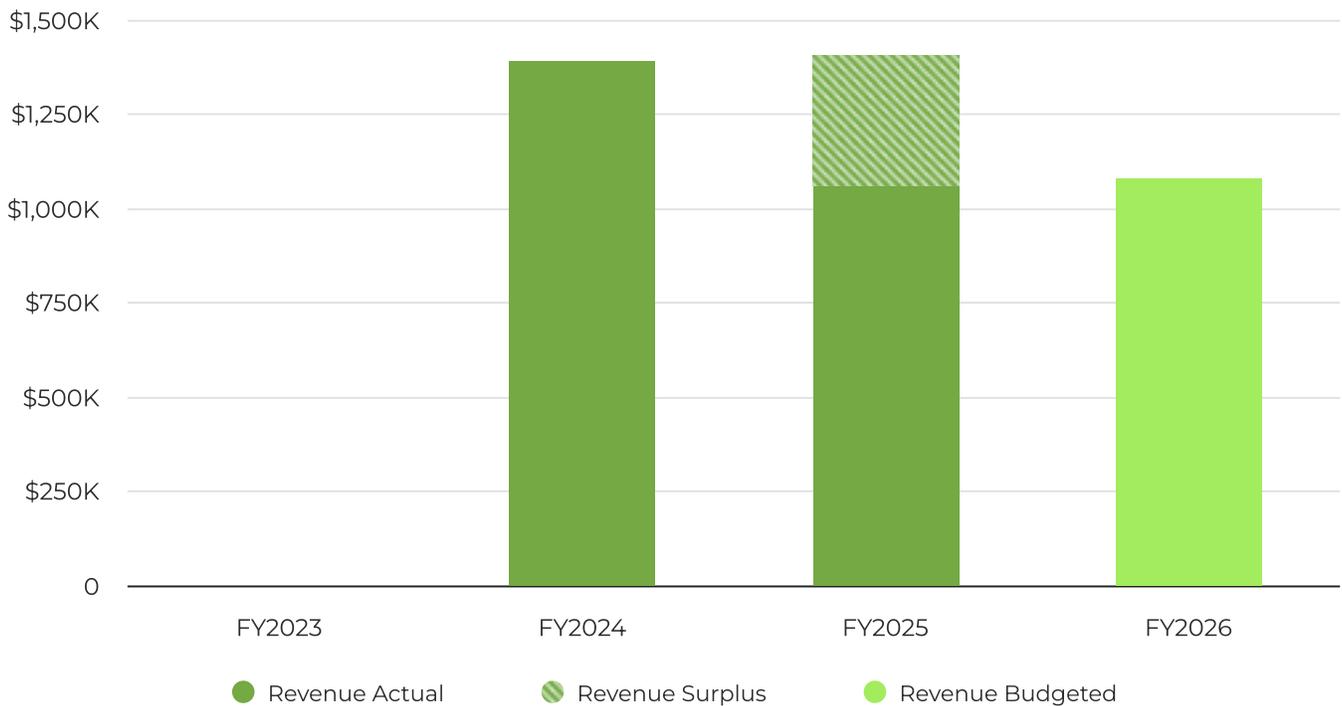
Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	-	\$1,759,618	\$1,693,137	\$2,019,338
Capital Outlay	-	\$82,425	-	-
<b>Total Expenditures</b>	-	<b>\$1,842,043</b>	<b>\$1,693,137</b>	<b>\$2,019,338</b>



### Historical Expenditures by Expense Type



### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Permits & Fees	-	\$1,389,396.08	\$1,061,500.00	\$1,081,500.00
<b>Total Revenues</b>	<b>-</b>	<b>\$1,389,396.08</b>	<b>\$1,061,500.00</b>	<b>\$1,081,500.00</b>



# Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Inspections Department resolved to:

- Develop policy and procedure to support the ongoing implementation of Clariti permitting software and ensure a smooth transition to digital submittals.
- Refine a career ladder path for Inspections to ensure opportunities for growth and development for Inspections staff.

# Law Enforcement

Chief of Police: Greg Tart

The Clayton Police Department serves the community through professional, accountable, and community-focused law enforcement. Officers patrol neighborhoods, investigate crimes, and respond to emergencies to keep residents safe. The department also emphasizes proactive engagement through school resource officers, community policing programs, and crime prevention education. In addition to patrol and investigations, the department offers specialized services such as K-9 operations, traffic enforcement, and crisis response. Committed to transparency and trust-building, the Clayton Police Department works to maintain public safety while fostering positive relationships with the community.



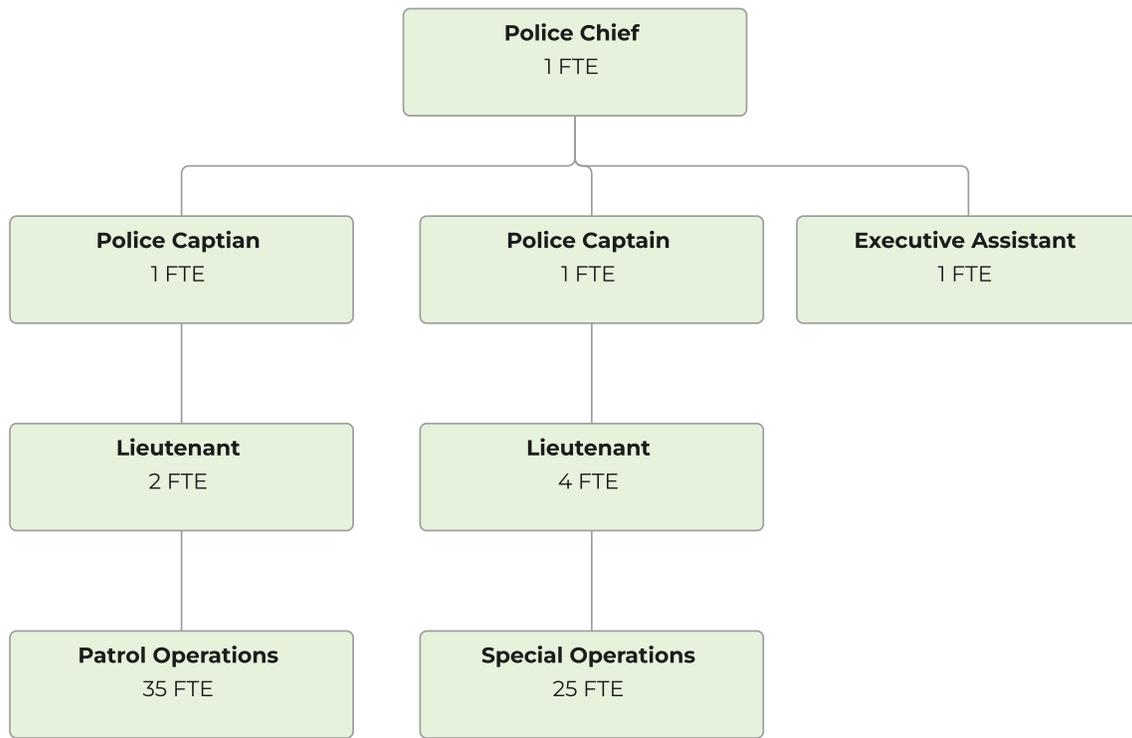
## Law Enforcement Full-Time Equivalent (FTE) Summary

The Law Enforcement Department includes 70 budgeted full-time positions across three divisions: Administration, Patrol Operations, and Special Operations.

The FY26 Law Enforcement departmental budget is divided into three divisions. **Administration** provides leadership, policy development, and departmental coordination. **Patrol Operations** serve as the backbone of daily policing, responding to emergency calls, conducting routine patrols, and maintaining visibility in neighborhoods and business districts. **Special Operations** focuses on specialized services such as investigations, school resource officers, and targeted enforcement initiatives.

# Organization Chart

## Law Enforcement Organizational Structure



## Expenditures and Revenues

The Law Enforcement Department’s total budgeted expenditures for FY 2026 are \$8,038,088.77, reflecting a 15% increase over FY 2025 actuals. This growth is primarily driven by growth in the **Administration** category, which increased by \$761,696.62 (approximately 46%), due to specialized equipment, operational support needs, and internal service allocations.

**Patrol Operations** remains the largest expenditure area, accounting for over \$3.2 million annually. While relatively stable year-over-year, this category reflects sustained investment in frontline public safety and community presence.

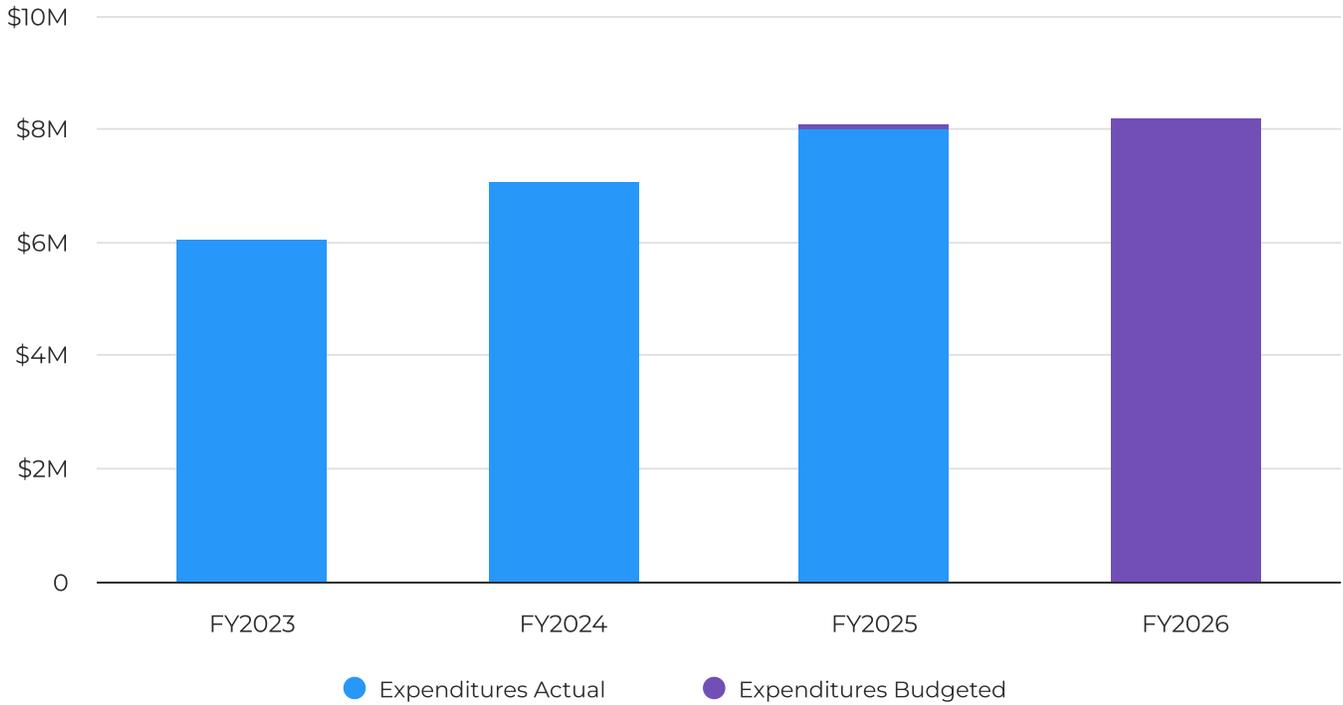
**Special Operations** also experienced consistent growth, rising from \$2.03 million in FY 2025 to \$2.33 million in FY 2026.

**Capital Outlay** fluctuates depending on planned equipment purchases or facility investments. While FY 2025 included \$113,543.60 in capital expenses, none are budgeted for FY 2026.

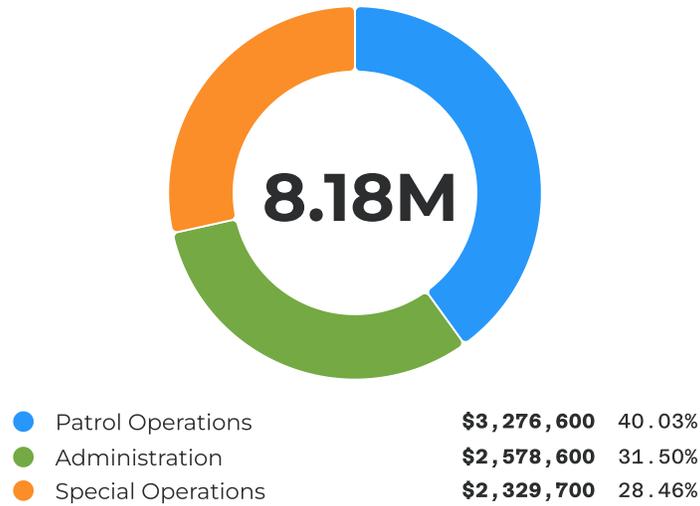
Overall, the department’s expenditure growth aligns with the Town’s commitment to ensuring adequate law enforcement resources amid community growth and increasing service demands.



### Historical Expenditures Across Department



### FY26 Expenditures by Division

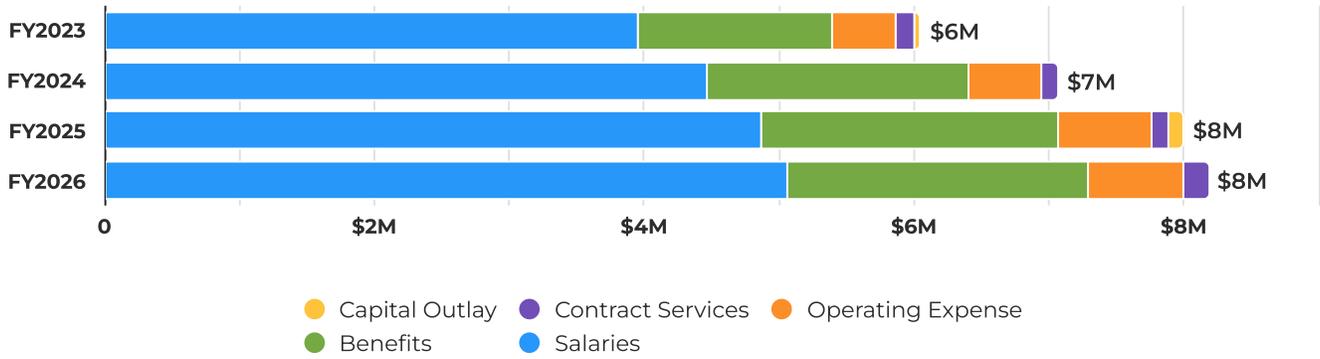


### Expenditures by Division

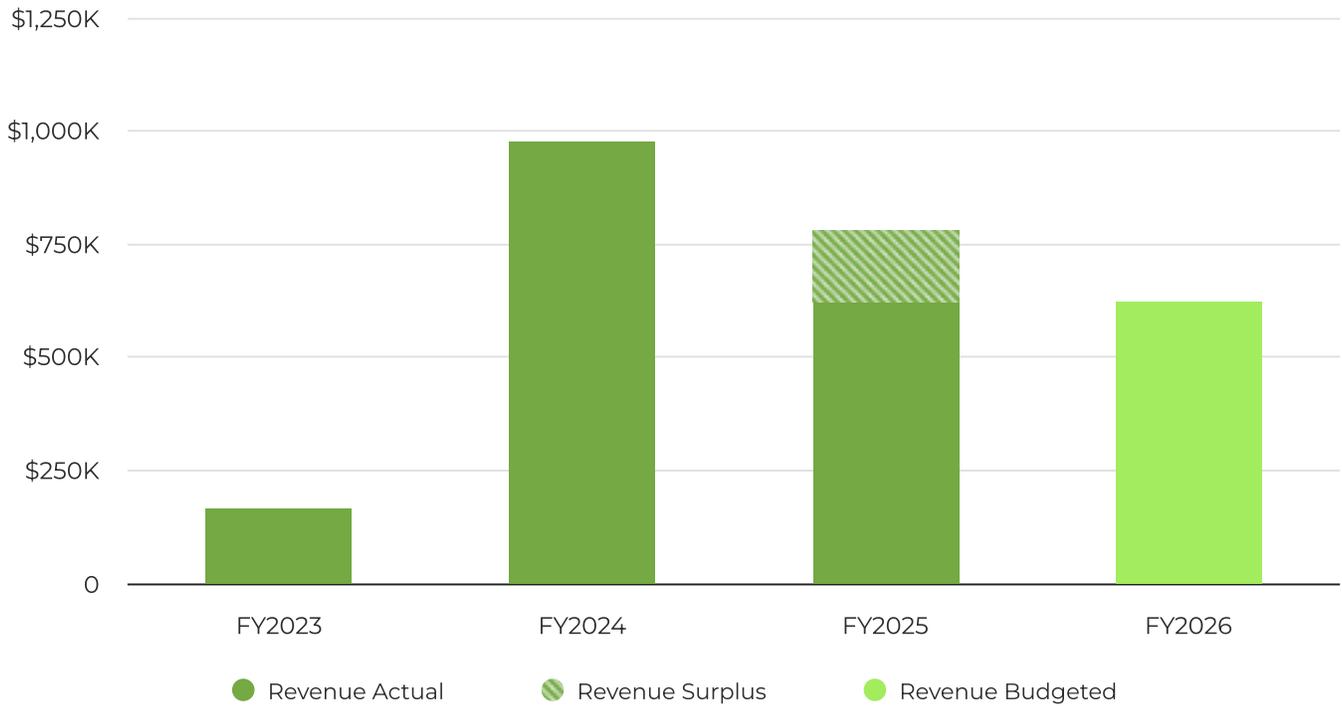
Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	\$986,067	\$1,731,462	\$1,771,705	\$2,578,600
Patrol Operations	\$3,126,554	\$3,253,348	\$3,530,783	\$3,276,600
Special Operations	\$1,888,322	\$2,080,602	\$1,901,993	\$2,329,700
Capital Outlay	\$43,142	-	-	-
<b>Total Expenditures</b>	<b>\$6,044,084</b>	<b>\$7,065,412</b>	<b>\$7,204,481</b>	<b>\$8,184,900</b>



### Historical Expenditures by Expense Type



### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Intergovernmental	\$5,249.98	\$6,863.68	-	-
Permits & Fees	\$32,262.55	\$84,860.83	\$16,590.00	\$16,600.00
Grants & Donations	\$5,730.00	\$8,025.00	\$8,000.00	\$8,000.00
Miscellaneous Revenue	\$121,000.00	\$879,908.77	\$600,000.00	\$600,000.00
<b>Total Revenues</b>	<b>\$164,242.53</b>	<b>\$979,658.28</b>	<b>\$624,590.00</b>	<b>\$624,600.00</b>



# Library Services

Manager: Melissa Poole

The Hocutt-Ellington Memorial Library serves as a community hub for learning, enrichment, and connection. The library offers access to thousands of books, digital resources, public computers, and educational programs for children, teens, and adults. Popular services include storytimes, book clubs, technology training, and summer reading initiatives. The library also provides meeting space, quiet study areas, and outreach programs that bring literacy resources to underserved residents. With a welcoming atmosphere and commitment to lifelong learning, the library supports personal growth and civic engagement for all members of the community.



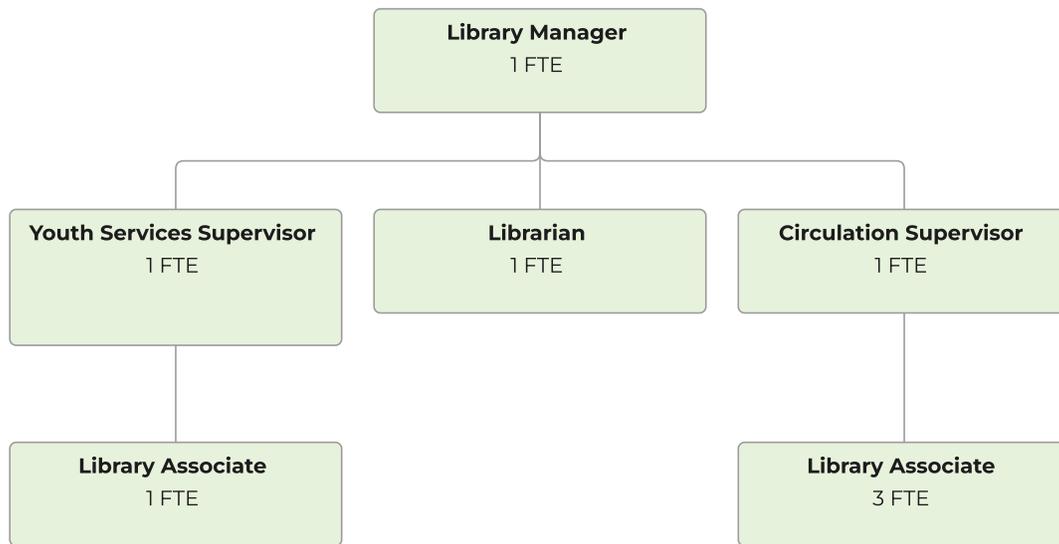
## Library Services Full-Time Equivalent (FTE) Summary

For FY26, Library Services includes 8 budgeted full-time positions within one division: Administration.

**Administration** oversees daily operations, staffing, community outreach, and programming for all age groups, supporting literacy, lifelong learning, and civic engagement.

# Organization Chart

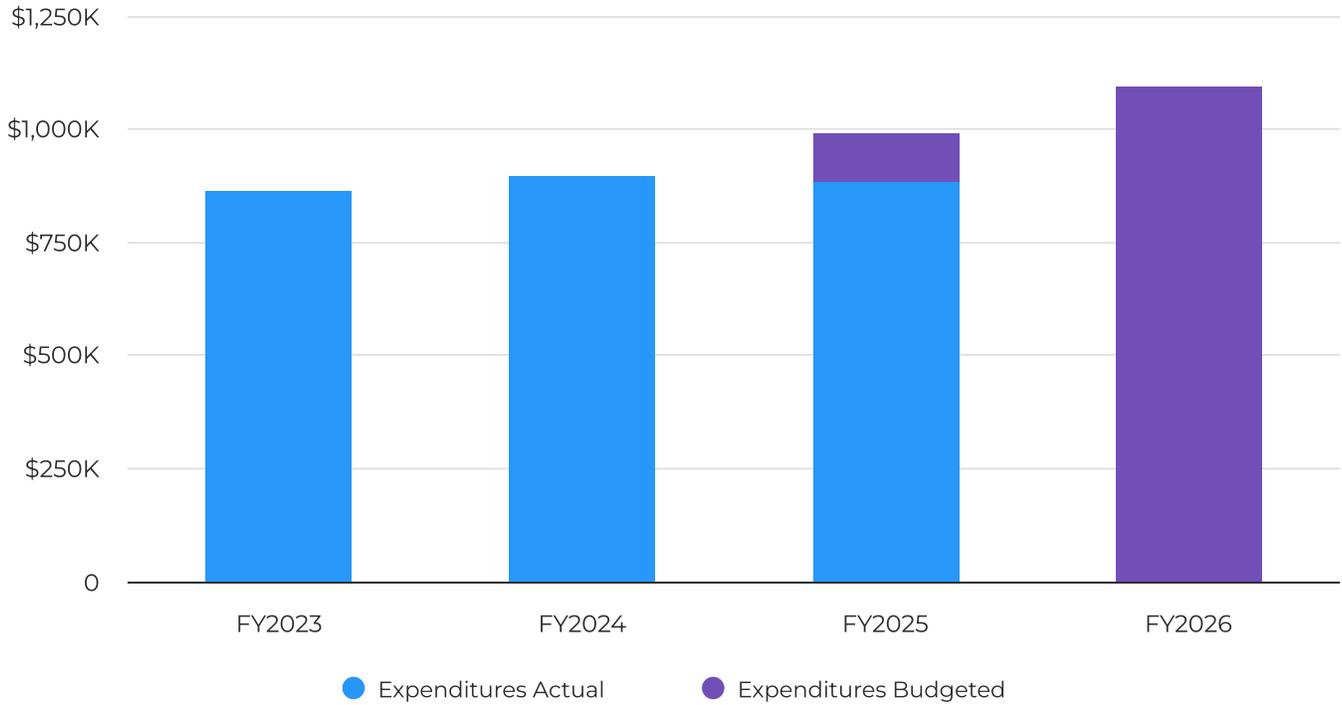
## Library Services Organizational Structure



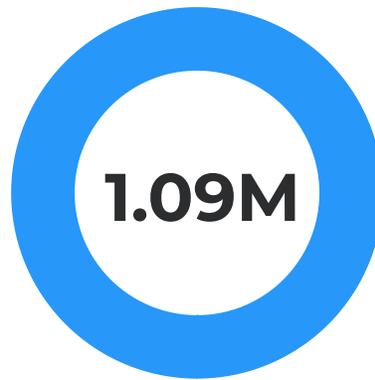
## Expenditures and Revenues

The charts below illustrate Library Services' historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures are primarily driven by personnel and operating costs, while revenues are largely sourced from grants, state-shared revenues, and permits and fees.

### Historical Expenditures Across Department



### FY26 Expenditures by Division



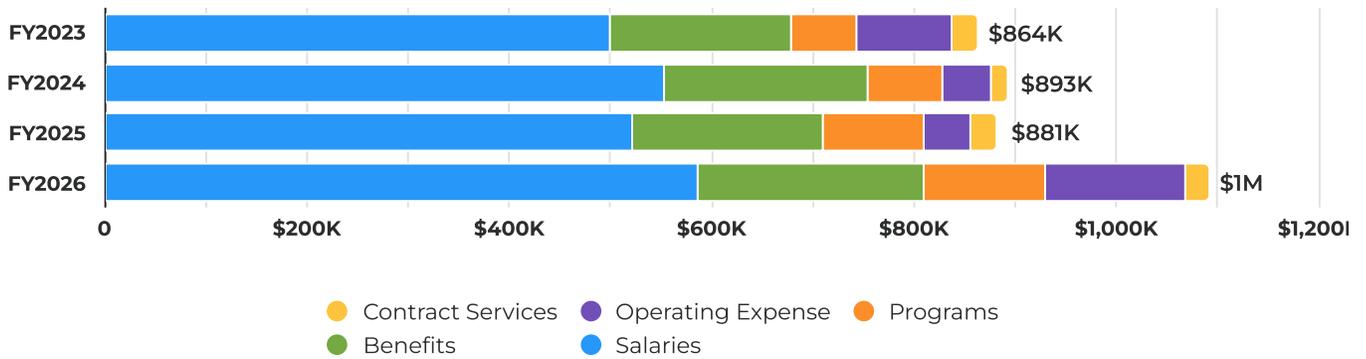
Administration \$1,092,000 100.00%

### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	\$863,711	\$893,380	\$1,043,565	\$1,092,000
<b>Total Expenditures</b>	<b>\$863,711</b>	<b>\$893,380</b>	<b>\$1,043,565</b>	<b>\$1,092,000</b>



### Historical Expenditures by Expense Type



### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
State Shared Revenue	\$20,222.00	\$25,386.00	\$25,386.00	\$25,400.00
Permits & Fees	\$10,410.97	\$7,404.32	\$5,875.00	\$5,900.00
Grants & Donations	\$67,957.11	\$28,541.08	\$24,500.00	\$9,500.00
<b>Total Revenues</b>	<b>\$98,590.08</b>	<b>\$61,331.40</b>	<b>\$55,761.00</b>	<b>\$40,800.00</b>



# Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Library Services resolved to:

- Enhance the library's collection diversity and accessibility by expanding the availability of materials in print and digital formats.
- Strengthen community engagement and inclusivity by offering diverse and innovative programming that meets the evolving needs and interests of library patrons.
- Improve the library's visibility and engagement within the community by implementing effective marketing and outreach initiatives to attract new and retain active patrons.

# Operations Management

Deputy Town Manager: Lee Barbee

The Operations Management Department plays a vital role in supporting the day-to-day functions of the Town of Clayton. Beyond making sure resources, supplies, and materials are available to meet the operational needs of all Town departments, the team also provides overall leadership and coordination to keep essential services running efficiently. Its work spans financial planning, logistical support, and field operations, ensuring that everything from internal service requests to long-term planning is carried out effectively. The department also manages responsibilities unique to Clayton, such as maintaining Town-owned cemeteries, while at the same time serving as the central hub for inventory control, procurement support, and interdepartmental resource deployment. By combining administrative oversight with hands-on service delivery, Operations Management ensures that Clayton’s workforce is equipped, supported, and ready to meet the needs of the community.



## Operations Management Full-Time Equivalent (FTE) Summary

For FY26, the Operations Management Department includes 11 budgeted full-time positions across four divisions: Administration, Cemeteries, Warehouse, and Field Services.

**Administration** provides leadership and coordination across all service areas, including budgeting and planning.

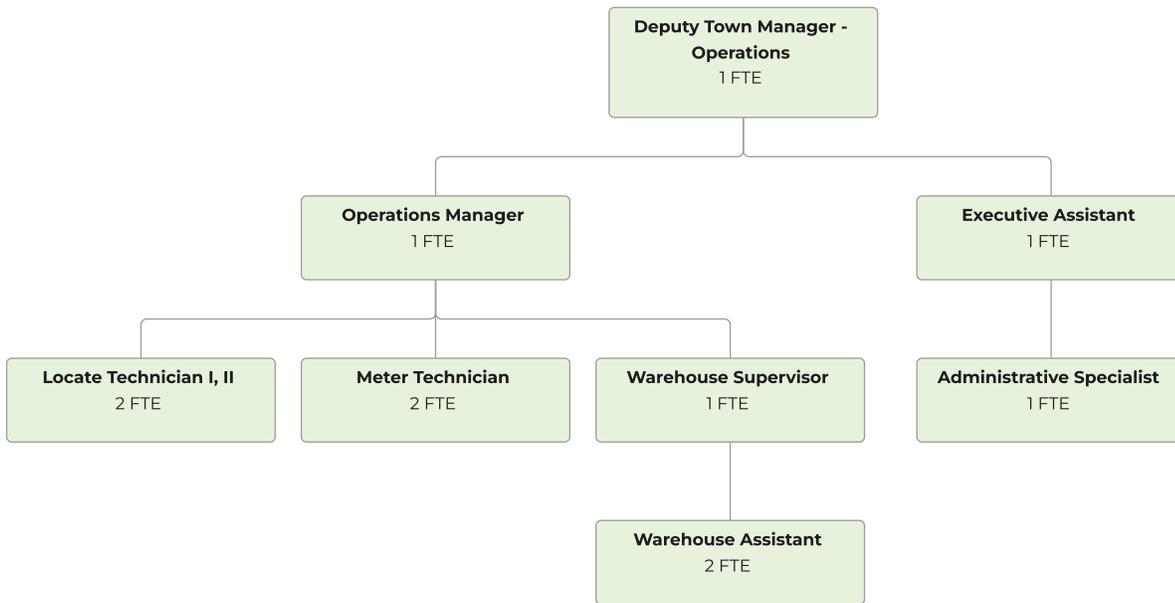
**Cemeteries** manages plot sales, maintains burial records, and oversees the administrative functions of Town-owned cemeteries.

**Warehouse** is responsible for receiving, storing and distributing supplies, materials, and equipment across departments while maintaining accurate inventory and timely deliveries.

**Field Services** supports operational readiness by assisting with cross-departmental resource deployment and ensuring the timely execution of essential internal services like meter reading and utility location services.

# Organization Chart

## Operations Management Organizational Structure



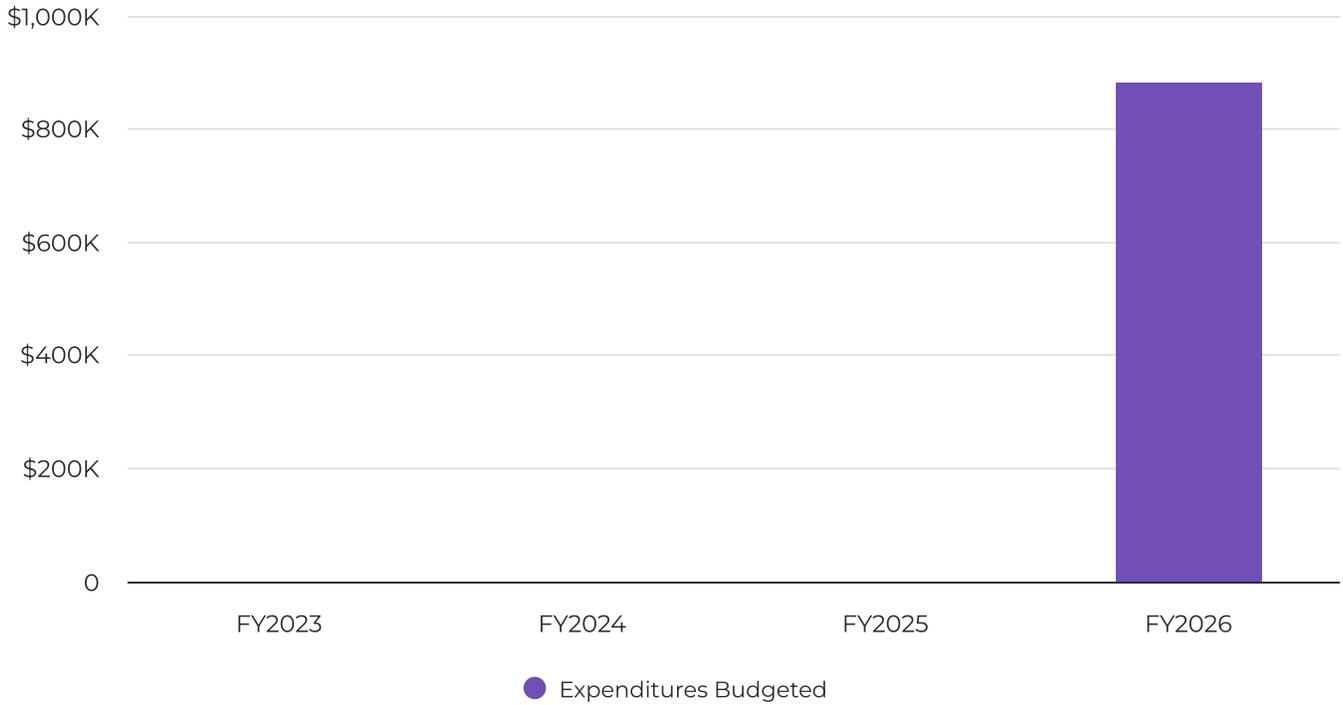
# Expenditures

The charts below illustrate the Operations Management Department’s historical expenditures, including adopted budgets across fiscal years. The FY26 budget emphasizes personnel and operating costs, ensuring adequate resources to maintain effective operations. This department does not generate revenue, as it provides internal services that support the functioning of other Town departments.

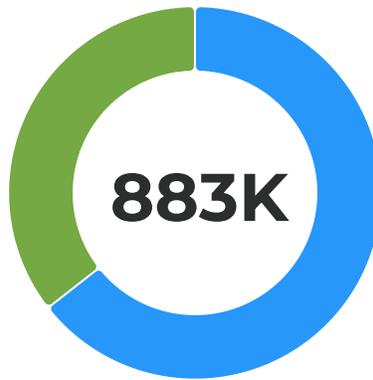
Operations Management is a new department in FY26, and therefore has no prior history of budget or actuals.



## Historical Expenditures Across Department



### FY26 Expenditures by Division



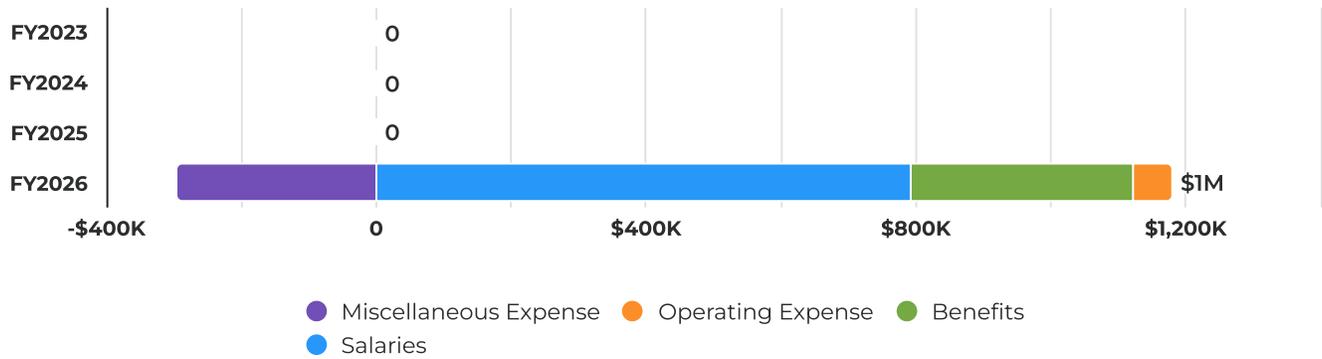
<span style="color: blue;">●</span> Administration	<b>\$568,800</b>	64.44%
<span style="color: green;">●</span> Warehouse	<b>\$313,900</b>	35.56%

### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	-	-	-	\$568,800
Warehouse	-	-	-	\$313,900
<b>Total Expenditures</b>	-	-	-	<b>\$882,700</b>



### Historical Expenditures by Expense Type



Note - negative numbers in Miscellaneous Expense are attributed to Support Services charges from the Enterprise funds and/or the Inspections Department.

## Department Goals

As a newly created department, Operations Management is in the process of establishing its key objectives and aligning its responsibilities with the Town's Strategic Plan. Department-specific goals will be developed during the next budget cycle to support its mission and operational focus.



# Parks & Recreation

Director: Scott Barnard

The Parks & Recreation Department provides high-quality parks, greenways, athletic programs, and recreational opportunities that enhance the health and well-being of residents. The department maintains numerous parks and facilities, including playgrounds, trails, sports fields, and recreation centers. Programming is offered year-round, which includes fitness classes, summer camps, youth and adult sports leagues, and special events like festivals and holiday celebrations. Parks & Recreation is also responsible for natural space conservation and outdoor education programs that promote environmental awareness. The department plays an important role in creating a vibrant and connected community.



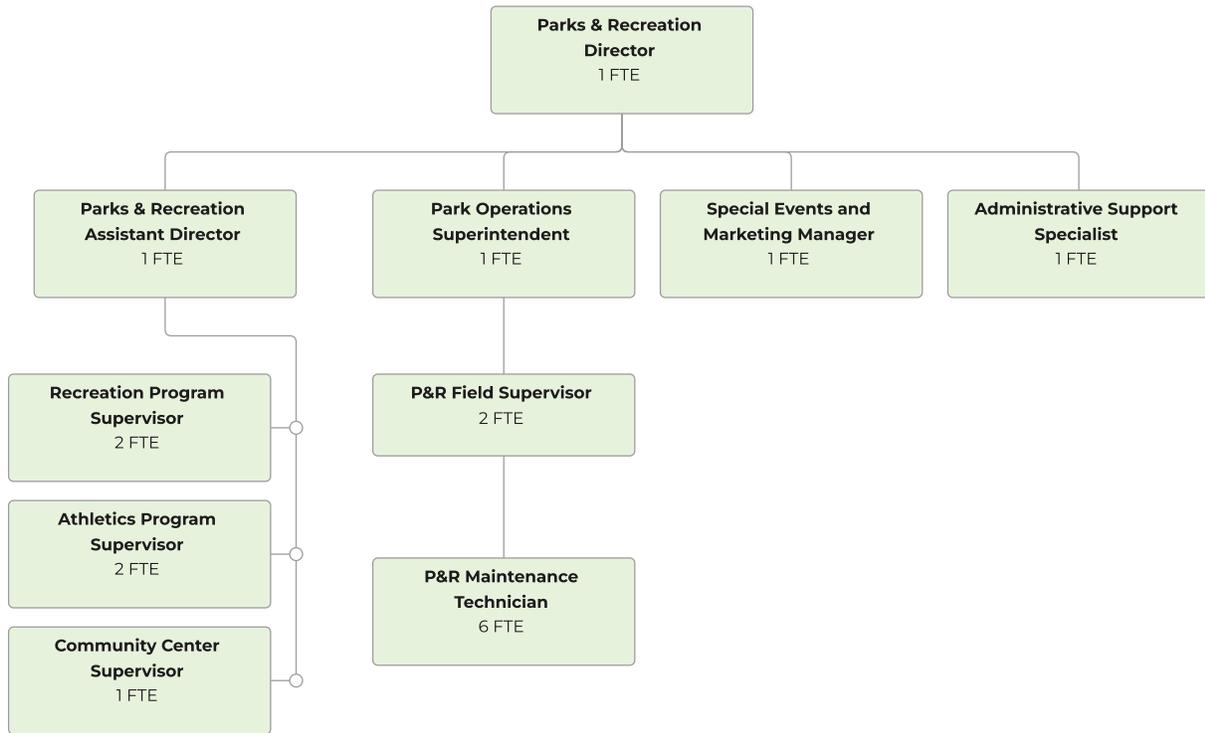
## Parks & Recreation Full-Time Equivalent (FTE) Summary

For FY26, the Parks & Recreation Department includes 18 budgeted full-time positions across five divisions: Administration, Youth Athletics, Adult Athletics, Programs & Classes, and Parks Facilities Maintenance.

The department provides a wide range of recreational programs, athletic leagues, and community classes for residents of all ages, while also maintaining the Town's parks, greenways, and public spaces. **Administration** oversees departmental planning and coordination. **Youth and Adult Athletics** manage sports programming and league operations. **Programs & Classes** delivers a variety of educational, cultural, and recreational offerings. **Parks Facilities Maintenance** ensures that all Town-owned outdoor spaces are safe, clean, and well-maintained for public use.

# Organization Chart

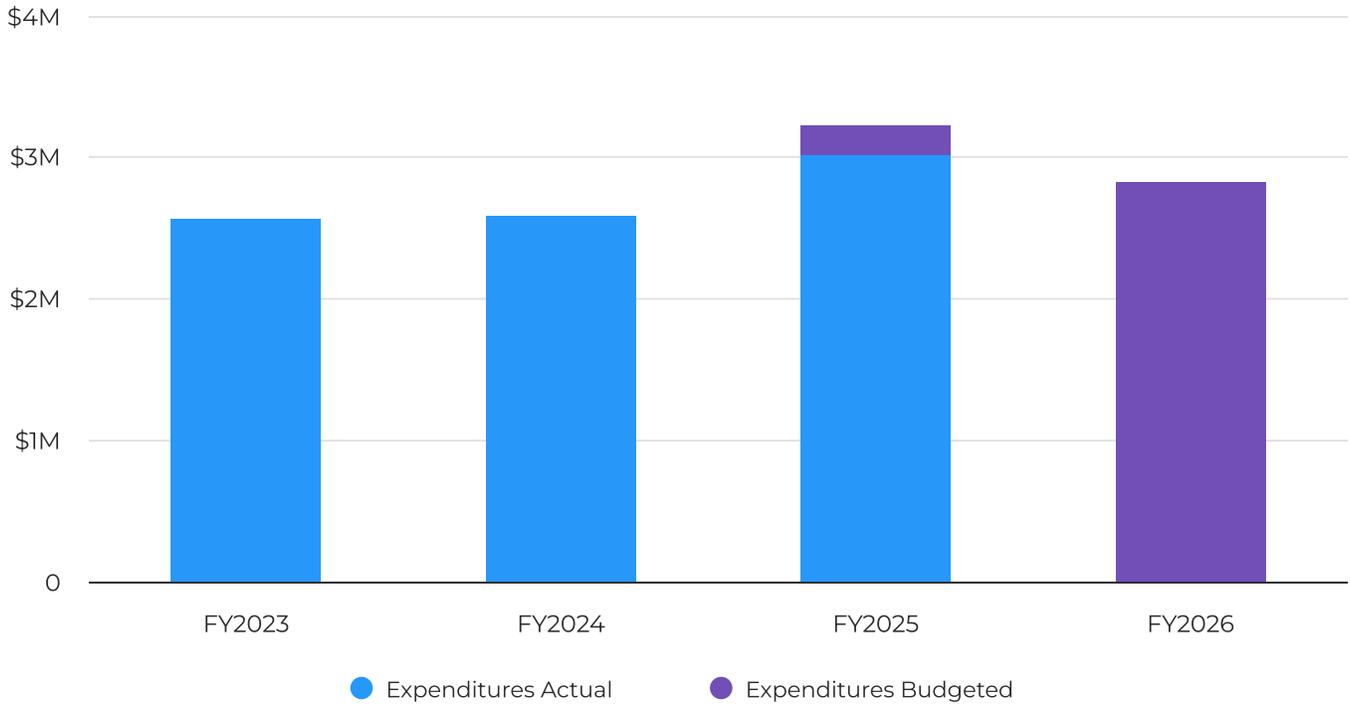
## Parks & Recreation Organizational Structure



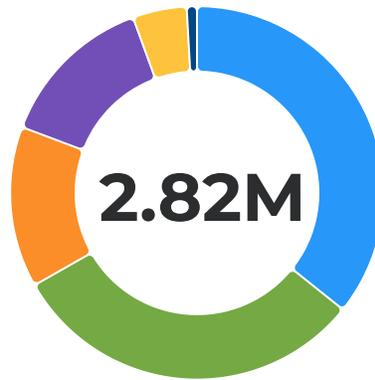
## Expenditures and Revenues

The charts below illustrate Parks & Recreation’s historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures reflect investments in parks maintenance, athletics, programs, and staffing, with personnel and operating costs driving the majority of spending. Revenues are primarily generated from permits, sales and services, and limited grants.

### Historical Expenditures Across Department



### FY26 Expenditures by Division



Division	Amount	Percentage
Parks Facilities Maintenance	\$1,007,900	35.74%
Administration	\$875,500	31.04%
Youth Athletics	\$393,300	13.95%
Programs and Classes	\$386,600	13.71%
Adult Athletics	\$131,800	4.67%
Capital Outlay	\$25,000	0.89%

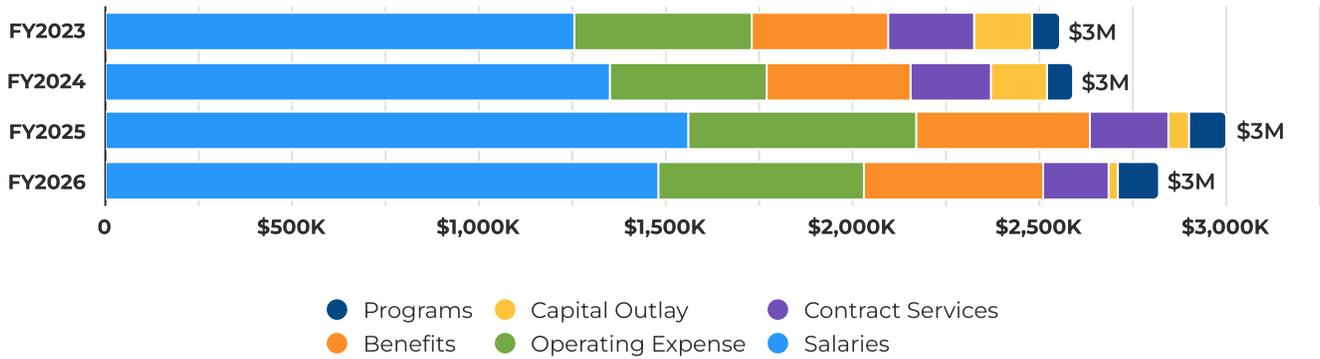
### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	\$814,467	\$753,027	\$786,929	\$875,500
Youth Athletics	\$328,595	\$430,448	\$529,519	\$393,300
Adult Athletics	\$104,344	\$122,579	\$146,733	\$131,800
Programs and Classes	\$334,524	\$332,329	\$488,893	\$386,600



Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Parks Facilities Maintenance	\$819,837	\$806,512	\$969,198	\$1,007,900
Capital Outlay	\$154,775	\$145,806	\$76,348	\$25,000
<b>Total Expenditures</b>	<b>\$2,556,542</b>	<b>\$2,590,701</b>	<b>\$2,997,620</b>	<b>\$2,820,100</b>

### Historical Expenditures by Expense Type



### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Permits & Fees	\$126,430.12	\$122,842.51	\$109,910.00	\$110,000.00
Sales & Services	\$388,046.00	\$410,162.19	\$516,275.00	\$516,500.00
Grants & Donations	\$1,000.00	-	\$500.00	\$500.00
<b>Total Revenues</b>	<b>\$515,476.12</b>	<b>\$533,004.70</b>	<b>\$626,685.00</b>	<b>\$627,000.00</b>



# Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Parks and Recreation Department resolved to:

- Finalize a five-year strategic plan and prioritize goals from that plan.
- Expanding programming for key demographics including seniors, youth and people with disabilities.
- Develop long-term plans for the maintenance and replacement of park turf.

# Planning

Director: Conrad Olmedo

The Planning Department leads both long-range and current planning efforts to guide land use, transportation, and development in Clayton. This team administers the Town’s Comprehensive Growth Plan and Unified Development Ordinance (UDO), ensuring that all land use decisions align with the community’s vision and regulatory framework. The department reviews rezoning requests, special use permits, and development proposals to promote thoughtful, sustainable growth that balances community character with infrastructure capacity and environmental stewardship.

Planning staff also manage code enforcement activities related to zoning compliance, working to resolve violations and maintain the integrity of neighborhoods and commercial areas. Additional responsibilities include historic preservation, demographic analysis, greenway planning, and coordinating with developers, residents, and regional agencies. Through strategic planning and community engagement, the Planning Department helps shape a livable, connected, and well-managed future for Clayton.



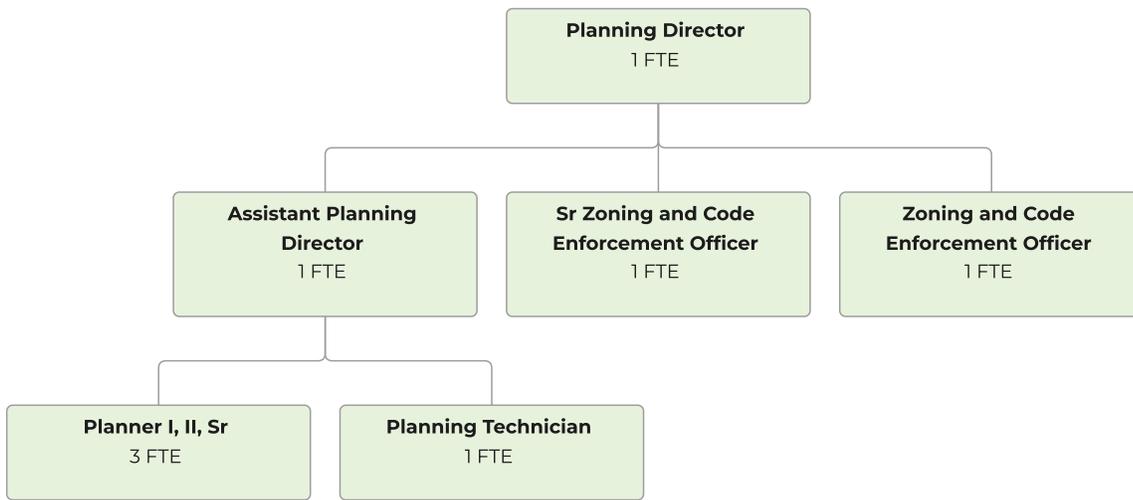
## Planning Full-Time Equivalent (FTE) Summary

For FY26, the Planning Department includes 8 budgeted full-time positions across four divisions: Administration, Current Planning, Code Enforcement, and Long Range Planning.

The department guides Clayton’s growth and development by managing land use policies, development review, zoning enforcement, and long-term strategic planning. **Administration** provides overall management and coordination of departmental operations. **Current Planning** oversees site and subdivision review, rezoning requests, and development compliance with the Town’s Unified Development Code. **Code Enforcement** ensures adherence to zoning ordinances and property maintenance standards to protect public health, safety, and community esthetics. **Long Range Planning** focuses on shaping the Town’s future through comprehensive planning, small area plans, and policy initiatives that align growth with infrastructure and community goals. Together, these divisions support responsible development, preserve community character, and ensure a high quality of life for current and future residents.

# Organization Chart

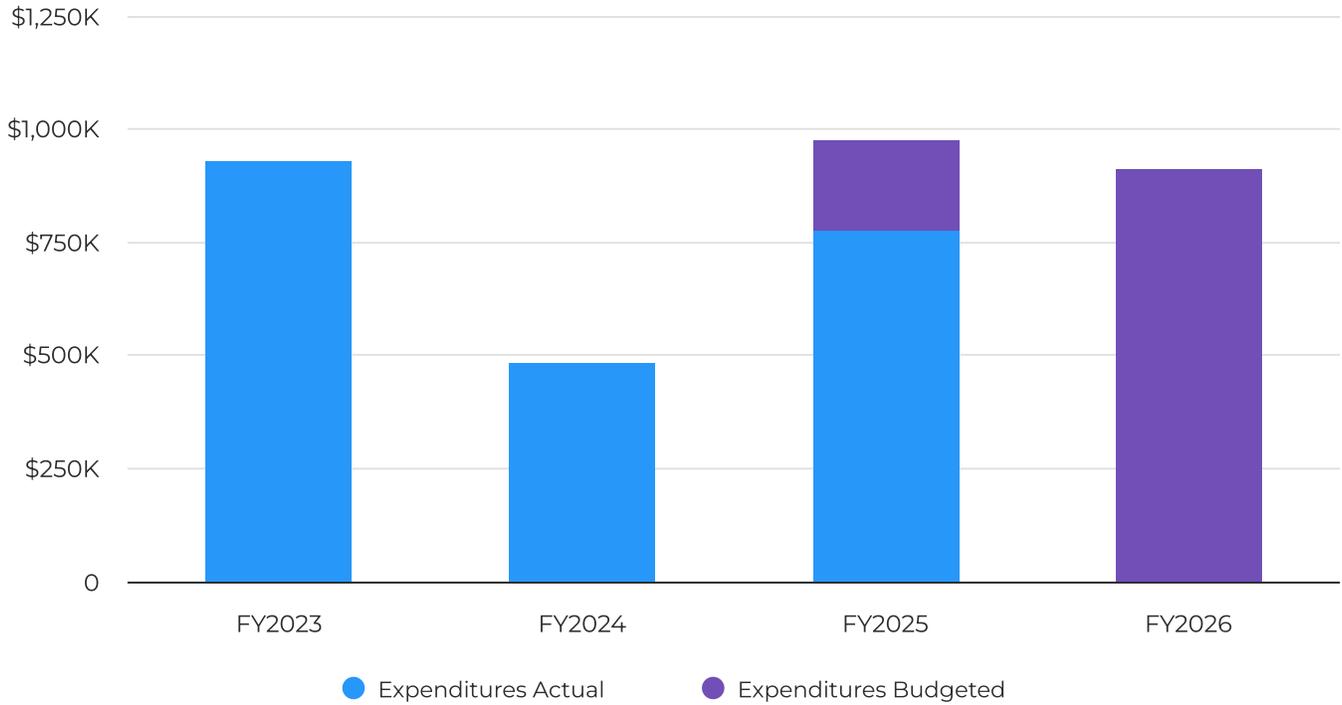
## Planning Organizational Structure



## Expenditures and Revenues

The charts below illustrate the Planning Department's historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures reflect investments in current planning, code enforcement, and administrative support, with staffing and operating expenses making up the majority of spending. Revenues are primarily generated through permits and fees, which support the department's efforts to guide growth, enforce codes, and ensure compliance with development standards.

### Historical Expenditures Across Department



### FY26 Expenditures by Division

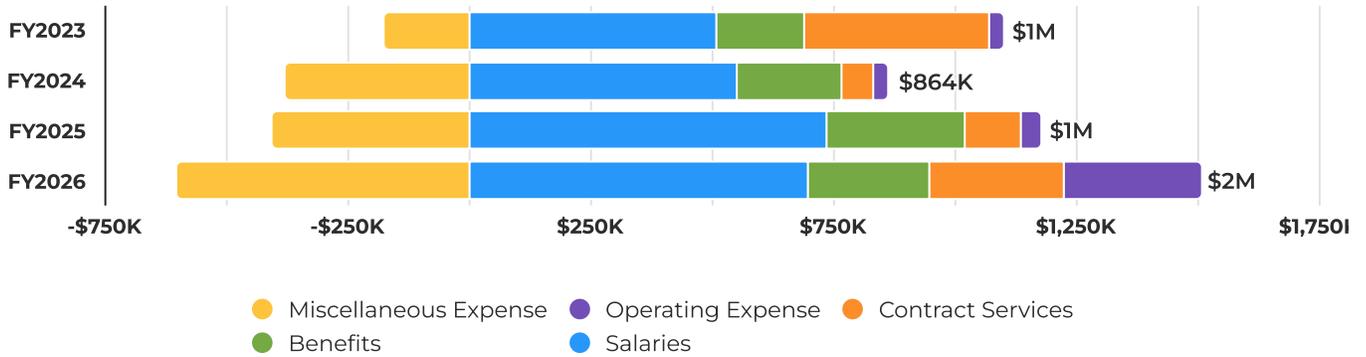


### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	-	-	-	\$183,182
Current Planning	\$926,970	\$483,809	\$920,444	\$537,277
Code Enforcement	-	-	-	\$189,382
<b>Total Expenditures</b>	<b>\$926,970</b>	<b>\$483,809</b>	<b>\$920,444</b>	<b>\$909,841</b>

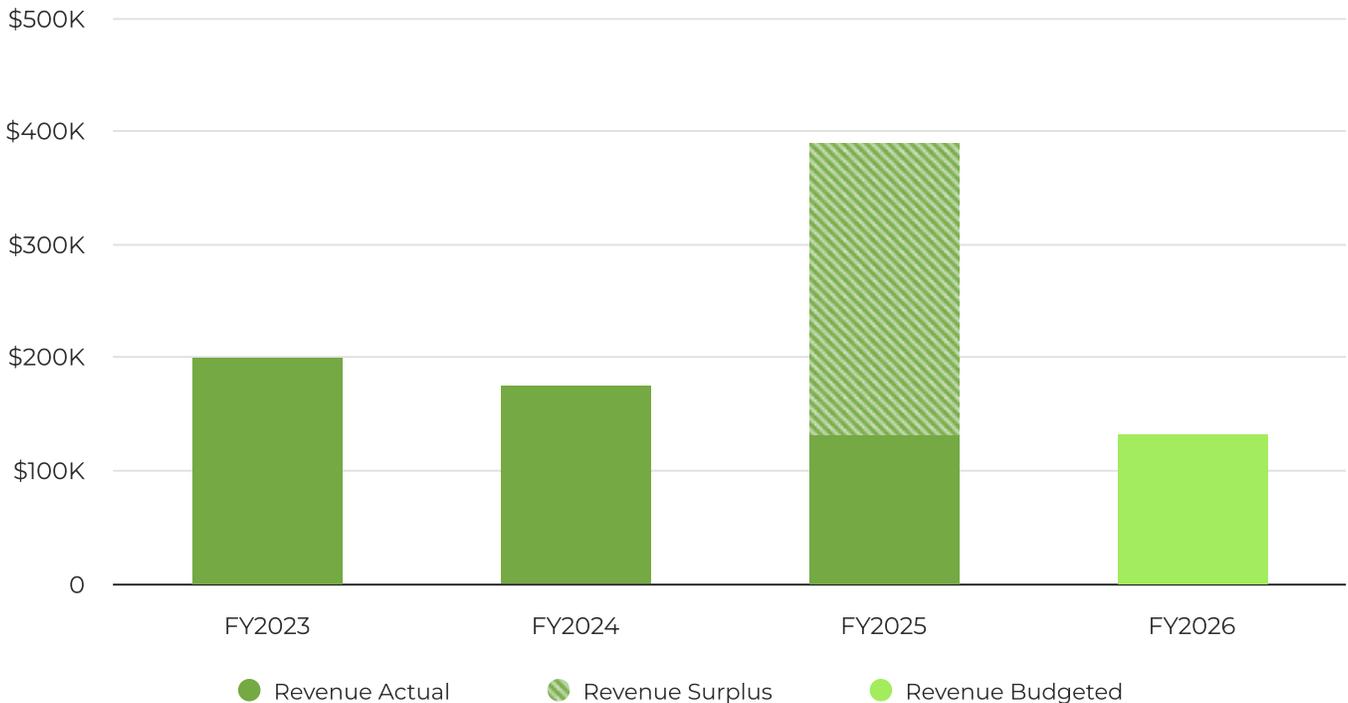


### Historical Expenditures by Expense Type



Note - negative numbers in Miscellaneous Expense are attributed to Support Services charges from the Enterprise funds and/or the Inspections Department.

### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Permits & Fees	\$199,956.10	\$175,046.67	\$131,400.00	\$131,400.00
<b>Total Revenues</b>	<b>\$199,956.10</b>	<b>\$175,046.67</b>	<b>\$131,400.00</b>	<b>\$131,400.00</b>



# Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Planning Department resolved to:

- Develop policy and procedure to support the ongoing implementation of Clariti permitting software and ensure a smooth transition to digital submittals.
- Amend the Unified Development Ordinance to align with the newly adopted Comprehensive Transportation Plan.
- Update all applications to reflect the new Unified Development Ordinance and Permit Choice.

# Public Works

Director: Tim Robbins

The Public Works Department is responsible for maintaining and preserving the Town’s essential physical assets and infrastructure. Core functions of the department include street maintenance and resurfacing, storm response, signage installation, and right-of-way upkeep to ensure safe and accessible roadways for the community. The team also manages property and facility maintenance for Town-owned buildings, ensuring that municipal spaces remain clean, functional, and well-maintained for both staff and public use.

In addition, Public Works oversees the Town’s fleet services, providing maintenance and repair for vehicles and equipment used by departments across the organization. From managing scheduled service to handling emergency repairs, the fleet team ensures that staff have reliable and safe equipment to perform daily operations. By supporting transportation networks, facilities, and operational logistics, Public Works plays a critical role in keeping the Town of Clayton running smoothly.



## Public Works Full-Time Equivalent (FTE) Summary

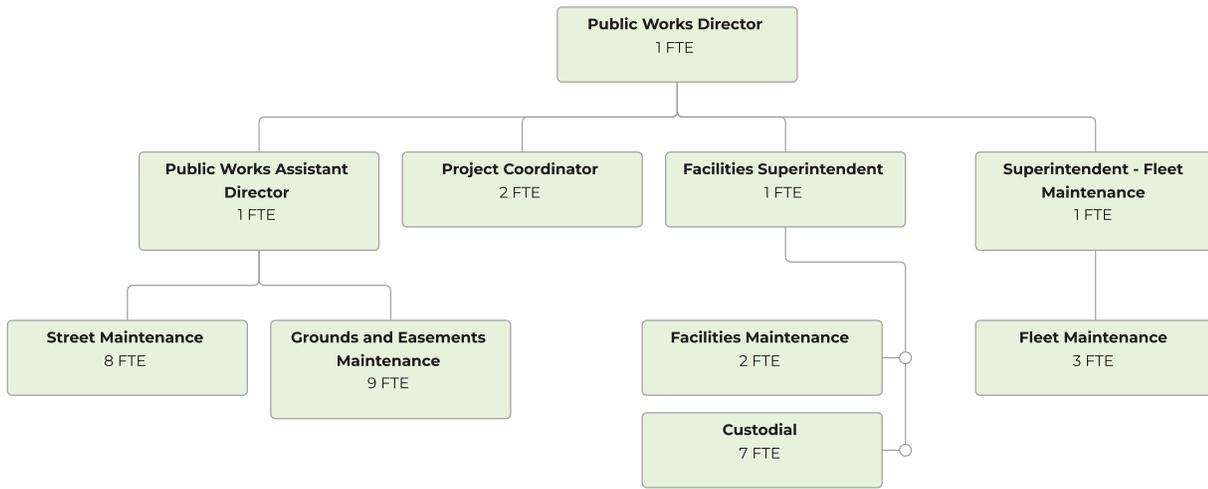
For FY26, the Public Works Department includes 35 budgeted full-time positions across seven divisions: Administration, Grounds & Easement Maintenance, Vehicle Maintenance, Streets, Sanitation & Solid Waste, Facilities Maintenance, and Custodial.

The department is essential to maintaining the Town’s infrastructure, public spaces, and operational readiness.

**Administration** oversees budgeting, planning, and coordination across all service areas. **Grounds & Easement Maintenance** is responsible for landscaping, right-of-way upkeep, and beautification of public areas. **Vehicle Maintenance** manages the service and repair of the Town’s vehicle and equipment fleet to ensure reliability and safety. **Streets** handles road maintenance, sidewalk repair, and storm-related debris removal, while **Sanitation & Solid Waste** provides weekly garbage and recycling collection for residents and businesses. **Facilities Maintenance** ensures Town buildings are safe, functional, and well-maintained. **Custodial Services** supports clean, sanitary environments in public facilities.

# Organization Chart

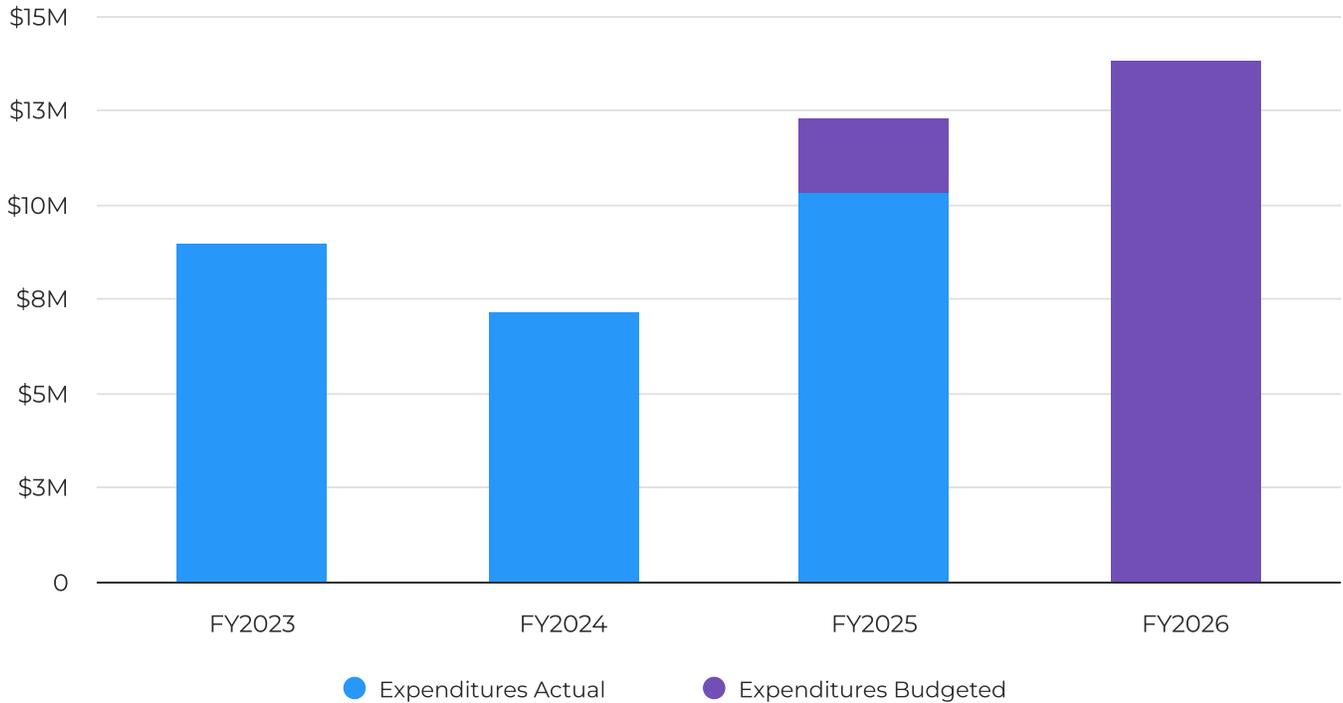
## Public Works Department Organizational Structure



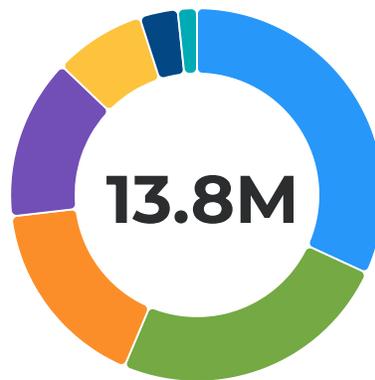
## Expenditures and Revenues

The charts below illustrate the Public Works Department's historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures are distributed across multiple divisions, including streets operations, sanitation and solid waste, vehicle and facilities maintenance, grounds and easement maintenance, custodial services, and administration. The largest shares of spending support streets operations and sanitation services, reflecting the department's role in maintaining essential infrastructure and public spaces. Revenues are primarily generated from solid waste sales and services, ad valorem motor vehicle taxes, state-shared revenues (Powell Bill, restricted to streets maintenance), and permits and fees, which help offset the cost of delivering critical public works services to the community.

### Historical Expenditures Across Department



### FY26 Expenditures by Division



Division	Amount	Percentage
Streets Operations	\$4,407,702	31.88%
Sanitation & Solid Waste	\$3,385,000	24.48%
Vehicle Maintenance	\$2,321,525	16.79%
Facilities Maintenance	\$1,932,424	13.98%
Grounds & Easement Maintenance	\$1,091,100	7.89%
Custodial	\$458,776	3.32%
Administration	\$228,826	1.66%

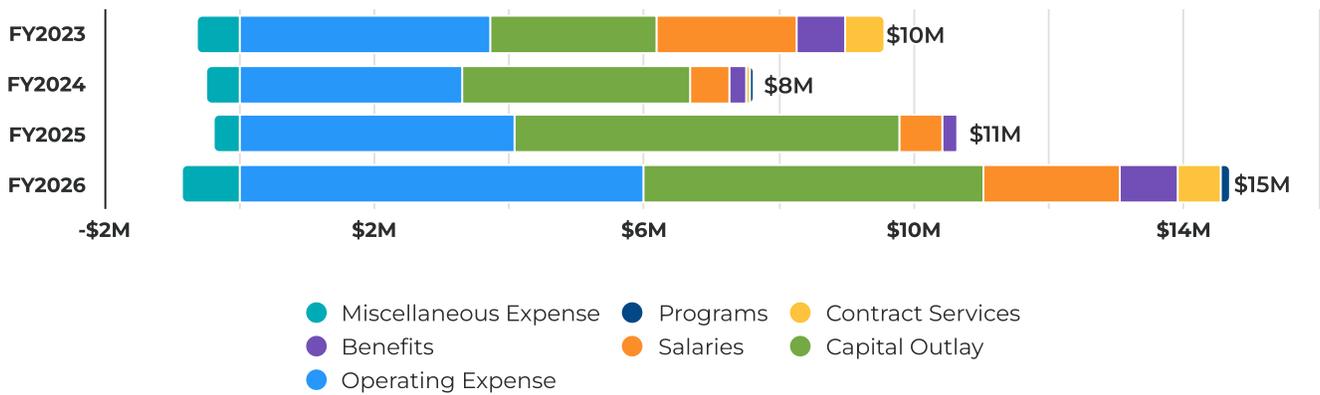
### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	\$178,216	\$199,921	\$502,183	\$228,826
Building Inspections-Inactive	\$1,542,952	-	-	-



Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Custodial	-	-	-	\$458,776
Facilities Maintenance	-	-	-	\$1,932,424
Engineering Operations-Inactive	\$1,023,254	-	-	-
Grounds & Easement Maintenance	-	-	-	\$1,091,100
Vehicle Maintenance	\$1,650,194	\$1,331,150	\$736,502	\$2,321,525
Streets Operations	\$624,456	\$2,949,009	\$3,967,650	\$4,407,702
Sanitation & Solid Waste	\$2,647,445	\$2,631,269	\$3,060,000	\$3,385,000
Capital Outlay	\$1,271,054	\$23,188	\$1,104,000	-
<b>Total Expenditures</b>	<b>\$8,937,570</b>	<b>\$7,134,537</b>	<b>\$9,370,335</b>	<b>\$13,825,353</b>

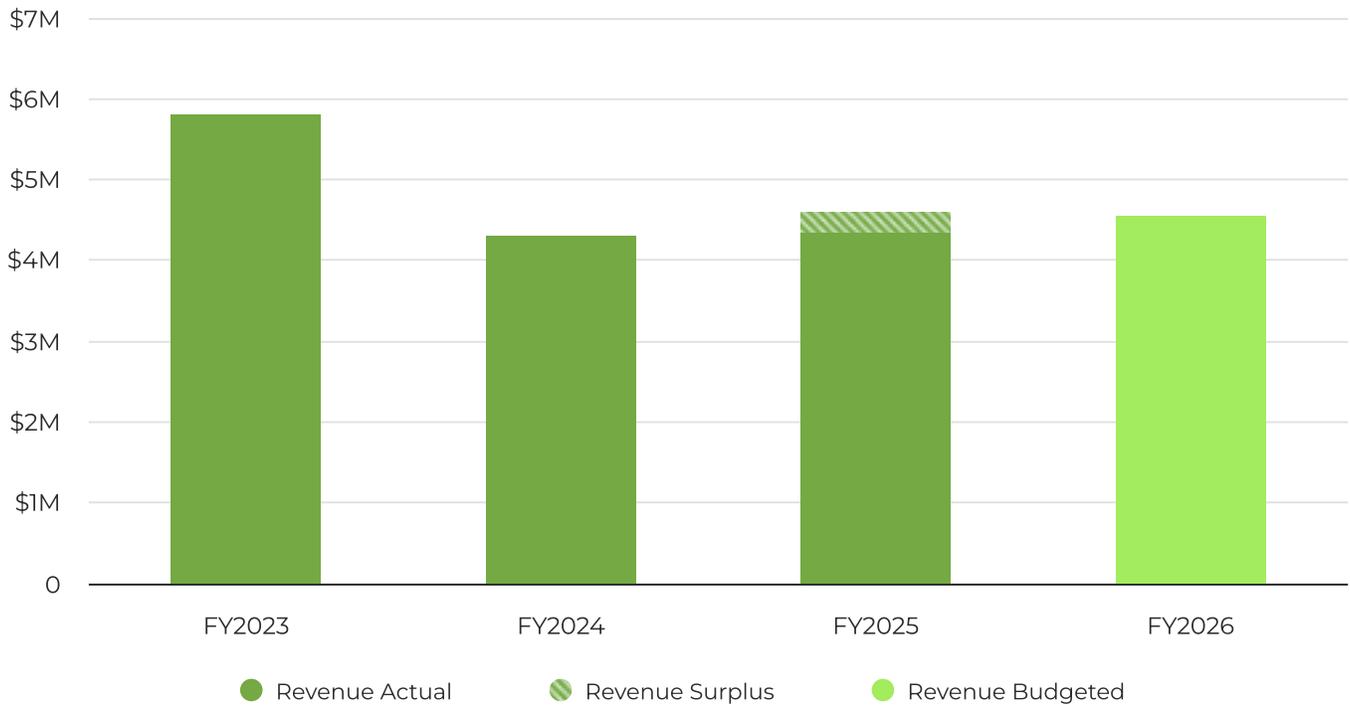
### Historical Expenditures by Expense Type



Note - negative numbers in Miscellaneous Expense are attributed to Support Services charges from the Enterprise funds and/or the Inspections Department.



## Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Ad Valorem	\$615,200.00	\$514,985.00	\$625,200.00	\$625,200.00
State Shared Revenue	\$787,407.35	\$886,761.44	\$885,000.00	\$885,000.00
Permits & Fees	\$1,794,282.39	\$20,272.22	\$19,200.00	\$105,000.00
Sales & Services	\$2,590,971.96	\$2,868,406.28	\$2,825,001.00	\$2,937,500.00
Miscellaneous Revenue	-	\$5,004.00	-	\$5,000.00
<b>Total Revenues</b>	<b>\$5,787,861.70</b>	<b>\$4,295,428.94</b>	<b>\$4,354,401.00</b>	<b>\$4,557,700.00</b>

## Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Public Works Department resolved to:

- Develop comprehensive plans for fleet management, facilities remediation, vehicle maintenance, vegetation and turf management and stormwater operations data management.
- Conduct and prioritize a pavement condition assessment.
- Complete a comprehensive asset assessment and inventory to develop a scope of work for a new facilities condition assessment.



# Electric Enterprise

The Electric Department provides safe and reliable public power service to residential, commercial, and industrial customers within the Town of Clayton. The department is responsible for maintaining and upgrading the electric grid, including substations, transformers, power lines, and meters. Electric crews perform routine maintenance, system upgrades, and emergency repairs to ensure consistent power delivery. The department also supports tree trimming near power lines and works closely with engineering on system expansion planning. With a commitment to superior customer service, the Electric Department ensures energy resilience, supports smart grid technology, and plans for future growth in demand.



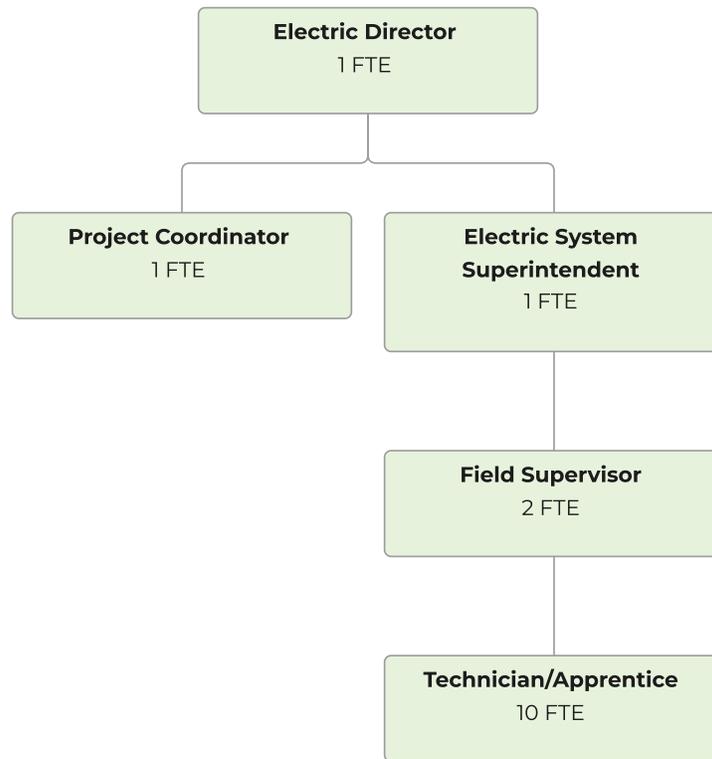
## Electric Enterprise Full-Time Equivalent (FTE) Summary

For FY 2026, the Electric Enterprise Department includes 15 budgeted full-time positions across two divisions: Administration and Operations.

The department is responsible for delivering safe, reliable, and efficient electrical services to the Town of Clayton's residents and businesses. **Administration** provides leadership, budgeting, regulatory compliance, and coordination with external stakeholders and energy providers. **Operations** is responsible for the day-to-day management of electric distribution infrastructure, including maintenance, emergency response, and service restoration to ensure continuous and safe electric delivery.

# Organizational Chart

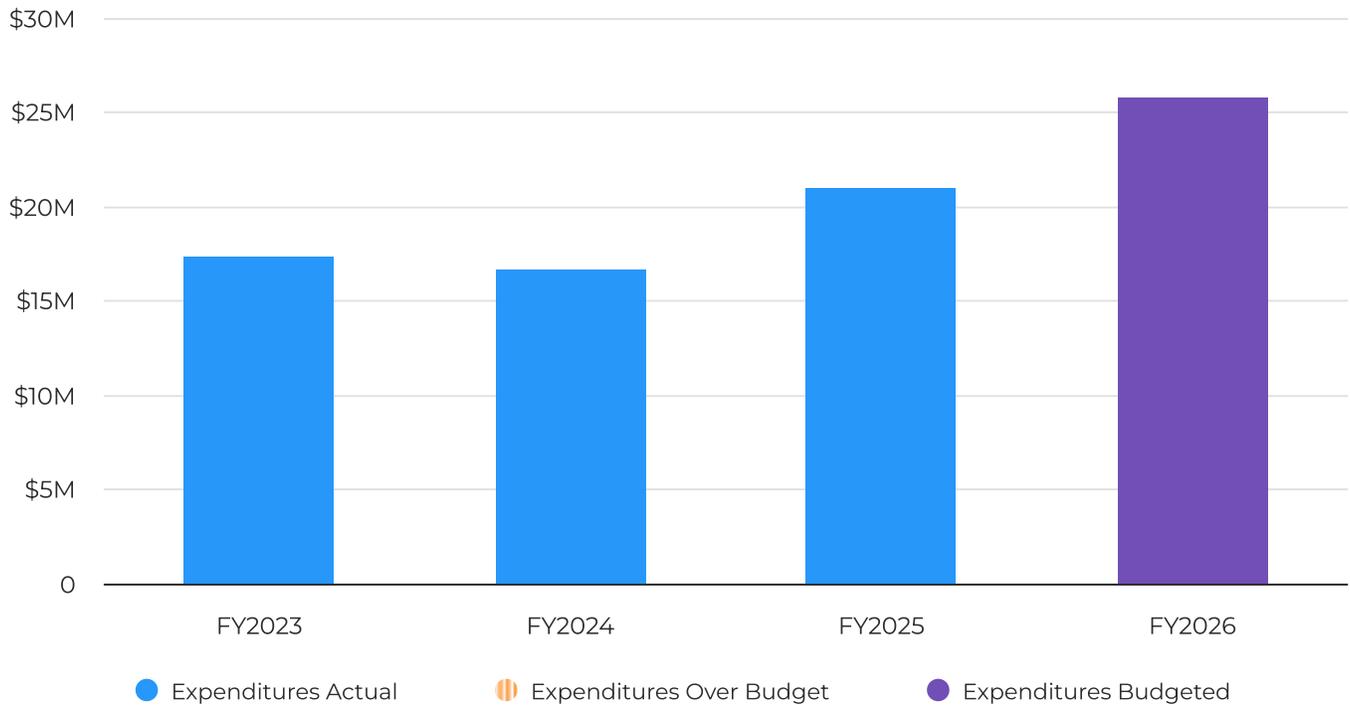
## Electric Enterprise Organizational Structure



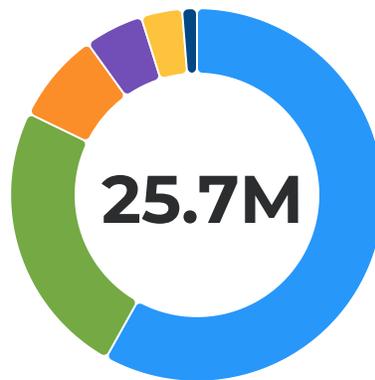
## Expenditures and Revenues

The charts below illustrate the Electric Department's historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures are allocated across operations, capital projects, inter-departmental services, debt service, non-departmental needs, and administration, supporting the department's mission to provide reliable electric service and maintain infrastructure. Revenues are primarily generated from sales and services, along with permits, fees, and miscellaneous sources, which help offset the cost of delivering electric services to the community.

## Historical Expenditures Across Department



### FY26 Expenditures by Division



Operations	<b>\$14,947,800</b>	58.11%
Capital Outlay	<b>\$6,195,000</b>	24.08%
Inter-Departmental	<b>\$2,024,183</b>	7.87%
Debt Service	<b>\$1,309,700</b>	5.09%
Non-Departmental	<b>\$917,517</b>	3.57%
Administration	<b>\$330,400</b>	1.28%

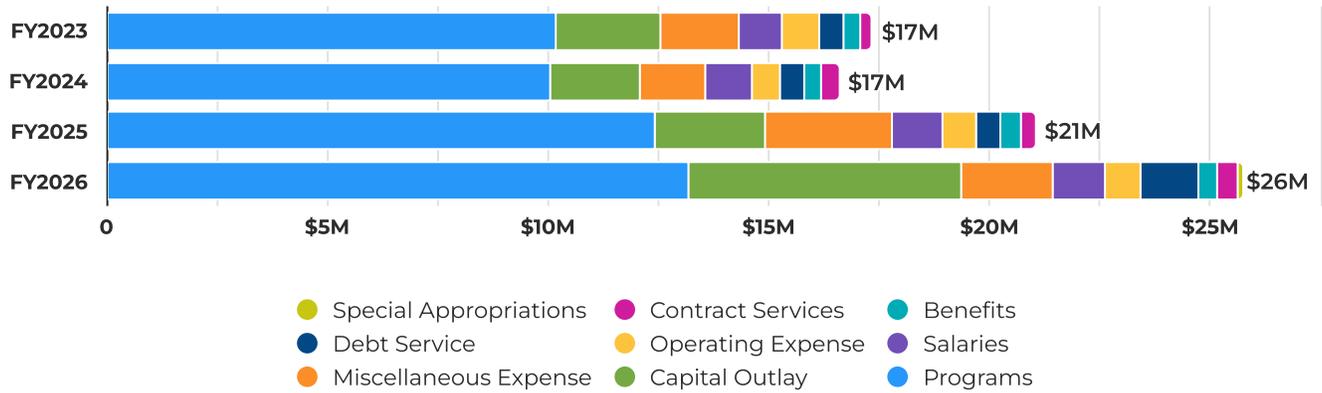
### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	\$406,446	\$367,041	\$381,709	\$330,400
Non-Departmental	\$80,078	\$79,392	\$426,841	\$917,517
Operations	\$12,240,776	\$12,158,974	\$13,840,358	\$14,947,800
Debt Service	\$564,464	\$557,126	\$549,718	\$1,309,700



Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Capital Outlay	\$2,354,208	\$2,023,995	\$2,570,000	\$6,195,000
Inter-Departmental	\$1,689,575	\$1,407,325	\$1,745,374	\$2,024,183
<b>Total Expenditures</b>	<b>\$17,335,547</b>	<b>\$16,593,854</b>	<b>\$19,514,000</b>	<b>\$25,724,600</b>

### Historical Expenditures by Expense Type



### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Permits & Fees	\$763,481.31	\$1,006,164.70	\$1,036,000.00	\$1,114,800.00
Sales & Services	\$15,961,867.89	\$17,746,528.91	\$18,360,000.00	\$20,294,800.00
Miscellaneous Revenue	\$253,598.77	\$236,687.90	\$118,000.00	\$4,315,000.00



Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
<b>Total Revenues</b>	<b>\$16,978,947.97</b>	<b>\$18,989,381.51</b>	<b>\$19,514,000.00</b>	<b>\$25,724,600.00</b>

## Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Electric Department resolved to:

- Develop and implement an Electric Strategic Plan.
- Improve communication with utilities customers leveraging the full utility of the Clayton Outage and Messaging System (COMS).
- Implement balancing strategies for the North and South Substations.



# Water Sewer Enterprise

The Water Resources Department ensures the safe and reliable delivery of clean drinking water and the effective collection and treatment of wastewater for the Town of Clayton. While the Town purchases its drinking water from Johnston County, the department is responsible for maintaining the water distribution system, responding to service calls, repairing leaks, and ensuring adequate water pressure throughout the community.

In addition, Water Resources operates the Town's wastewater treatment systems and maintains the sewer collection infrastructure. The department manages backflow prevention, monitors water quality, and responds to sewer blockages and overflows. With a strong focus on environmental stewardship and regulatory compliance, Water Resources also supports public education efforts around water conservation and infrastructure maintenance. The department plays a critical role in ensuring safe, sustainable water and sewer service for current and future generations.



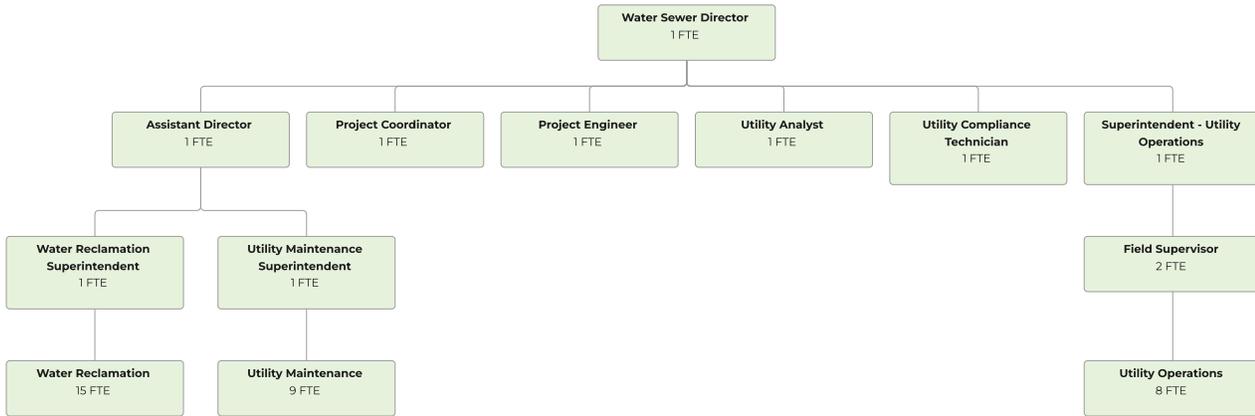
## Water Sewer Enterprise Full-Time Equivalent (FTE) Summary

For FY26, the Water Sewer Department includes 42 budgeted full-time positions across four divisions: Administration, Operations, Preventive Maintenance, and Wastewater Treatment.

**Administration** oversees departmental planning, budgeting, and regulatory compliance. **Operations** manages the daily delivery and distribution of potable water, while **Preventive Maintenance** ensures the integrity of the water and sewer systems through proactive inspections and timely repairs. **Wastewater Treatment** operates and maintains the Town's treatment facilities in compliance with state and federal environmental standards.

# Organization Chart

## Water Sewer Organizational Structure

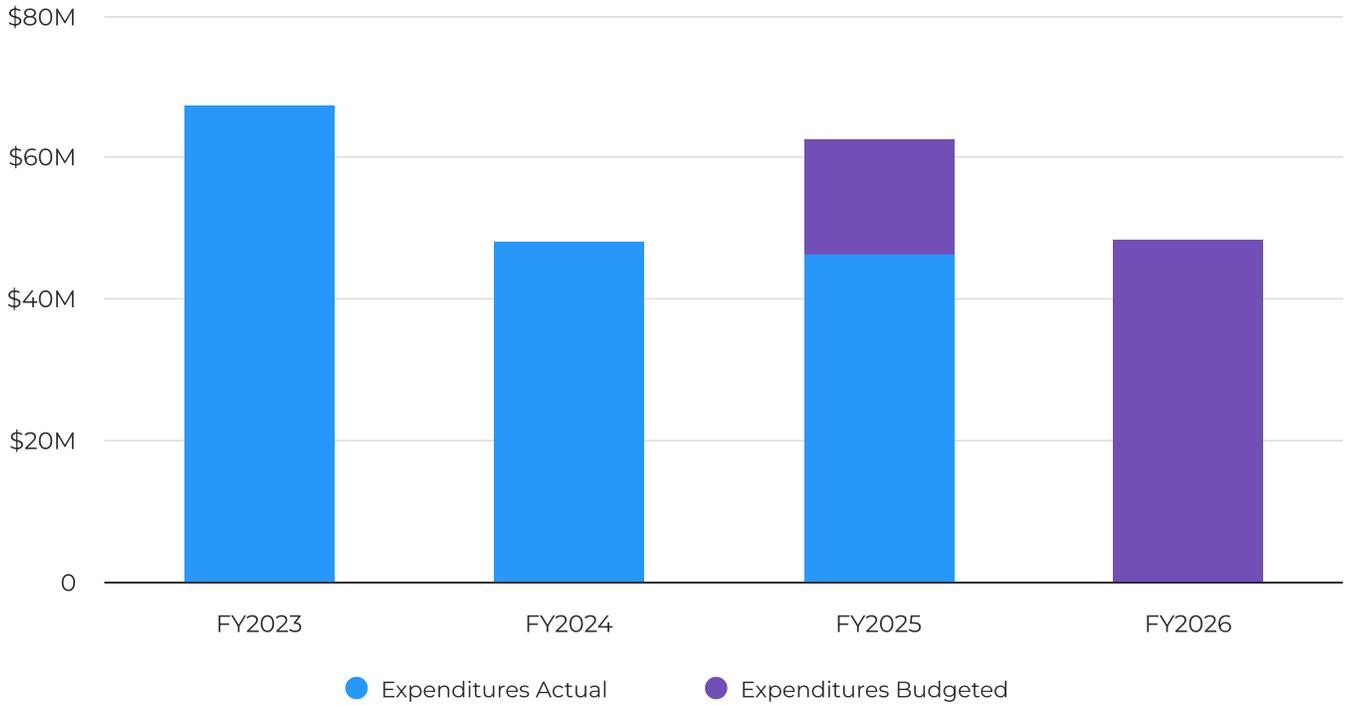


## Expenditures and Revenues

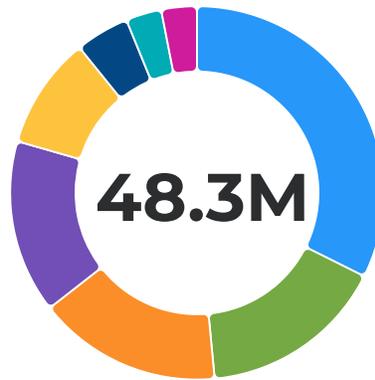
The charts below illustrate the Water Sewer Enterprise's historical expenditures and revenues, including actuals and adopted budgets across fiscal years. Expenditures are distributed across debt service, operations, wastewater treatment, preventive maintenance, administration, interdepartmental services, non-departmental needs, and capital outlay, supporting the department's mission to provide safe, reliable water and wastewater services while maintaining critical infrastructure. Revenues are primarily derived from sales and services, along with permits, fees, and miscellaneous sources, which help offset operating costs and ensure continued investment in the Town's water and sewer system.



### Historical Expenditures Across Department



### FY26 Expenditures by Division



Debt Service	<b>\$15,625,100</b>	32.37%
Non-Departmental	<b>\$7,781,215</b>	16.12%
Wastewater Treatment Plant	<b>\$7,696,800</b>	15.94%
Operations	<b>\$7,254,300</b>	15.03%
Inter-Departmental	<b>\$4,698,385</b>	9.73%
Capital Outlay	<b>\$2,240,000</b>	4.64%
Administration	<b>\$1,492,900</b>	3.09%
Preventive Maintenance	<b>\$1,483,400</b>	3.07%

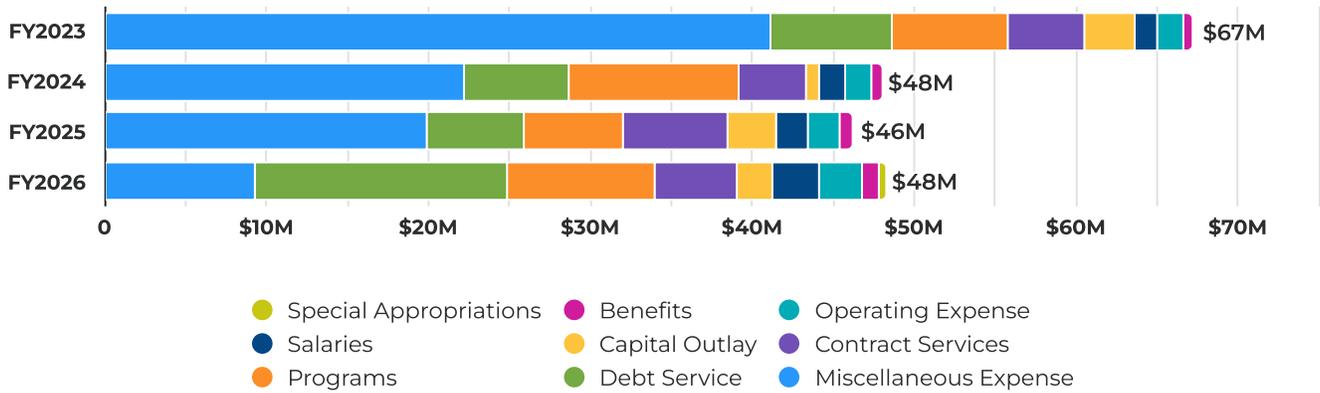
### Expenditures by Division

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Administration	-	\$610,716	\$1,488,419	\$1,492,900
Non-Departmental	\$40,221,823	\$23,429,211	\$12,024,395	\$7,781,215



Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Operations	\$6,004,674	\$6,127,537	\$7,603,264	\$7,254,300
Preventive Maintenance	\$1,442,590	\$1,098,277	\$1,586,253	\$1,483,400
Wastewater Treatment Plant	\$5,639,677	\$5,482,057	\$8,224,110	\$7,696,800
Debt Service	\$7,575,128	\$6,463,624	\$5,947,189	\$15,625,100
Capital Outlay	\$3,183,678	\$855,498	\$18,015,260	\$2,240,000
Inter-Departmental	\$3,151,877	\$3,941,234	\$4,622,930	\$4,698,385
<b>Total Expenditures</b>	<b>\$67,219,447</b>	<b>\$48,008,155</b>	<b>\$59,511,820</b>	<b>\$48,272,100</b>

### Historical Expenditures by Expense Type



### Historical Revenues Across Department



### Revenues by Revenue Source

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted Budget	FY 2026 Adopted Budget
Permits & Fees	\$5,109,769.55	\$9,675,235.24	\$4,164,320.00	\$6,964,300.00
Sales & Services	\$25,870,108.08	\$31,768,513.03	\$39,296,500.00	\$41,259,300.00
Grants & Donations	-	-	\$14,000,000.00	-
Miscellaneous Revenue	\$34,130,956.23	\$2,083,359.80	\$2,051,000.00	\$48,500.00
Other Financing Sources	\$5,000,000.00	-	-	-
<b>Total Revenues</b>	<b>\$70,110,833.86</b>	<b>\$43,527,108.07</b>	<b>\$59,511,820.00</b>	<b>\$48,272,100.00</b>

## Department Goals

Each department developed goals and objectives to guide their contributions to the Town of Clayton Strategic Plan.

The Water Sewer Enterprise resolved to:

- Finalize the water distribution and sewer collection comprehensive plans and update capital improvement plans accordingly.
- Develop and implement programs for hydrant maintenance, valve exercising, asset management, water tracking, and large meter testing.
- Develop and implement a transition plan for the Sam's Branch Water Reclamation Facility.





# CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) outlines the Town’s long-term investments in major infrastructure and facilities. Projects are funded separately from the annual operating budget and adopted through individual ordinances.

# Capital Improvement Plan Overview

The Town of Clayton's annual budget process incorporates a comprehensive Capital Improvement Program (CIP) for the General Fund, Water-Sewer Enterprise Fund, and Electric Utility Enterprise Fund. The CIP serves as a long-range planning tool that identifies and prioritizes major infrastructure investments, municipal facilities, and large or specialized equipment purchases exceeding \$100,000. The plan outlines both short-term projects to be undertaken within the upcoming fiscal year and long-term needs anticipated within a six-to-ten-year horizon. By aligning with the [Comprehensive Growth Plan](#), the CIP ensures that projects support the Town's desired level of service, regulatory requirements, and community priorities.

## Capital Budgeting Process

Unlike operating expenditures, CIP projects are budgeted separately because they often extend across multiple fiscal years. As projects advance, the Town Council adopts capital project ordinances throughout the year to authorize and fund specific initiatives. However, the CIP can also affect the operating budget in important ways. When a project is funded through pay-as-you-go (Paygo) methods, the required funding is drawn from the Town's operating budget—typically from fund balance or transferred-in capital reserves. In addition, when projects are financed through bonds, installment financing, or other loan mechanisms, the Town must include the associated debt service payments in its annual operating budget.

## Basis for Capital Revenue and Expenditure Estimates

Capital revenue and expenditure estimates are developed using a combination of project cost projections and funding availability. Departmental staff provide initial cost estimates for projects based on engineering studies, vendor quotes, or industry standards with their initial capital project request forms. Revenue assumptions are guided by the Town's financial policies and debt management practices, as well as an in-depth debt affordability analysis from the Town's financial advisor, Davenport Public Finance. Potential funding sources include pay-as-you-go capital reserves, utility revenues, debt financing, grants, and intergovernmental contributions. Expenditure planning considers both the immediate construction or acquisition costs and long-term operational impacts, such as maintenance, staffing, and utility requirements.

# CIP Development Process (FY26 Schedule) - General Fund

The development of the FY26 Capital Improvement Program followed a structured, collaborative process involving Town departments, Executive Team, Town Council, and financial advisors. The schedule unfolded as follows:

- **Early November 2024** – Department Heads received CIP training along with project request forms and guidance documents.
- **November 2024 – Mid-January 2025** – Departments developed and submitted their CIP requests using standardized CIP Project Forms.
- **January 13, 2025** – All CIP Project Forms were due to the Engineering Department for initial review and compilation.
- **February 10, 2025** – The Executive Team evaluated and scored all submitted CIP projects using the Town's adopted CIP Scoring Criteria, which emphasize regulatory compliance, financial efficiency, economic development, sustainability, health and safety, and quality of life.
- **Late February 2025** – The Town Council reviewed the prioritized project list and applied additional scoring to ensure alignment with policy direction and community needs.
- **Early March 2025** – The draft CIP was submitted to Davenport Public Finance, the Town's financial advisor, for analysis of debt affordability and funding capacity.
- **Early April 2025** – Davenport presented its findings to the Town Council at a work session, providing key financial insights that informed the development of the FY26 Recommended Budget.

This structured process ensures that CIP decisions are transparent, data-driven, and aligned with both financial capacity and the 2045 Comprehensive Growth Plan goals. Capital projects for the General Fund are prioritized not only for their immediate impact but also for their long-term contribution to Clayton's growth, resilience, and quality of life. Projects for the Enterprise Funds are prioritized using a risk-based assessment.

## Definitions and Criteria for Capital Projects

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. For the Town of Clayton, minimum capitalization costs are as follows: buildings, improvements, substations, lines, and other plant and distribution systems - \$100,000; infrastructure - \$100,000; and furniture and equipment - \$5,000. Certain capital expenses (specifically assets under \$100,000) are budgeted in the operating budget. These include motor vehicles and certain pieces of maintenance equipment. Most other assets are budgeted as separate capital projects, and eventually in specific capital project funds. The Town's Capital Improvement Plan includes the prioritized list of such a group of capital projects.



# Capital Improvement Plan, One Year Plan

The FY26 Capital Improvement Program reflects a prioritized set of investments identified through the Town’s structured scoring process, which evaluated projects based on regulatory compliance, financial efficiency, economic development impact, sustainability, health and safety, and quality of life. The resulting project list includes a diverse mix of needs, ranging from a complete interior renovation of the Hocutt Ellington Memorial Library, to street and parking improvements on First Street and W. Horne Street, to enhancements at Sinclair Park, to a new Public Safety Complex, as well as LAPP-funded projects that expand street and sidewalk connections throughout the community.

FY26 Total Capital Requested

**\$16,408,770**

FY26 Total Funding Requested

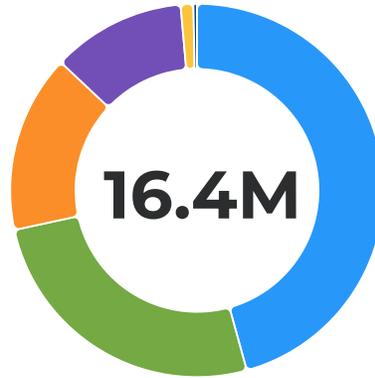
**\$16,408,770**

FY26 Total Funding Requested by Source



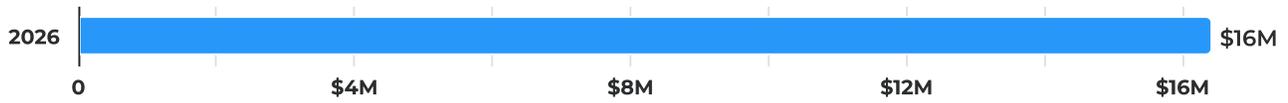
● Town Funds	<b>\$15,397,504</b>	93.84%
● Federal Grants	<b>\$911,266</b>	5.55%
● Donations	<b>\$100,000</b>	0.61%
● Other	<b>\$0</b>	0.00%
● State Grants	<b>\$0</b>	0.00%

### FY26 Total Funding Requested by Department



<span style="color: blue;">●</span> Economic Development	<b>\$7,500,000</b>	45.71%
<span style="color: green;">●</span> Public Works	<b>\$4,248,770</b>	25.89%
<span style="color: orange;">●</span> Library Operations	<b>\$2,530,000</b>	15.42%
<span style="color: purple;">●</span> Fire & Emergency Services	<b>\$1,900,000</b>	11.58%
<span style="color: yellow;">●</span> Inspections	<b>\$180,000</b>	1.10%
<span style="color: darkblue;">●</span> Parks & Recreational Services	<b>\$50,000</b>	0.30%

### FY26 Capital Cost Breakdown



<span style="color: blue;">●</span> Capital Costs	<b>\$16,408,770</b>	100.00%
<span style="color: green;">●</span> Operational Costs	<b>\$0</b>	0.00%

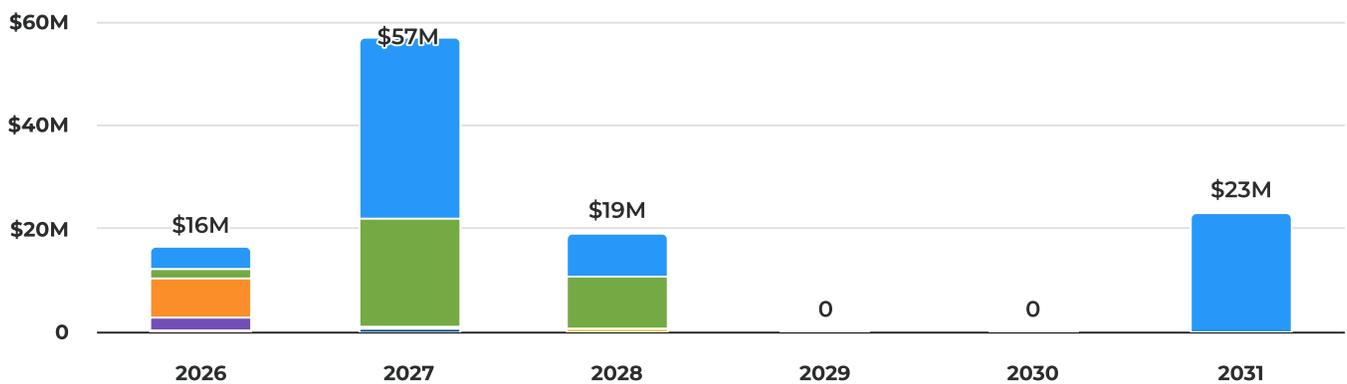


# Capital Improvement Multi-Year Plan

Beyond FY26, the multi-year Capital Improvement Plan outlines a forward-looking schedule of investments that continue advancing the Town’s strategic priorities. Several projects initiated in FY26 are carried forward for phased completion, including ongoing work on the new Public Safety Complex, and additional street and sidewalk connectivity improvements supported by **LAPP funding**. Looking further ahead, the plan anticipates:

- Additional LAPP-funded street and sidewalk projects
- Construction of a second Public Safety Complex to meet community growth and service demands
- Upgrades to improve the Town Hall Fire Rating
- Expansion of the Town’s Operations Center to support utility and service delivery
- A transformative Main Street Streetscape and Utilities Improvements project.

**FY26 - FY31 Total Funding Requested by Department**

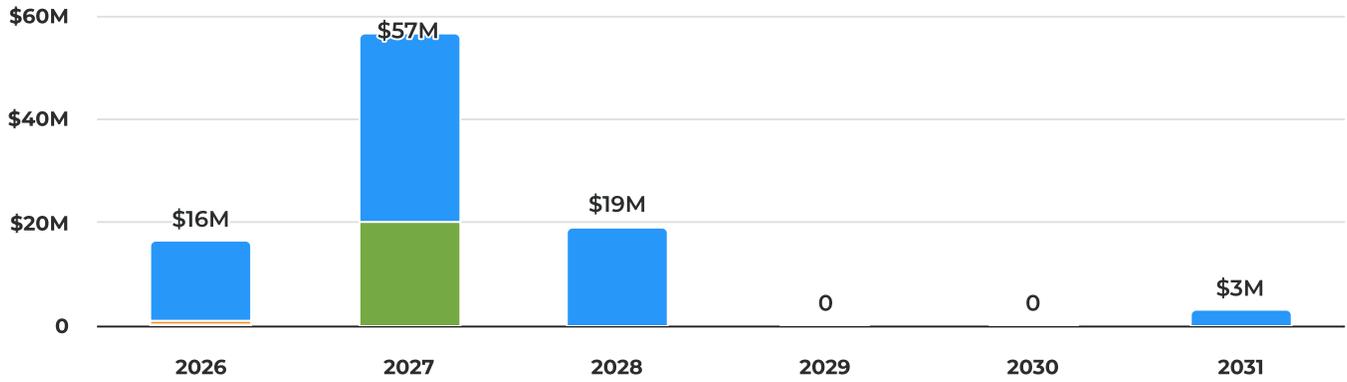


**Funding by Department Totals (all years)**

Public Works	<b>\$70,746,373</b>	61.21%
Fire & Emergency Services	<b>\$33,356,842</b>	28.86%
Economic Development	<b>\$7,500,000</b>	6.49%
Library Operations	<b>\$2,530,000</b>	2.19%
Inspections	<b>\$880,000</b>	0.76%
Parks & Recreational Services	<b>\$575,000</b>	0.50%



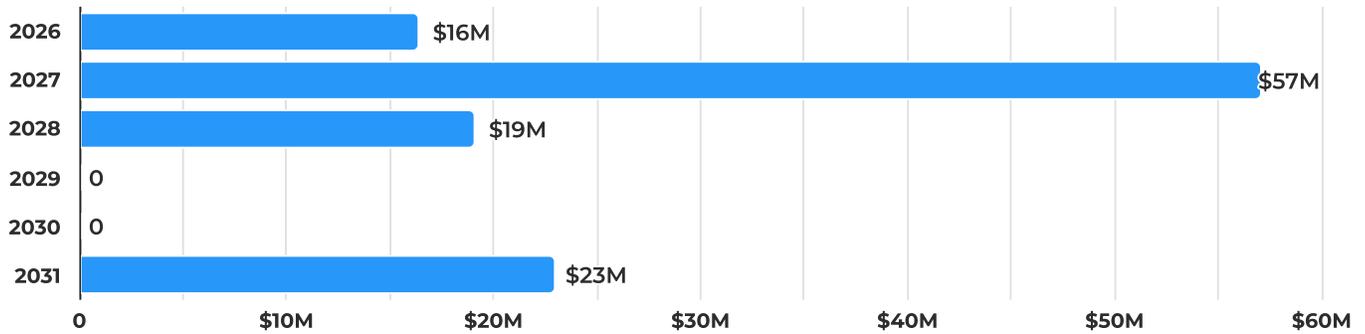
### FY26 - FY31 Total Funding Requested by Source



#### Funding by Source Totals (all years)

Town Funds	\$74,202,950	77.95%
State Grants	\$19,982,999	20.99%
Federal Grants	\$911,266	0.96%
Donations	\$100,000	0.11%
Other	\$0	0.00%

### FY26 - FY31 Capital Cost Breakdown



#### Capital Cost Totals (all years)

Capital Costs	\$115,588,215	100.00%
Operational Costs	\$0	0.00%

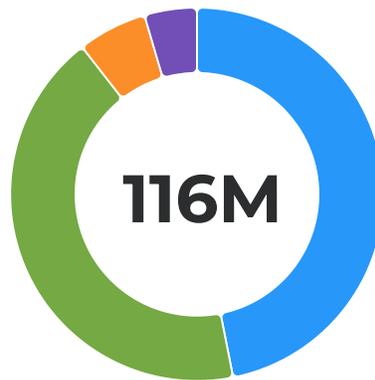


# Capital Improvement Plan - Project Types

To make the Town's Capital Improvement Plan easier to understand, all projects have been grouped into one of four categories:

- Buildings & Facilities Improvements – Projects that maintain, expand, or modernize Town buildings, service facilities, and other key infrastructure.
- Street Improvements – Investments in roadway construction, resurfacing, safety upgrades, and capacity enhancements to support mobility and growth.
- Sidewalk, Pedestrian & Bicycle Improvements – Projects that expand or improve sidewalks, greenways, and bike facilities, making Clayton safer and more accessible for non-motorized travel.
- Parks & Site Amenities – Enhancements to public parks, recreational spaces, and related amenities that support quality of life and community well-being.

FY26 - FY31 Capital Costs By Project Type



● Buildings & Facilities Improvements	<b>\$54,216,842</b>	46.91%
● Street Improvements	<b>\$49,190,000</b>	42.56%
● Sidewalk, Pedestrian & Bicycle Improvements	<b>\$6,931,373</b>	6.00%
● Parks & Site Amenities	<b>\$5,250,000</b>	4.54%

## Buildings & Facilities Improvements

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
<b>Total Buildings &amp; Facilities Improvements</b>	\$12,110,000	\$23,006,842	\$19,100,000	\$0	\$0	\$0	\$54,216,842

## Street Improvements

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
<b>Total Street Improvements</b>	\$1,500,000	\$24,690,000	\$0	\$0	\$0	\$23,000,000	\$49,190,000



## Sidewalk, Pedestrian & Bicycle Improvements

	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>Total</b>
<b>Total Sidewalk, Pedestrian &amp; Bicycle Improvements</b>	<b>\$1,748,770</b>	<b>\$5,182,603</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,931,373</b>

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## Parks & Site Amenities

	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>Total</b>
<b>Total Parks &amp; Site Amenities</b>	<b>\$1,050,000</b>	<b>\$4,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,250,000</b>

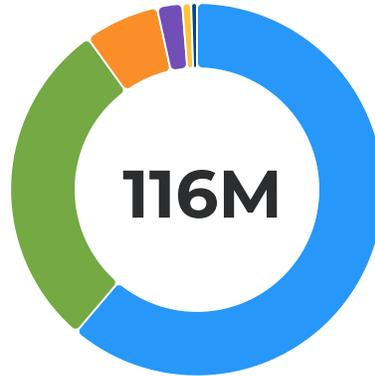
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# Capital Improvement Plan - Departments

Another way to view the Town's FY26–FY31 Capital Improvement Plan is by department. This approach highlights which service areas are most directly impacted by planned investments.

FY26 - FY31 Capital Costs by Department



<span style="color: blue;">●</span> Public Works	<b>\$70,746,373</b>	61.21%
<span style="color: green;">●</span> Fire & Emergency Services	<b>\$33,356,842</b>	28.86%
<span style="color: orange;">●</span> Economic Development	<b>\$7,500,000</b>	6.49%
<span style="color: purple;">●</span> Library Operations	<b>\$2,530,000</b>	2.19%
<span style="color: yellow;">●</span> Inspections	<b>\$880,000</b>	0.76%
<span style="color: blue;">●</span> Parks & Recreational Services	<b>\$575,000</b>	0.50%

## Public Works

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
<b>Total Public Works</b>	<b>\$4,248,770</b>	<b>\$35,097,603</b>	<b>\$8,400,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,000,000</b>	<b>\$70,746,373</b>

## Fire & Emergency Services

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
<b>Total Fire &amp; Emergency Services</b>	<b>\$1,900,000</b>	<b>\$21,156,842</b>	<b>\$10,300,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$33,356,842</b>

## Economic Development

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
<b>Total Economic Development</b>	<b>\$7,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,500,000</b>

## Library Operations

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
<b>Total Library Operations</b>	<b>\$2,530,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,530,000</b>

## Inspections

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
<b>Total Inspections</b>	<b>\$180,000</b>	<b>\$300,000</b>	<b>\$400,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$880,000</b>



## Parks & Recreational Services

	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>Total</b>
<b>Total Parks &amp; Recreational Services</b>	<b>\$50,000</b>	<b>\$525,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$575,000</b>

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# Enterprise Fund CIPs

The Capital Improvement Plans for the Town of Clayton's Enterprise Funds (Water Sewer and Electric) were separately developed through a *structured and risk-informed process* designed to ensure the reliability, safety, and sustainability of the Town's utility infrastructure. Unlike the General Fund CIP, which uses a *weighted prioritization model* based on scoring criteria such as community impact, cost, and alignment with strategic goals, the Enterprise Funds' CIPs employ a risk-based prioritization framework tailored to the operational and regulatory demands of utility management.

This risk-based approach evaluates projects based on their potential to mitigate operational, safety, financial, and regulatory risks. Each proposed project is assessed for its **likelihood of failure** and **consequence of failure** (LOF, and COF, respectively), allowing the Town to prioritize investments that most effectively reduce exposure to critical risks. This method ensures that the limited available resources in the Enterprise Funds are directed toward projects that maintain system integrity, prevent service disruptions, and support long-term resilience.

In addition to risk, the Enterprise Funds' CIPs incorporate other key factors such as:

- Asset condition and lifecycle stage: Projects are prioritized based on the age, performance, and maintenance history of infrastructure components.
- Regulatory compliance: Projects that address current or anticipated regulatory requirements are given elevated priority.
- Operational efficiency: Investments that improve system performance, reduce energy losses, or enhance automation are considered strategically valuable.
- Growth and capacity needs: The CIP supports infrastructure expansion to meet projected load growth and development within the Town.

The development of both of the Enterprise CIPs was also informed by stakeholder engagement, including input from engineering staff, operations teams, and Town leadership. This collaborative process ensures that the plan reflects both technical expertise and community priorities.

By using a risk-based methodology, both of the CIPs for the Enterprise Funds provide a transparent and defensible framework for capital investment decisions, aligning with industry best practices and positioning the Town of Clayton to proactively manage its utility assets.

# Water Sewer CIP Projects

Project #	Description	FY2026	FY2027	FY2028	FY2029	FY2030	Future Years
WS-18-03	W&S Project (South O'Neil - Blanche to Horne, Fville - Ellington)	\$2,000,000	\$0	\$0	\$0	\$0	\$0
WS-19-02	Water Project (70Bus W - Olde Town to Rose)	\$0	\$0	\$0	\$750,000	\$0	\$0
WS-19-21	Operations Facility (30% W/S Fund)	\$0	\$0	\$0	\$10,000,000	\$0	\$0
WS-20-12	Lombard: Second St to Little Creek (Suffa)	\$0	\$0	\$0	\$0	\$0	\$850,000
WS-23-15	Walnut Creek/Glen Haven PS Gravity and Abandonment	\$9,000,000	\$0	\$0	\$0	\$0	\$0
WS-20-21	W. Main and Liberty W&S Improvements	\$1,800,000	\$0	\$0	\$0	\$0	\$0
WS-20-26	Interconnect Water Meter Relocation	\$1,000,000	\$1,000,000	500,000	\$0	\$0	\$1,000,000
WS-20-31	FS #2 Elevated Tank Riser Floor	\$0	\$0	\$0	\$0	\$0	\$1,000,000
WS-20-32	Elevated Storage Improvements Project	\$10,000,000	\$2,000,000	\$0	\$0	\$0	\$0
WS-20-34	Stormsunt PS Abandonment & Sewer Line Rehab	\$1,600,000	\$0	\$0	\$0	\$0	\$0
WS-20-36	Future Water supply Project	\$0	\$0	\$0	\$0	\$0	\$285,753,083
WS-20-39	Walmart Lift Station Abandonment	\$3,100,000	\$0	\$0	\$0	\$0	\$0
WS-21-04	Main St Repair and Redirection Phase 1	\$0	\$0	\$0	\$0	\$2,500,000	\$0
WS-21-05	Main St Repair and Redirection Phase 2	\$0	\$0	\$0	\$0	\$0	\$2,500,000
WS-21-06	Main St Repair and Redirection Phase 3	\$0	\$0	\$0	\$0	\$0	\$2,500,000
WS-21-07	Main St Repair and Redirection Phase 4	\$0	\$0	\$0	\$0	\$0	\$2,500,000
WS-22-03	Forest Hills Pump Station	\$500,000	\$5,000,000	\$0	\$0	\$0	\$0



Project #	Description	FY2026	FY2027	FY2028	FY2029	FY2030	Future Years
WS-22-08	NC-42W Wastewater Transmission	\$0	\$3,500,000	\$0	\$0	\$0	\$0
WS-23-02	Decommissioning Little Creek WRF	\$2,000,000	\$0	\$0	\$0	\$0	\$0
WS-23-05	Neuse 3Regional Pump Station (Vinson Rd)	\$0	\$0	\$0	\$0	\$4,000,000	\$0
WS-23-06	Sams Branch WRF Phase 2	\$0	\$1,500,000	\$65,000,000	\$65,000,000	\$0	\$0
WS-23-08	Waterline Extension/Loop A	\$0	\$0	\$0	\$0	\$0	\$500,000
WS-23-09	Waterline Extension/Loop B	\$0	\$0	\$0	\$0	\$0	\$500,000
WS-23-10	Waterline Extension Loop C	\$0	\$0	\$0	\$0	\$0	\$500,000
WS-23-11	Little Creek Interceptor - NC42 to Shotwell	\$0	\$300,000	\$3,000,000	\$0	\$0	\$0
WS-24-2	JMH Pump Station Relocation	\$7,000,000	\$0	\$0	\$0	\$0	\$0
WS-24-3	Pamlico Dr SS Relocation	\$0	\$0	\$0	\$0	\$0	\$750,000
WS-25-2	Copper District (Lumen) Infrastructure Contributions	\$4,000,000	\$0	\$0	\$0	\$0	\$0
WS-25-3	Lead and Copper Rules Revision	\$0	\$0	\$0	\$500,000	\$0	\$0
WS-25-4	Clayton East Economic Dev Project	\$1,000,000	\$0	\$0	\$0	\$0	\$0
WS-26-1	Moore St Sewer Re-route	\$0	\$0	\$0	\$0	\$1,000,000	\$0
WS-26-2	Forest Hills Phase 2 Expansion and Forcemain	\$0	\$0	\$0	\$0	\$0	\$5,000,000
WS-26-3	Utility Interconnect	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$0
	ECIA (Part of SBWRF Phase 1)	\$16,500,000	\$0	\$0	\$0	\$0	\$0
	Total CIP	\$62,500,000	\$16,300,000	\$82,000,000	\$76,250,000	\$7,755,797	\$297,597,286



# Electric Enterprise CIP Projects

Project #	Description	2026	2027	2028	2029	Total
5860	Projected Capital UG New Res Development	\$3,990,025	\$1,600,000	\$1,600,000	\$1,600,000	\$8,790,025
5848	Heavy Equipment Replacement Plan	\$200,000	\$350,000	\$350,000	\$350,000	\$1,250,000
EL-19-04	Operations Facility Improvements (30% Electric)	\$375,000	\$1,125,000	\$0	\$0	\$1,500,000
	Operations Facility (30% Electric Fund)	\$1,000,000	\$1,000,000	\$1,000,000	\$2,000,000	\$5,000,000
EL-22-01	Main St. 477 Reconductor/Atkinson to Shotwell	\$0	\$1,500,000	\$0	\$0	\$1,500,000
EL-22-02	Main St. Conversion/Robinson to Smith	\$0	\$5,000,000	\$0	\$0	\$5,000,000
	42 East Feeder Extension (Lawson Glen)	\$500,000	\$0	\$0	\$0	\$500,000
<b>Total</b>		<b>\$6,065,025</b>	<b>\$10,575,000</b>	<b>\$2,950,000</b>	<b>\$3,950,000</b>	<b>\$23,540,025</b>





# CAPITAL PROJECTS

Capital Projects are large, one-time investments in infrastructure, buildings, or equipment. They are funded outside the annual operating budget and adopted through separate project ordinances as required by state law.

## Capital Projects

Project No. / Project Name	Years	Departments	Type	Total
PW-18-2024 Clayton Connector and S. Robertson/Main Street Improvements (LAPP HL-0129)	2026 - 2035	Public Works	Sidewalk, Pedestrian & Bicycle Improvements	\$3,116,603
PS-01-2024 Clayton North Public Safety Center	2026 - 2035	Fire & Emergency Services	Buildings & Facilities Improvements	\$11,500,000
PW-43-2024 E Main Street Sidewalk Connector (LAPP BL-0050)	2026	Public Works	Sidewalk, Pedestrian & Bicycle Improvements	\$1,748,770
PS-04-2024 Fire Station No.1 - Renovation and Addition	2026 - 2035	Fire & Emergency Services	Buildings & Facilities Improvements	\$4,356,842
PW-32-2024 First Street (Church St to Horne Square) - Roadway & Parking Improvements	2026 - 2035	Public Works	Parks & Site Amenities	\$4,675,000
CA-01-2024 Hocutt-Ellington Library - Interior Renovation	2026 - 2035	Library Operations	Buildings & Facilities Improvements	\$2,530,000
ED-01-2026 Land Purchase (Economic Development Project)	2026	Economic Development	Buildings & Facilities Improvements	\$7,500,000
PW-41-2024 Main St - Streetscape & Utilities Improvements	2026 - 2035	Public Works	Street Improvements	\$3,000,000
PW-19-2024 Main St. Pedestrian Improvement Project (LAPP BL-0125)	2026 - 2035	Public Works	Sidewalk, Pedestrian & Bicycle Improvements	\$2,066,000
PW-05-2024 Operations Center - Facility Expansion	2026 - 2035	Public Works	Buildings & Facilities Improvements	\$9,950,000
CA-07-2026 Sinclair Park - Parking Access Improvements	2026 - 2035	Parks & Recreational Services	Parks & Site Amenities	\$575,000
PW-26-2024 Southern Connector (Avondale Dr to Dairy Road) - New Roadway	2026 - 2035	Public Works	Street Improvements	\$20,366,300
PW-25-2024 Southern Connector (Little Creek Church Rd to Avondale Dr) - New Roadway	2026 - 2035	Public Works	Street Improvements	\$5,732,700
PS-02-2024 Southwest Public Safety Center	2026 - 2035	Fire & Emergency Services	Buildings & Facilities Improvements	\$17,500,000
PW-03-2026 Town Hall Clerk's Office Ceiling Fire Separation	2026 - 2035	Inspections	Buildings & Facilities Improvements	\$0
PW-01-2026 Town Hall Customer Service Ceiling Fire Separation	2026 - 2035	Inspections	Buildings & Facilities Improvements	\$400,000
PW-02-2026 Town Hall Fire Pump Room Ceiling Fire Separation	2026 - 2035	Inspections	Buildings & Facilities Improvements	\$180,000



# Buildings & Facilities Improvements

## Summary of Requests

Project No. / Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
PS-02-2024 Southwest Public Safety Center	\$1,500,000	\$16,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,500,000
PS-01-2024 Clayton North Public Safety Center	\$0	\$1,200,000	\$10,300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,500,000
PW-05-2024 Operations Center - Facility Expansion	\$0	\$1,550,000	\$8,400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,950,000
ED-01-2026 Land Purchase (Economic Development Project)	\$7,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500,000
PS-04-2024 Fire Station No.1 - Renovation and Addition	\$400,000	\$3,956,842	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,356,842
CA-01-2024 Hocutt-Ellington Library - Interior Renovation	\$2,530,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,530,000
PW-01-2026 Town Hall Customer Service Ceiling Fire Separation	\$0	\$0	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$400,000
PW-02-2026 Town Hall Fire Pump Room Ceiling Fire Separation	\$180,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$180,000
PW-03-2026 Town Hall Clerk's Office Ceiling Fire Separation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Summary of Requests</b>	<b>\$12,110,000</b>	<b>\$22,706,842</b>	<b>\$19,100,000</b>	<b>\$0</b>	<b>\$53,916,842</b>						



# Clayton North Public Safety Center

## Overview

**Department** Fire & Emergency Services  
**Type** Capital Improvement  
**Project Number** PS-01-2024

## Project Location



## Description

The proposed Public Safety Center, serving both Fire and Police Departments, is planned for the 8.18 acres of Town-owned land located at 119 Club Connection Blvd. This facility will provide essential services for the growing population in the area, enhancing public safety and ensuring rapid response times. The center's location offers optimal accessibility and visibility, supporting the Riverwood Community as well as the community's safety needs while accommodating future growth and operational demands.

## Images



Northside Public Safety Center.png

## Details

**Department Ownership:** Fire, Police  
**Project Sub-Type:** New Construction  
**Strategic Priority Alignment:** Public Safety

**Goals Alignment with Associated Town Plans:** Fire Strategic Plan, TOC Strategic Plan, 2045 Comprehensive Plan

## Capital Cost

FY2026 Budget

**\$0**

Total Budget (all years)

**\$11.5M**

Project Total

**\$11.5M**

### Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$0	\$9,750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$9,750,000</b>
Architectural/Engineering	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$1,000,000</b>
Owner Vendor & Equipment	\$0	\$0	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$300,000</b>
Construction Administration	\$0	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$250,000</b>
Preliminary Study or Concepts	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$200,000</b>
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Total</b>	<b>\$0</b>	<b>\$1,200,000</b>	<b>\$10,300,000</b>	<b>\$0</b>	<b>\$11,500,000</b>						



# Fire Station No.1 - Renovation and Addition

## Overview

**Department** Fire & Emergency Services  
**Type** Capital Improvement  
**Project Number** PS-04-2024

## Project Location

325 West Horne Street



## Description

The project includes remodeling the existing Fire Station No. 1 located off of W. Horne Street to accommodate the demands of daily administrative operations and constructing an approximately 4,000-square-foot addition. This addition will provide dedicated living and working space for station personnel, strategically positioned adjacent to the apparatus bay to reduce response times. The expansion also includes offices for the battalion chief and fire captains, along with a dedicated training room.

## Images



Addition Rendering.png

## Details

**Department Ownership:** Fire  
**Project Sub-Type:** Full Renovation of Existing Space

**Strategic Priority Alignment:** Public Safety  
**Goals Alignment with Associated Town Plans:** Fire Strategic Plan

## Capital Cost

FY2026 Budget  
**\$400K**

Total Budget (all years)  
**\$4.36M**

Project Total  
**\$4.36M**

### Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$3,701,602	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,701,602
Architectural/Engineering	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$400,000
Construction Administration	\$0	\$155,240	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$155,240
Owner Vendor & Equipment	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$400,000</b>	<b>\$3,956,842</b>	<b>\$0</b>	<b>\$4,356,842</b>							



# Hocutt-Ellington Library - Interior Renovation

## Overview

<b>Department</b>	Library Operations
<b>Type</b>	Capital Improvement
<b>Project Number</b>	CA-01-2024

## Project Location

Hocutt Ellington Memorial Library



## Description

Hocutt-Ellington Memorial Library, a cornerstone of the Clayton community, is preparing for a major renovation that will modernize and enhance the space, ensuring the library continues to be a welcoming hub for learning, connection, and creativity. The project, expected to be completed by summer 2026, will preserve the library's historic charm while introducing new features that meet the evolving needs of our community.

The revitalized library will include:

**Modern Amenities** – Upgraded technology and improved infrastructure

**Flexible Seating & Collaboration Areas** – Spaces designed for both quiet reading and group work

**Interactive & Learning Spaces** – Engaging environments for all ages

**Enhanced Accessibility & Usability** – A more comfortable and user-friendly experience

## Images



Hocutt Ellington Memorial Library



Renovation Rendering

## Details

**Department Ownership:** Library

**Project Sub-Type:** Full Renovation of Existing Space

**Strategic Priority Alignment:** Desirable Amenities and Spaces, Vibrant Downtown

**Goals Alignment with Associated Town**

**Plans:** Library Strategic Plan, TOC Strategic Plan

## Capital Cost

FY2026 Budget  
**\$2.53M**

Total Budget (all years)  
**\$2.53M**

Project Total  
**\$2.53M**

### Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$1,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,800,000
Owner Vendor & Equipment	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600,000
Construction Administration	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$130,000
Architectectural/Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$2,530,000</b>	<b>\$0</b>	<b>\$2,530,000</b>								



# Land Purchase (Economic Development Project)

## Overview

**Department** Economic Development  
**Type** Capital Improvement  
**Project Number** ED-01-2026

## Project Location

111 East 2nd Street



## Description

Land purchases are considered as opportunities arise and help position the Town for long-term growth, community amenities, and strategic investments.

## Details

**Department Ownership:** Public Works, Fire, Library, Police, Parks & Recreation, Water Resources

**Project Sub-Type:** New Construction

**Strategic Priority Alignment:** Vibrant Downtown, Diversified Economic Development

**Goals Alignment with Associated Town Plans:** TOC Strategic Plan

## Capital Cost

FY2026 Budget  
**\$7.5M**

Total Budget (all years)  
**\$7.5M**

Project Total  
**\$7.5M**

## Detailed Breakdown

Category	FY2026
Land Acquisition	\$7,500,000
<b>Total</b>	<b>\$7,500,000</b>

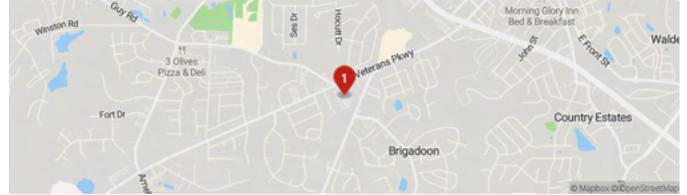


# Operations Center - Facility Expansion

## Overview

**Department** Public Works  
**Type** Capital Improvement  
**Project Number** PW-05-2024

## Project Location



## Description

As the hub for public works, utilities, and other vital services, the Town’s Operations Center plays a critical role in supporting Clayton’s residents and businesses. This project considers how the facility can evolve to meet long-term needs, ensuring the Town is equipped with the space, infrastructure, and resources required to serve a growing community effectively.

## Details

**Department Ownership:** Public Works  
**Project Sub-Type:** Partial Renovation of Existing Space  
**Strategic Priority Alignment:** Vibrant Downtown, Desirable Amenities and Spaces, Sustainable Infrastructure, Mobility, Transportation and Transit, Diversified Economic Development, Community Outreach and Engagement, Public Safety

**Goals Alignment with Associated Town Plans:** TOC Strategic Plan, HWY 42/Small Area Plan, 2045 Comprehensive Plan, 2050 Comprehensive Transportation Plan

## Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
<b>\$0</b>	<b>\$9.95M</b>	<b>\$9.95M</b>

## Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$0	\$8,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,000,000
Architectural/Engineering	\$0	\$800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$800,000
Land Acquisition	\$0	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000
Construction Administration	\$0	\$0	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$400,000
Owner Vendor & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$1,550,000</b>	<b>\$8,400,000</b>	<b>\$0</b>	<b>\$9,950,000</b>						

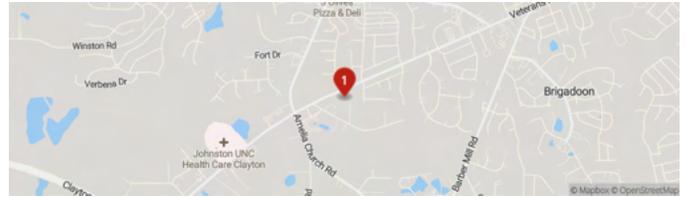


# Southwest Public Safety Center

## Overview

<b>Department</b>	Fire & Emergency Services
<b>Type</b>	Capital Improvement
<b>Project Number</b>	PS-02-2024

## Project Location



## Description

The proposed Public Safety Center, serving both Fire and Police Departments, is planned for the southwest portion of Clayton on 8.01 acres of town-owned land strategically located along Veterans Pkwy, east of the West Clayton Church of God off of Short Johnston Road. This facility will provide essential services for the growing population in the area, enhancing public safety and ensuring rapid response times. The Safety Center's location offers optimal accessibility and visibility, supporting the community's safety needs while accommodating future growth and operational demands.

## Images



SWPublicSafety Center.png

## Details

**Department Ownership:** Fire, Police  
**Project Sub-Type:** New Construction  
**Strategic Priority Alignment:** Public Safety

**Goals Alignment with Associated Town**  
**Plans:** 2045 Comprehensive Plan, Fire Strategic Plan, TOC Strategic Plan

## Capital Cost

FY2026 Budget  
**\$1.5M**

Total Budget (all years)  
**\$17.5M**

Project Total  
**\$17.5M**

### Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$15,550,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,550,000
Architectural/Engineering	\$1,300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,300,000
Owner Vendor & Equipment	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$400,000
Construction Administration	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$1,500,000</b>	<b>\$16,000,000</b>	<b>\$0</b>	<b>\$17,500,000</b>							



# Town Hall Clerk’s Office Ceiling Fire Separation

## Overview

**Department** Inspections  
**Type** Capital Improvement  
**Project Number** PW-03-2026

## Project Location

111 East 2nd Street



## Description

This project will upgrade the ceiling assembly between the Clerk’s Office suite and the third-floor office space at Town Hall to a fire-rated floor/ceiling system. This work is part of the Town’s ongoing facility enhancements to ensure that administrative and public service areas remain safe, efficient, and resilient.

## Details

**Department Ownership:** Public Works  
**Project Sub-Type:** Partial Renovation of Existing Space

**Strategic Priority Alignment:** Sustainable Infrastructure

**Goals Alignment with Associated Town Plans:** TOC Strategic Plan

## Capital Cost

FY2026 Budget  
**\$0**

Total Budget (all years)  
**\$300K**

Project Total  
**\$300K**

## Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000
Owner Vendor & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Architectural/Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$300,000</b>	<b>\$0</b>	<b>\$300,000</b>							



# Town Hall Customer Service Ceiling Fire Separation

## Overview

**Department**                    Inspections  
**Type**                             Capital Improvement  
**Project Number**             PW-01-2026

## Project Location

111 East 2nd Street



## Description

This project will upgrade the ceiling assembly between the Customer Service Office suite and the third-floor office space at Town Hall to a fire-rated floor/ceiling system. As part of the Town's ongoing facility enhancements, this work helps ensure that customer-facing service areas remain safe, efficient, and resilient.

## Details

**Department Ownership:** Public Works  
**Project Sub-Type:** Selective Space Improvements

**Strategic Priority Alignment:** Sustainable Infrastructure

**Goals Alignment with Associated Town Plans:** 2023 Downtown Strategic Plan

## Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
<b>\$0</b>	<b>\$400K</b>	<b>\$400K</b>

## Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$0	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$400,000
Owner Vendor & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Architectural/Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$400,000</b>	<b>\$0</b>	<b>\$400,000</b>						



# Town Hall Fire Pump Room Ceiling Fire Separation

## Overview

**Department** Inspections  
**Type** Capital Improvement  
**Project Number** PW-02-2026

## Project Location



## Description

This project will upgrade the ceiling assembly in the Fire Pump Riser Room at Town Hall to a fire-rated floor/ceiling system. This work is part of the Town’s ongoing facility enhancements to ensure that mechanical spaces are well-protected and that customer service areas above remain safe, efficient, and resilient.

## Details

**Department Ownership:** Public Works  
**Project Sub-Type:** Selective Space Improvements

**Strategic Priority Alignment:** Sustainable Infrastructure

**Goals Alignment with Associated Town Plans:** 2045 Comprehensive Plan

## Capital Cost

FY2026 Budget	Total Budget (all years)	Project Total
<b>\$180K</b>	<b>\$180K</b>	<b>\$180K</b>

## Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$180,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$180,000
Owner Vendor & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Architectural/Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$180,000</b>	<b>\$0</b>	<b>\$180,000</b>								



# Parks & Site Amenities

## Summary of Requests

Project No. / Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
PW-32-2024 First Street (Church St to Horne Square) - Roadway & Parking Improvements	\$1,000,000	\$3,675,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,675,000
CA-07-2026 Sinclair Park - Parking Access Improvements	\$50,000	\$525,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$575,000
<b>Total Summary of Requests</b>	<b>\$1,050,000</b>	<b>\$4,200,000</b>	<b>\$0</b>	<b>\$5,250,000</b>							



# First Street (Church St to Horne Square) - Roadway & Parking Improvements

## Overview

<b>Department</b>	Public Works
<b>Type</b>	Capital Improvement
<b>Project Number</b>	PW-32-2024

## Project Location



## Description

This project proposes paving the existing dirt road and adding new parking spaces along First Street from Church Street to Horne Square, adjacent to the NCRR corridor. If advanced, the improvements would expand convenient downtown parking, support local businesses and events, and enhance access for residents and visitors. Consistent with the Town’s Comprehensive Transportation Plan, this concept is intended to contribute to safer traffic flow and strengthen the vitality of Downtown Clayton.

## Images



Horne Square.JPG

## Details

**Department Ownership:** Public Works

**Project Sub-Type:** Town Parking Lot

**Strategic Priorities Alignment:** Vibrant Downtown, Mobility, Transportation, and Transit, Diversified Economic Development

**Goals Alignment with Associated Town**

**Plans:** 2024 Downtown Master Plan, 2045 Comprehensive Plan, 2050 Comprehensive Transportation Plan



## Capital Cost

FY2026 Budget

**\$1M**

Total Budget (all years)

**\$4.68M**

Project Total

**\$4.68M**

### Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$3,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500,000
Land Acquisition	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000
Architectural/Engineering	\$350,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$350,000
Construction Administration	\$0	\$175,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175,000
Preliminary Study or Concepts	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000
Owner Vendor & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$1,000,000</b>	<b>\$3,675,000</b>	<b>\$0</b>	<b>\$4,675,000</b>							



# Sinclair Park - Parking Access Improvements

## Overview

**Department** Parks & Recreational Services

**Type** Capital Improvement

**Project Number** CA-07-2026

## Project Location

400 East Front Street



## Description

This project will create improved parking and ADA-compliant access at Sinclair Park, making it easier and safer for all residents to enjoy the playground, courts, and gathering spaces. As identified in the Parks and Recreation Master Plan, access improvements are a key step toward strengthening the park’s role as a vibrant downtown destination. While this project focuses on parking and accessibility, it also complements the broader vision for Sinclair Park, which includes enhancing connectivity, celebrating community history, and supporting intergenerational wellness.

## Images



Sinclair Park.jpg

## Details

**Department Ownership:** Parks & Recreation

**Project Sub-Type:** Renovation of an Existing Park

**Strategic Priorities Alignment:** Desirable Amenities and Spaces, Vibrant Downtown, Mobility, Transportation, and Transit, Community Outreach and Engagement, Public Safety

**Goals Alignment with Associated Town**

**Plans:** 2024 Parks & Recreation Master Plan, 2045 Comprehensive Plan



## Capital Cost

FY2026 Budget

**\$50K**

Total Budget (all years)

**\$575K**

Project Total

**\$575K**

### Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000
Architectural/Engineering	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
Construction Administration	\$0	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000
Owner Vendor & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$50,000</b>	<b>\$525,000</b>	<b>\$0</b>	<b>\$575,000</b>							



# Sidewalk, Pedestrian & Bicycle Improvements

## Summary of Requests

Project No. / Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
PW-18-2024 Clayton Connector and S. Robertson/Main Street Improvements (LAPP HL-0129)	\$0	\$3,116,603	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,116,603
PW-19-2024 Main St. Pedestrian Improvement Project (LAPP BL-0125)	\$0	\$2,066,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,066,000
PW-43-2024 E Main Street Sidewalk Connector (LAPP BL-0050)	\$1,748,770	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,748,770
<b>Total Summary of Requests</b>	<b>\$1,748,770</b>	<b>\$5,182,603</b>	<b>\$0</b>	<b>\$6,931,373</b>							



# Clayton Connector and S. Robertson/Main Street Improvements (LAPP HL-0129)

## Overview

<b>Department</b>	Public Works
<b>Type</b>	Capital Improvement
<b>Project Number</b>	PW-18-2024

## Project Location



## Description

This project was identified as Priority Project #1 in the 2022 Pedestrian Plan and is designated as BKPD-14 in the Clayton Downtown Master Plan. It addresses long-standing sidewalk gaps and crossing needs along Robertson Street, a key pedestrian corridor linking downtown Clayton, Clayton Blvd. corridor, and multiple neighborhoods and businesses. The corridor has consistently been recognized across multiple planning efforts as one of the highest-priority areas for pedestrian safety and connectivity.

The project will extend the Clayton Connector Greenway into downtown, tying into existing crosswalks and creating a more continuous system for pedestrians and bicyclists. Planned improvements will provide new pedestrian facilities along the corridor, minimize unnecessary roadway crossings, and formalize crossings at key locations to improve safety for all users.

## Images



HL-0129\_Route.jpeg

## Details

**Department Ownership:** Public Works

**Project Sub-Type:** Sidewalk

**Strategic Priorities Alignment:** Vibrant Downtown, Mobility, Transportation, and Transit, Diversified Economic Development

### Goals Alignment with Associated Town

**Plans:** 2022 Pedestrian Plan, 2024 Downtown Master Plan, 2045 Comprehensive Plan, 2050 Comprehensive Transportation Plan

## Capital Cost

FY2026 Budget

**\$0**

Total Budget (all years)

**\$3.12M**

Project Total

**\$3.12M**

## Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$1,599,992	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,599,992
Architectural/Engineering	\$0	\$666,611	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$666,611
Land Acquisition	\$0	\$550,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$550,000
Construction Administration	\$0	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000
Owner Vendor & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$3,116,603</b>	<b>\$0</b>	<b>\$3,116,603</b>							



# E Main Street Sidewalk Connector (LAPP BL-0050)

## Overview

<b>Department</b>	Public Works
<b>Type</b>	Capital Improvement
<b>Project Number</b>	PW-43-2024

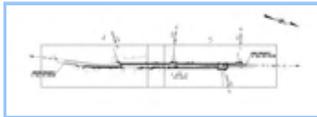
## Project Location



## Description

This project will focus on connecting the sidewalk between E 2nd St to Clayton Blvd (prev US 70 Business). The plans include sidewalk connections on both sides of E Main Street, crosswalks at N. Durham St. and Compton St and ADA ramp access. The new sidewalk will be installed within the existing public right of way.

## Images



Screenshot 2025-08-07  
073437.png

## Details

**Department Ownership:** Public Works

**Project Sub-Type:** Sidewalk

**Strategic Priorities Alignment:** Vibrant Downtown, Mobility, Transportation, and Transit

### Goals Alignment with Associated Town

**Plans:** 2024 Downtown Master Plan, 2022 Pedestrian Plan, 2050 Comprehensive Transportation Plan

---

## Capital Cost

FY2026 Budget

**\$1.75M**

Total Budget (all years)

**\$1.75M**

Project Total

**\$1.75M**

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## Detailed Breakdown

**Category**

**FY2026**

Construction

**\$1,748,770**

**Total**

**\$1,748,770**



# Main St. Pedestrian Improvement Project (LAPP BL-0125)

## Overview

<b>Department</b>	Public Works
<b>Type</b>	Capital Improvement
<b>Project Number</b>	PW-19-2024

## Project Location



## Description

Identified as Priority Project #2 in the 2022 Pedestrian Plan and carried forward in multiple Master Plans, this project focuses on improving pedestrian safety, connectivity, and traffic operations along Main Street between Robertson Street and Smith Street. Planned improvements include ADA accommodations, striped crosswalks, and intersection enhancements designed to make crossings safer and more accessible for all users while supporting efficient traffic flow through Downtown. These investments will strengthen the long-term walkability, mobility, and vitality of Main Street, ensuring it continues to serve as a safe, connected, and thriving corridor for Clayton residents, businesses, and visitors.

## Images



DSC01280.JPG

## Details

**Department Ownership:** Public Works

**Project Sub-Type:** Sidewalk

**Strategic Priorities Alignment:** Vibrant Downtown, Sustainable Infrastructure, Mobility, Transportation, and Transit, Diversified Economic Development

### Goals Alignment with Associated Town

**Plans:** 2022 Pedestrian Plan, 2024 Downtown Master Plan, 2045 Comprehensive Plan, 2050 Comprehensive Transportation Plan



## Capital Cost

FY2026 Budget

**\$0**

Total Budget (all years)

**\$2.07M**

Project Total

**\$2.07M**

### Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$1,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000
Construction Administration	\$0	\$336,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$336,000
Architectural/Engineering	\$0	\$180,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$180,000
Land Acquisition	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
Owner Vendor & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$2,066,000</b>	<b>\$0</b>	<b>\$2,066,000</b>							



# Street Improvements

## Summary of Requests

Project No. / Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
PW-26-2024 Southern Connector (Avondale Dr to Dairy Road) - New Roadway	\$568,800	\$19,797,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,366,300
PW-25-2024 Southern Connector (Little Creek Church Rd to Avondale Dr) - New Roadway	\$931,200	\$4,801,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,732,700
PW-41-2024 Main St - Streetscape & Utilities Improvements	\$0	\$0	\$0	\$0	\$0	\$3,000,000	\$0	\$0	\$0	\$0	\$3,000,000
<b>Total Summary of Requests</b>	<b>\$1,500,000</b>	<b>\$24,599,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,099,000</b>



# Main St - Streetscape & Utilities Improvements

## Overview

<b>Request Owner</b>	Conrad Olmedo, Planning Director
<b>Department</b>	Public Works
<b>Type</b>	Capital Improvement
<b>Project Number</b>	PW-41-2024

## Project Location



## Description

This project will implement streetscape improvements along Main St. Desired enhancements would be to improve pedestrian safety and accessibility, create spaces for outdoor dining and community gathering, and establish a more attractive, consistent visual identity for the corridor.

The project would make the corridor enjoyable for people of all ages and abilities while supporting local businesses and cultural activity. With a focus on safety, comfort, revitalization, and modernized infrastructure, these improvements will ensure Main Street continues to thrive as the social and economic hub of Clayton.

## Images



DSC01280.JPG



DSC01237.jpg

## Details

**Department Ownership:** Public Works

**Project Sub-Type:** Reconstruction of Existing Roadway

**Strategic Priorities Alignment:** Vibrant Downtown, Desirable Amenities and Spaces, Sustainable Infrastructure, Mobility, Transportation, and Transit, Diversified Economic Development

**Goals Alignment with Associated Town**

**Plans:** 2024 Downtown Master Plan, 2023 Downtown Strategic Plan, 2045 Comprehensive Plan, 2022 Pedestrian Plan, 2024 Downtown Stormwater Master Plan



## Capital Cost

FY2026 Budget

**\$0**

Total Budget (all years)

**\$23M**

Project Total

**\$23M**

### Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$0	\$0	\$0	\$0	\$21,000,000	\$0	\$0	\$0	\$0	\$21,000,000
Construction Administration	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Architectural/Engineering	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Owner Vendor & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,000,000</b>



# Southern Connector (Avondale Dr to Dairy Road) - New Roadway

## Overview

<b>Request Owner</b>	Conrad Olmedo, Planning Director
<b>Department</b>	Public Works
<b>Type</b>	Capital Improvement
<b>Project Number</b>	PW-26-2024

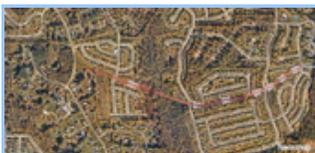
## Project Location



## Description

This project will construct the second segment of the Southern Connector, extending from Avondale Drive to Dairy Road. Together with the initial phase from Little Creek Church Road to Avondale Drive, this section advances the Town's long-term goal of creating a continuous roadway connection from Veteran's Parkway to Little Creek Church Road. Once complete, the Southern Connector will improve traffic flow, provide alternate access routes for neighborhoods, and support Clayton's growing residential and business community.

## Images



SC

## Details

**Department Ownership:** Public Works

**Project Sub-Type:** Complete New Roadway

**Strategic Priorities Alignment:** Mobility, Transportation, and Transit

### Goals Alignment with Associated Town

**Plans:** 2045 Comprehensive Plan, 2050 Comprehensive Transportation Plan



## Capital Cost

FY2026 Budget  
**\$569K**

Total Budget (all years)  
**\$20.4M**

Project Total  
**\$20.4M**

### Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$15,520,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,520,000
Construction Administration	\$0	\$3,248,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,248,800
Architectural/Engineering	\$568,800	\$828,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,396,800
Land Acquisition	\$0	\$200,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,700
Owner Vendor & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$568,800</b>	<b>\$19,797,500</b>	<b>\$0</b>	<b>\$20,366,300</b>							

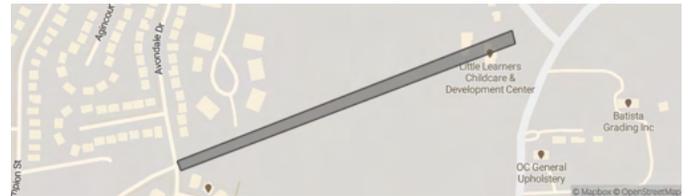


# Southern Connector (Little Creek Church Rd to Avondale Dr) - New Roadway

## Overview

<b>Request Owner</b>	Conrad Olmedo, Planning Director
<b>Department</b>	Public Works
<b>Type</b>	Capital Improvement
<b>Project Number</b>	PW-25-2024

## Project Location



## Description

This project will construct the first segment of the Southern Connector, extending approximately 1,600 feet from Little Creek Church Road to Avondale Drive. This initial phase establishes the foundation for a new roadway system that will ultimately connect Veteran’s Parkway to Little Creek Church Road. The Southern Connector is envisioned as a key transportation improvement that will relieve congestion, improve safety, and provide additional access options to support Clayton’s growing community.

## Images



Southern Connector

## Details

**Department Ownership:** Public Works  
**Project Sub-Type:** Complete New Roadway  
**Strategic Priorities Alignment:** Mobility, Transportation, and Transit, Diversified Economic Development

**Goals Alignment with Associated Town Plans:** 2045 Comprehensive Plan, 2050 Comprehensive Transportation Plan



## Capital Cost

FY2026 Budget

**\$931K**

Total Budget (all years)

**\$5.82M**

Project Total

**\$5.82M**

### Detailed Breakdown

Category	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
Construction	\$0	\$3,880,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,880,000
Architectural/Engineering	\$931,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$931,200
Construction Administration	\$0	\$925,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$925,200
Land Acquisition	\$0	\$87,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$87,300
Owner Vendor & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Study or Concepts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$931,200</b>	<b>\$4,892,500</b>	<b>\$0</b>	<b>\$5,823,700</b>							





# DEBT SERVICES

Debt Service covers the repayment of borrowed funds used to finance major capital projects. It includes principal and interest payments and is managed to ensure the Town maintains strong financial health and complies with legal limits.

# Debt Services Summary

The Town utilizes debt as a financial tool to fund large-scale capital projects that provide long-term community benefits. Debt allows the Town to invest in major infrastructure, recreation, and utility improvements while spreading costs over the useful life of those assets, ensuring that both current and future residents contribute to their debt service. The Town issues debt through several mechanisms, including **general obligation bonds**, **revenue bonds**, and **installment financing**, each selected based on the nature of the project and the most cost-effective repayment structure.

## Debt Limits and Coverage Requirements

[N.C. Gen. Stat. § 159-55\(c\)](#) limits the amount of general obligation debt a local government may issue to 8 percent of the total assessed value of taxable property within its jurisdiction. As of June 30, 2025, this statutory limit for the Town of Clayton is \$259,021,223, which is significantly higher than the Town's current outstanding general obligation debt. In addition, revenue-supported debt issuances (such as those within the Water & Sewer or Electric Funds) are required to maintain sufficient coverage ratios to demonstrate that utility revenues can adequately support annual debt service payments.

## Bond Rating

The Town of Clayton has consistently maintained a strong **bond rating**, with an AA+ rating from Standard & Poor's Corporation and an Aa1 rating from Moody's Investor Service. These high ratings reflect the Town's solid financial management, healthy reserves, and growing tax base. They help the Town secure lower interest rates when issuing debt, thereby reducing borrowing costs for taxpayers and ratepayers.

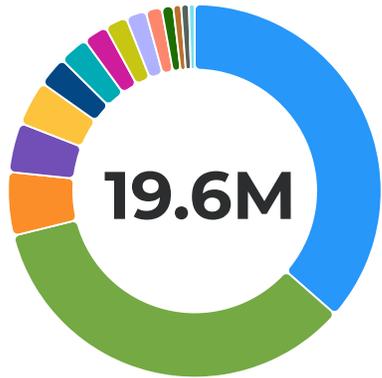
The charts below provide more details into the Town's debt structure.



# Debt By Type

This chart shows the Town's total outstanding debt of \$19.4 million, broken down by individual issuances. The largest portions of debt are tied to water and sewer infrastructure, recreational improvements, and parks projects. Smaller amounts are allocated to public safety, community facilities, and utility upgrades.

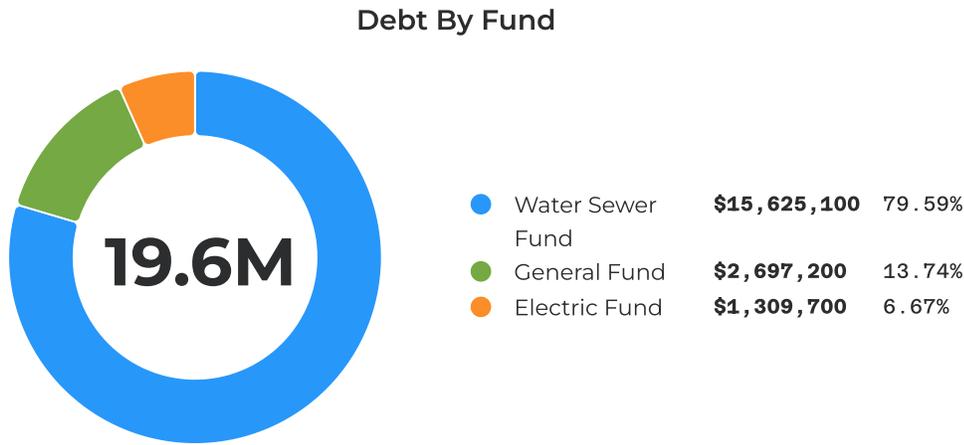
Debt By Type



Sanitary Sewer Revolving Loan CS370431-07	\$7,160,000	36.47%
Recreational Improvements, Series 2021 - Water Sewer	\$6,806,000	34.67%
Recreational Improvements, Series 2021 - Parks & Rec	\$1,076,600	5.48%
Nutrient Credits	\$846,000	4.31%
Series 2024 Revenue Bond	\$760,000	3.87%
Law Enforcement Center Refunding	\$513,200	2.61%
Recreational Improvements, Series 2024 - Parks & Rec	\$501,300	2.55%
Electric Revenue	\$412,600	2.10%
Community Center Refunding - Parks & Rec	\$378,300	1.93%
Vactor Trucks - Water	\$347,000	1.77%
AMI Project - Water Sewer Portion	\$271,000	1.38%
Sanitary Sewer Revolving Loan CS370431-05	\$195,100	0.99%
AMI Project - Electric Portion	\$137,100	0.70%
Public Improvement, Series 2012 - Parks & Rec	\$129,100	0.66%
Ladder Truck - Fire Dept	\$98,700	0.50%

# Yearly Debt Service Payment By Fund

This chart shows total outstanding debt of \$19.4 million allocated across the Town's three major funds. The Water and Sewer Fund carries the largest share (80%), followed by the General Fund (13%) and Electric Fund (7%). Shown below this are debt service schedules for each fund, extended through 2041, reflecting long-term repayment of major capital investments.



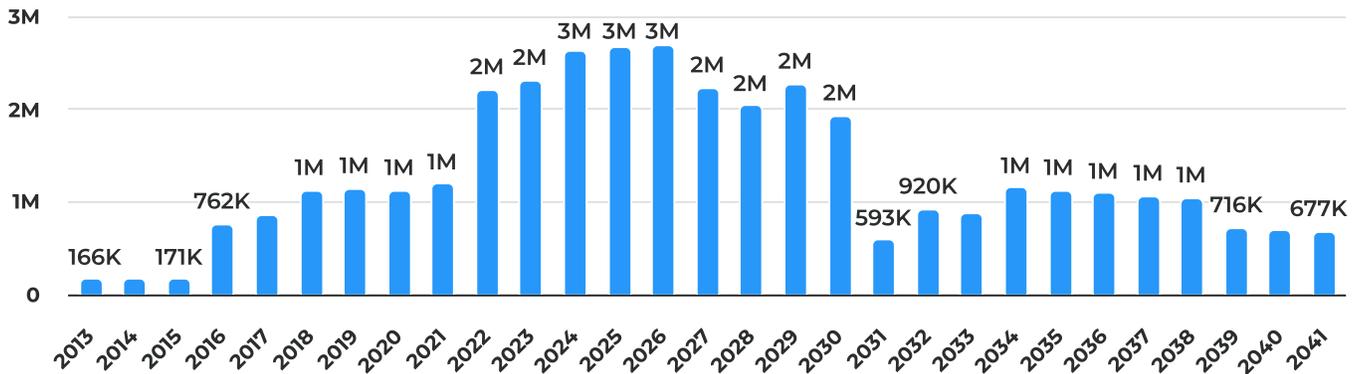
### Total Debt

**\$19,632,000**

\$9,719,878 (98.06% vs. FY25)

Fund Name	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
General Fund	\$2,668,785.98	\$2,697,200.00	\$2,228,650.98	\$2,036,815.98	\$2,268,294.98	\$1,931,847.98
Water Sewer Fund	\$5,937,997.68	\$15,625,100.00	\$14,665,183.76	\$14,601,805.58	\$14,362,798.66	\$14,270,832.56
Electric Fund	\$1,305,338.48	\$1,309,700.00	\$1,291,084.50	\$1,283,301.76	\$1,275,701.78	\$1,267,894.83
<b>Total Debt</b>	<b>\$9,912,122.14</b>	<b>\$19,632,000.00</b>	<b>\$18,184,919.24</b>	<b>\$17,921,923.32</b>	<b>\$17,906,795.42</b>	<b>\$17,470,575.37</b>

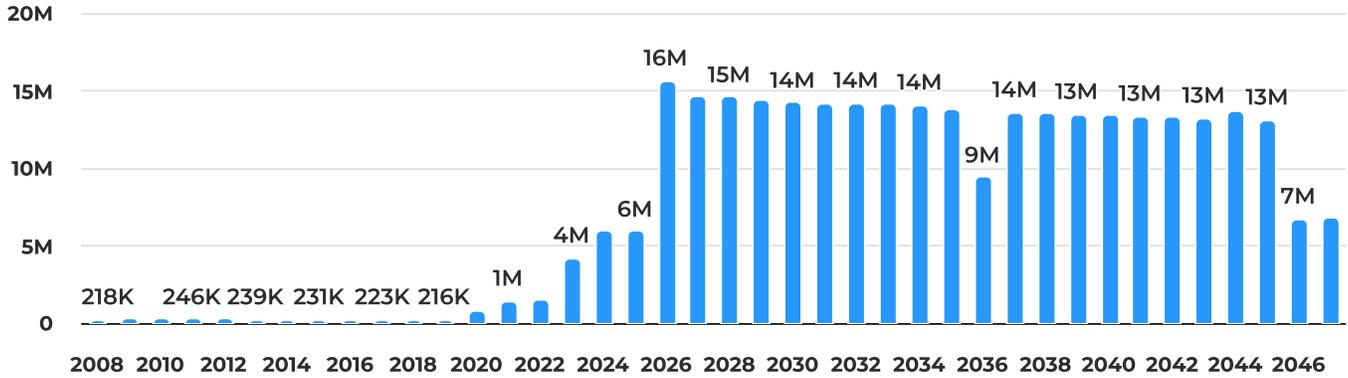
## General Fund Payment Debt Service Schedule



Fund Name	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
General Fund	\$2,668,786	\$2,697,200	\$2,228,651	\$2,036,816	\$2,268,295	\$1,931,848
<b>Total Debt</b>	<b>\$2,668,786</b>	<b>\$2,697,200</b>	<b>\$2,228,651</b>	<b>\$2,036,816</b>	<b>\$2,268,295</b>	<b>\$1,931,848</b>

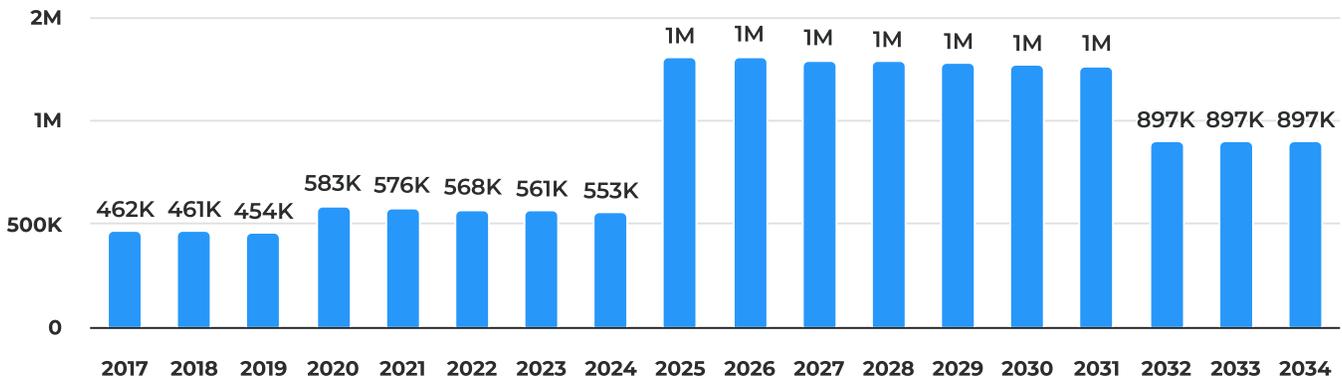


## Water Sewer Fund Debt Service Schedule



Fund Name	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Water Sewer Fund	\$5,937,997.68	\$15,625,100.00	\$14,665,183.76	\$14,601,805.58	\$14,362,798.66	\$14,270,832.56
<b>Total Debt</b>	<b>\$5,937,997.68</b>	<b>\$15,625,100.00</b>	<b>\$14,665,183.76</b>	<b>\$14,601,805.58</b>	<b>\$14,362,798.66</b>	<b>\$14,270,832.56</b>

## Electric Fund Debt Service Schedule



Fund Name	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Electric Fund	\$1,305,338.48	\$1,309,700.00	\$1,291,084.50	\$1,283,301.76	\$1,275,701.78	\$1,267,894.83
<b>Total Debt</b>	<b>\$1,305,338.48</b>	<b>\$1,309,700.00</b>	<b>\$1,291,084.50</b>	<b>\$1,283,301.76</b>	<b>\$1,275,701.78</b>	<b>\$1,267,894.83</b>





# APPENDIX



# FY26 Budget Message

Delivered with the Manager's Recommended Budget, May 19, 2025

## Executive Overview

The Town of Clayton shifted its approach to long-range planning with the formal adoption of a Strategic Plan. This Plan sets a clear vision for the future and organizes strategies around seven key focus areas:

- Vibrant Downtown
- Desirable Amenities and Spaces
- Sustainable Infrastructure Investment
- Mobility, Transportation, and Transit
- Diversified Economic Development
- Community Outreach and Engagement
- Public Safety

Cross-departmental teams are aligned to each focus area and are responsible for developing and implementing strategies, tactics, and Key Performance Indicators (KPIs) to advance the Plan's goals. These efforts align with Council priorities, departmental work plans, and the Master Plan Initiative, ensuring a cohesive approach to community growth and service delivery.

## Major Capital Projects and Infrastructure Investment

The Sam's Branch Water Reclamation Facility (SBWRF) is nearing completion, with commissioning expected by early 2026. Construction is also underway on a new sewer force main to connect flows from the East Clayton Industrial Area to the SBWRF. Additionally:

- A \$2.5 million major renovation of the library is in progress, requiring temporary relocation.
- Design is underway for a new maintenance building at Clayton Community Park, which will utilize remaining funds from the \$4.5 million general obligation bond issued in February 2024.

The Town continues to rely on capital improvement program (CIP) prioritization models and risk-based assessments for long-term planning and integration with utility rate models. An ongoing emphasis remains on completing existing projects, standardizing procedures, and improving operational efficiency.

## Economic Conditions and Financial Outlook

Unassigned Fund Balance on June 30, 2024 was \$16.7 million, including \$3.4 million available for discretionary use. This provides flexibility as market conditions evolve. Fund Balance for FY 2025 will be updated by the end of calendar year 2025.

Inflation moderated to 2.3% in April 2025 (down from 3.4% in April 2024), and the Federal Reserve has held interest rates steady in response to concerns over stagflation and economic uncertainty. In this environment, a cautious and conservative approach to FY 2026 spending is warranted. Long-term financial planning remains essential to maintaining fiscal health.

## Revenue Highlights

- Sales Tax: Revenues are projected at \$9.4 million for FY 2025, 7.1% higher than FY 2024 and 4.6% above budget. The FY 2026 budget includes a conservative 2.5% growth assumption, slightly below the 2.8% projection published by the NC League of Municipalities.



- Ad Valorem Taxes: FY 2025 collections are tracking in line with budget, with a year-to-date collection rate of 99.43%. Due to real property still under appeal as of this message, the FY 2026 collection rate is conservatively projected at 95.9%. Johnston County's recent property revaluation resulted in a 55.4% increase in total assessed value for the Town, with a 60.9% average increase in single-family residential home values.
- Building Permits: Revenues are projected to exceed budget by 30% in FY 2025 but are expected to decline in FY 2026 due to broader economic uncertainty.

**Tax Rate and Revaluation Impact**

State law requires the calculation of a revenue-neutral tax rate (RNTR) following revaluation. Clayton's RNTR for FY 2026 is \$0.45 per \$100 valuation, based on a 6.13% average annual growth since the last revaluation. However, the recommended rate is \$0.49, with five cents dedicated to funding the Town's \$115.6 million CIP.

One penny on the tax rate will generate approximately \$511,640 annually from real and personal property, plus an additional \$34,328 from registered motor vehicles.

It is important to note that the RNTR maintains the Town's overall revenue, not individual tax bills. Property owners whose real estate increased in value more than the Town-wide average will see higher bills, even under the RNTR. Additionally, since real property appreciated more rapidly than personal property, the tax burden is shifting more heavily to real property.

**Key Budget Drivers**

- General Fund: \$67,172,900
- Water and Sewer Fund: \$48,272,100
- Electric Fund: \$25,724,600
- Compensation and Benefits: The budget includes a 5% merit pool and a 2% cost-of-living adjustment (COLA). Employer contributions to the State Health Plan are projected to increase by 10% (from \$674.62 to \$742.00/month), and the retirement contribution will increase by approximately 0.9%.
- Utility Rates:
  - Water: 6% increase
  - Sewer: 12.5% increase
  - Combined average increase: 10.2% for 4,000 gallons/month, from \$134.39 to \$148.17
  - Electric: 2% increase (\$2.79/month for 900 kWh), driven by higher wholesale costs
- Staffing: The budget funds seven new full-time positions for a total of \$700k increase:
  - General Fund: Four positions (\$0.4 million)
  - Water & Sewer Fund: Two positions (\$0.2 million)
  - Electric Fund: One position (\$0.1 million)



# FY26 Expenditure Budget Summary

Expenditure Budget	General Fund	Water Sewer Fund	Electric Enterprise Fund	Total All Funds
Salaries and Benefits	\$31,084,800	\$3,996,900	\$1,601,800	\$36,683,500
Contract Services	5,651,000	5,047,800	452,000	11,150,800
Operating Expenses	11,806,227	2,579,700	811,300	15,197,227
Programs	1,176,900	9,139,215	13,180,617	23,496,732
Special Appropriations	1,767,743	400,000	100,000	2,267,743
Debt Service	2,697,200	15,625,100	1,309,700	19,632,000
Capital Outlay	17,964,298	2,240,000	6,195,000	26,399,298
Miscellaneous	(4,975,268)	9,243,385	2,074,183	6,342,300
<b>Total</b>	<b>\$67,172,900</b>	<b>\$48,272,100</b>	<b>\$25,724,600</b>	<b>\$141,169,600</b>



## Other Highlights

- Implementation of a base budgeting strategy in conjunction with ClearGov software for budgeting, capital improvement program, and the Strategic Plan.
- The FY26 General Fund budget is \$13.7 million higher than the \$53.5 million adopted FY 2025 budget, primarily due to additional capital projects and increased salary and benefit costs. These are partially offset by reduced contract service costs resulting from base budgeting. The budget is balanced with a combination of finance capital and fund balance.
- The Water & Sewer Enterprise Fund is \$11.2 million lower than the \$59.5 million adopted FY 2025 budget due to reduced capital outlay and water capacity purchases, partially offset by higher personnel and contract service costs.
- The Electric Enterprise Fund is \$6.2 million higher than the \$19.5 million adopted FY 2025 budget due to increased capital and debt service costs.
- Investment earnings are forecast to increase 40.2% compared to the FY 2025 budget, based on a 3.35% interest rate assumption (current: 4.28%) for funds with the NC Capital Management Trust.
- Fuel costs are based on U.S. Energy Information Administration projections with contingency included for volatility.
- A midyear budget review will be conducted and reported to Council.

## Goals and Initiatives

The Town's primary initiative is to execute the Strategic Plan Framework and Master Planning initiative. Key goals include:

- Implementing the Evergreen Solutions organizational structure
- Promoting leadership and succession planning
- Addressing staffing needs through recruitment and alignment strategies
- Developing internal capacity to manage current and future growth
- Launching staffing and operational plans for SBWRF
- Advancing CIP planning and delivery
- Continuing modernization initiatives for efficiency

In FY 2026, the Town will initiate the RFP process for a new ERP system and continue transitioning to Clariti Software for Inspections, Planning, and Engineering functions. Full implementation is expected in FY 2027.

## Conclusion

The Manager's recommended FY 2026 budget serves as a responsible blueprint that supports critical programs and investments aligned with the Strategic Plan. It acknowledges the economic uncertainty, anticipates possible revenue shortfalls, and responds to inflationary and tariff-related cost pressures. The midyear budget review will remain an essential fiscal management tool.

This budget funds priority services, mission-critical projects, and organizational development, ensuring the Town can meet growing demands while remaining fiscally resilient.

Special thanks are extended to all staff involved in budget preparation, particularly the Executive Team: Town Manager Rich Cappola, Deputy Town Managers Dolores Gill, Lee Barbee, and Courtney Tanner, Finance Director Robert McKie, Fire Chief David Ranes, Police Chief Greg Tart, and Budget Manager Todd Melton. Clayton is financially strong and guided by exceptional leaders ready to advance our community's progress.



# Town of Clayton

## History

In 1746, Johnston County was formed from a portion of Craven County. By 1758, when Dobbs County was created from Johnston County, the area that is now Clayton lay near the center of the county. A new courthouse was needed, and in 1759, William Hinton offered two acres of land near present-day Clayton Boulevard and NC Highway 42 East as the courthouse site. Known as Hinton's Quarter, this location served as Johnston County's courthouse from 1759 to 1771.

Governor William Tryon and his troops traveled along the road to the courthouse as they marched from New Bern to Hillsborough to confront the Regulators in 1771, camping at Hinton's Quarter on the night of May 4. Early businesses in the area included Gregory's Tavern, built near the old courthouse, and later Gulley's Store, where the first post office was established in 1845.



Main Street - 1909

With the construction of the North Carolina Railroad in 1853, development shifted west toward a new depot built on land owned by Mrs. Sarah Stallings, near present-day O'Neil and Front Streets. The post office moved closer to Stallings Station, and on January 30, 1856, the community was officially renamed Clayton. By 1859, a bill to incorporate the town was introduced in the state legislature but failed to advance. Ten years later, on April 12, 1869, Clayton finally received its charter—a delay whose cause remains unknown.

The Civil War brought sweeping changes. In the spring of 1861, local men organized a volunteer company known as the Clayton Yellow Jackets to serve the Confederacy. Four years later, on the morning of April 12, 1865, residents heard cannon

fire and gunshots as remnants of Confederate General Joseph E. Johnston's army clashed with 16,000 advancing Union troops under General William T. Sherman at the eastern edge of town. That night, near the Clayton depot, commissioners sent by Governor Zebulon B. Vance met with Sherman to negotiate the surrender of Raleigh.



Clayton Oil Mill - 1909

Despite the hardships of war, Clayton rebounded quickly. The railroad played a vital role in its recovery, transforming the Town into a thriving merchant hub. In the decades following the war, industries flourished, including turpentine distilleries, lumber plants, a brick kiln, cotton gins, gristmills, sawmills, tobacco warehouses, and two cotton mills. The Clayton Banking Company opened its doors in 1899, marking a new era of economic growth. By April 22, 1907, the *Raleigh Evening Times* hailed Clayton as “the wealthiest city for its size in the world.”

Progress continued into the early 20th century. In 1912, Clayton installed a modern waterworks and sewer system, followed by the introduction of electric lights in 1913. As the Town expanded, a new Town Hall was built to house municipal offices, a police department, and a volunteer fire department. In 1931, the Town further demonstrated its commitment to community development by establishing a public library.

The prosperity of the early 1900s, however, was interrupted by the Great Depression of the 1930s. Clayton's economy suffered, and while the cotton mills continued to operate for the next four decades as the area's primary employers, the Town never fully regained the rapid economic growth of the previous era.

The 1960s marked a period of renewed civic growth and cultural pride. Clayton organized its first Rescue Squad, and community groups such as the Clayton Civitan Club and the local 4-H Club were established. In April 1969, residents celebrated the Town's centennial with a week-long celebration. The highlight was an outdoor historical drama titled *First a Dream*, written by John B. Rogers and produced by George S. Elias, performed by local residents to showcase Clayton's history. During this decade, local schools were also fully integrated, reflecting broader social changes across the nation.



Clayton Cotton Mill - 1916

Industrial growth began shaping Clayton's future in the 1970s. Major employers such as Cutter Laboratories, Data General, Oneida Molded Plastics, and Natvar established operations in the area, providing new job opportunities and economic stability. The 1970 U.S. Census recorded Clayton's population at 3,103.

Growth continued through the following decades. By 1980, the population had increased to 4,091, and by 1990 it reached 4,756. Two major corporations further transformed Clayton's economic landscape: Caterpillar's Building and Construction Products Division opened in 1991, and Novo Nordisk, a global pharmaceutical manufacturer, established a facility in 1996, both becoming significant employers for the region.



J.A. Vinson Ford Agency & Garage - 1920

Clayton entered the 21st century as a rapidly growing community. In 2009, *BusinessWeek* ranked Clayton the tenth-best town in the nation for affordability and quality of schools. The following year, in 2010, the Clayton Historic District was added to the National Register of Historic Places. By then, the population had surged to 16,116. Despite the Town's growth, some of its oldest businesses—such as Beddingfield's Drugs (established in 1919), Jones Lunch (1958), and TR Lee Gas & Oil (1958)—remain in operation today, preserving a link to Clayton's heritage.

In 2019, residents celebrated the 150th anniversary of the Town's incorporation with a year-long sesquicentennial celebration. According to the 2020 Census, the Town of Clayton had grown to 26,307 residents, making it one of the fastest-growing communities in North Carolina.

Clayton has long provided a variety of recreational opportunities for its residents. Today, the Town is home to the Clayton Community Center, an extensive system of parks, greenways, and trails, as well as several public squares. Nearby Clemmons State Park offers walking trails and educational programs, continuing a tradition of outdoor activity in the area.

Cultural life in Clayton is anchored by The Clayton Center, located in the historic school auditorium and classroom building. The restored auditorium serves as a venue for performing arts and supports the Town's cultural and visual arts programming.

Clayton also maintains a strong tradition of community events, including the Farmers Market, Town Square Concert Series, Juneteenth Celebration, Independence Day festivities, the Clayton Harvest Festival, and the annual Clayton Christmas Parade. These gatherings reflect the town's long-standing commitment to community engagement and cultural enrichment.



Clayton Elementary, 1961

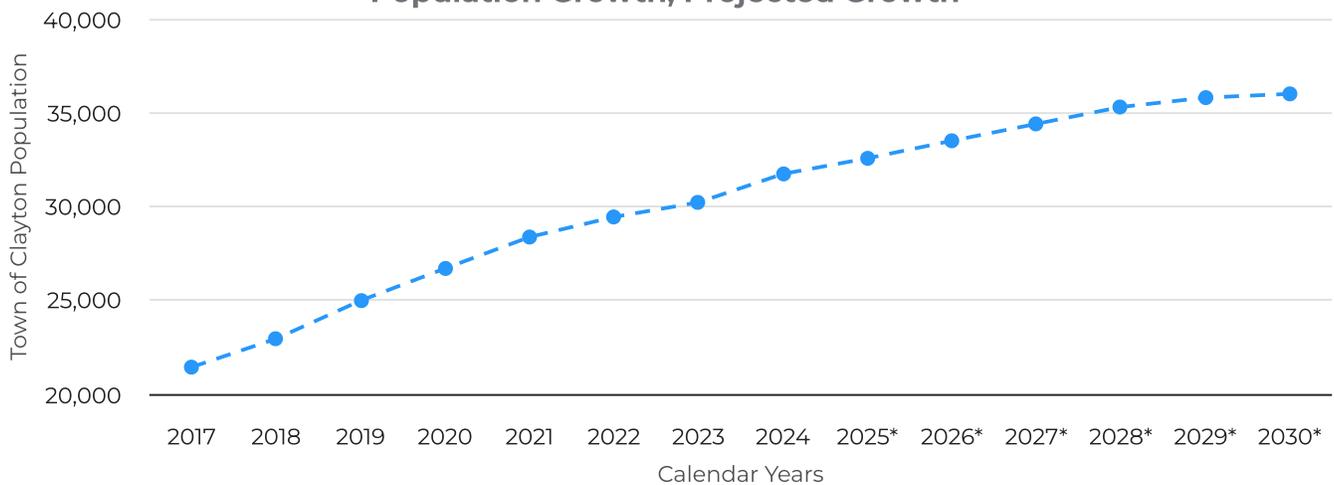
# Clayton Statistical Data

Clayton continues to experience steady growth as one of the fastest expanding communities in Johnston County and the Triangle region. This growth brings both opportunities and challenges, both shaping the Town’s approach to service delivery, infrastructure planning, and long-term financial management. The following statistical data highlights key demographic and economic trends that help inform the Town’s strategic priorities, budgetary decisions, and investment in provided services.

Understanding Clayton’s population growth, economic indicators, employment base, and broader overall context allows the Town to better anticipate future needs and ensure that resources are aligned with community expectations. These indicators are particularly important as Clayton balances rapid residential growth with the need for sustainable industrial and commercial development.

## Population

Population Growth, Projected Growth



\*Population is projected for 2025 and future years



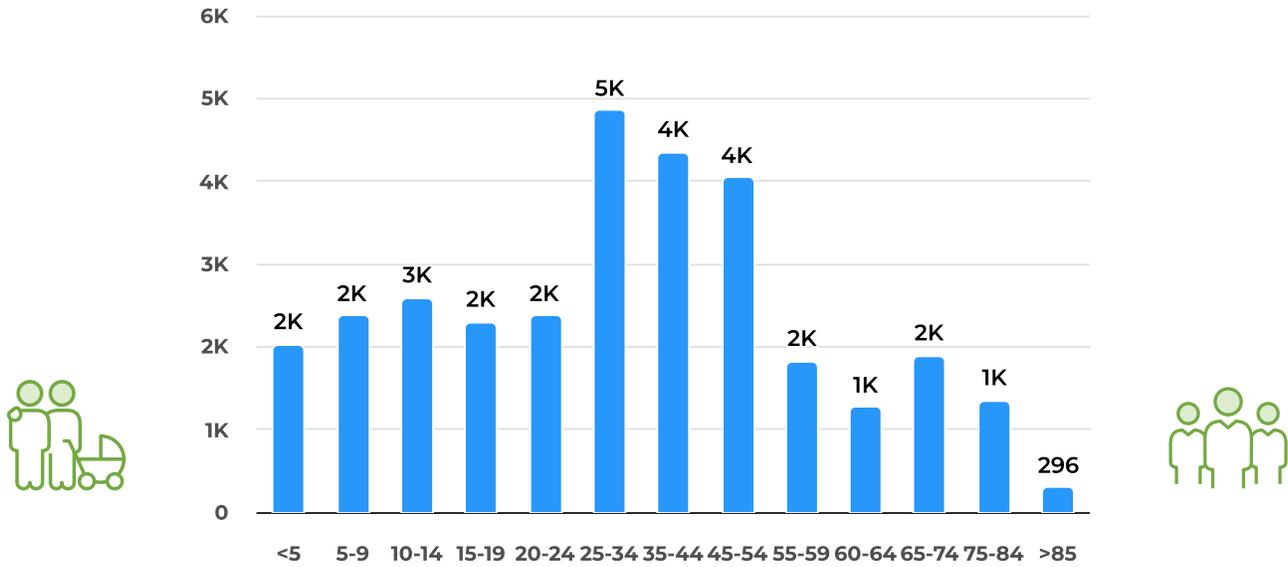
DAYTIME POPULATION

**27,650**

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

\* Data Source: Clayton, NC 2025

### POPULATION BY AGE GROUP

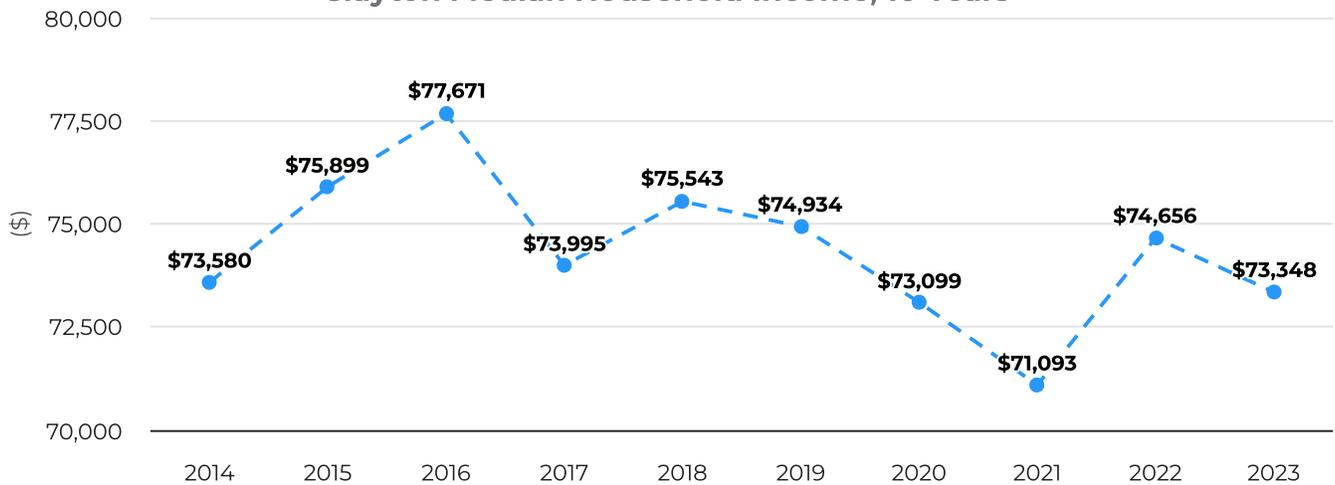


Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

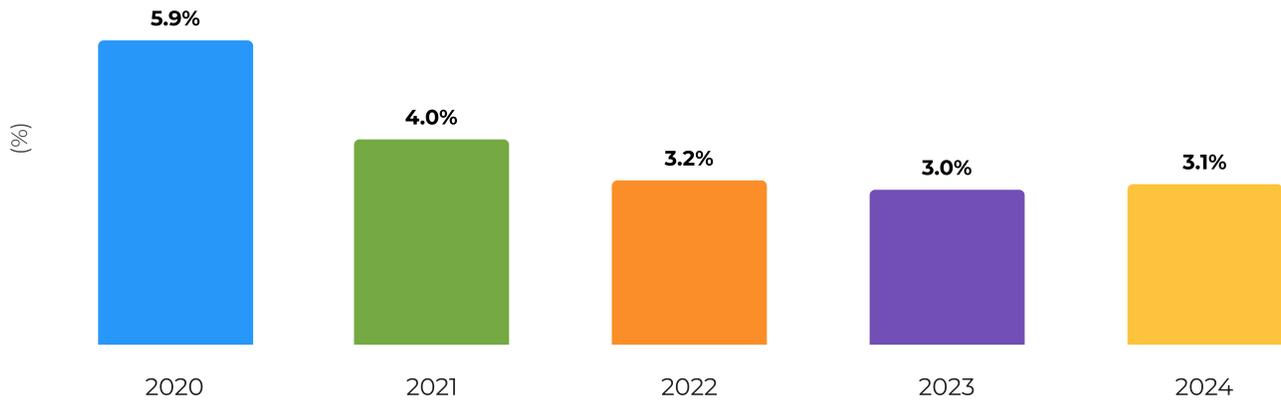
\* Data Source: Clayton, NC 2025

### Economic Data

#### Clayton Median Household Income, 10 Years



### Johnston County Unemployment Rate, 5 Years



### Largest Employers in Clayton

Employer	Sector	# of Employees (Approximate)
Novo Nordisk	Biopharma Manufacturing	2,000+
Grifols Therapeutics	Biopharma Manufacturing	1,800+
Johnston County Public Schools	Education	1,000+
Johnston Health (UNC Health)	Healthcare	1,000+
Johnston County (Government)	Public Administration	1,000+
Caterpillar	Manufacturing	500–999
Food Lion, Walmart, etc.	Retail/Manufacturing	500–999 each
Town of Clayton	Local Government	300+

# Glossary

**Accrual Basis of Budgeting:** An accounting method used for Enterprise Funds in which revenues are recognized when earned and expenses are recorded when incurred, regardless of the timing of cash receipts or payments.

**Appropriation:** A legal authorization from Clayton Town Council to expend money and incur obligations for specific public purposes. The Town's appropriation is limited to the information contained in the adopted budget ordinance, and only for the adopted timeframe (the Fiscal Year).

**Base Budgeting:** A method of developing the Town's annual budget by establishing a "base" level of funding for each account, typically using the average of actual expenditures from prior years. The base is then compared to current budgeted amounts, with adjustments made where budgeted levels are higher or lower than historical spending. In Clayton, base budgeting is applied primarily to operating expenses and part-time labor to ensure budget requests reflect realistic spending patterns.

**Bond:** A form of long-term borrowing used by governments and other organizations to fund major projects. When a bond is sold, investors lend money to the Town in exchange for regular interest payments and repayment of the original amount (principal) at a future date.

**Bond Rating:** An independent assessment of the Town's creditworthiness, issued by rating agencies such as Moody's, Standard & Poor's, or Fitch. Bond ratings indicate how likely the Town is to repay its debt on time and in full. Higher ratings result in lower borrowing costs because investors view the Town's bonds as safer investments.

**Budget:** A plan for allocating resources to support particular services, purposes and functions over a specified period of time.

**Budget Authority:** The legal authorization granted by the Town Council to incur obligations and make expenditures for specific purposes during a fiscal year. Budget authority ensures that spending is controlled, monitored, and aligned with the adopted budget.

**Capital Improvement Plan (CIP):** A multi-year planning tool that identifies and prioritizes the Town of Clayton's major capital projects and equipment needs, such as buildings, infrastructure, land, vehicles, and large equipment.

**Capital Assets:** Assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

**Capital Outlay:** Expenditures for the acquisition, construction, or improvement of long-term assets such as buildings, vehicles, equipment, and infrastructure. These purchases provide benefits over multiple years and are typically distinguished from routine operating expenses. When feasible, capital outlay is budgeted in the Town's operating budget. These examples include vehicles, small projects, and equipment. Larger capital projects that will span multiple fiscal years are generally budgeted in separate capital project funds.

**Capital Project:** A major, non-recurring expenditure that results in the acquisition, construction, improvement, or replacement of Town assets such as buildings, infrastructure, land, vehicles, or large equipment. Capital projects typically have a useful life of more than one year and are included within the Capital Improvement Plan (CIP) for planning and prioritization.

**Chargeback:** An internal accounting adjustment that allocates a General Fund department's costs to an Enterprise Fund department that benefits from its services. Chargebacks reduce the General Fund department's expenses while recording



corresponding charges in the Enterprise Fund departments, preventing double-counting and aligning costs with the beneficiaries.

**Comprehensive Growth Plan:** A long-range, strategic document adopted by the Town of Clayton to guide its future growth through 2045. It expands on the Town’s shared vision by organizing key themes—such as neighborhoods, parks and greenways, downtown vitality, and economic opportunity—into specific goals, objectives, and strategies.

**Consequence of Failure (COF)** – A measure of the potential impact if a utility asset were to fail. COF considers the effects on public health and safety, service delivery, the environment, regulatory compliance, and repair or replacement costs. COF is used as a criterion to rank Capital Improvement Plan projects in both enterprise funds.

**Cost of Living Adjustment (COLA):** An increase in employee compensation intended to offset the effects of inflation and maintain purchasing power. COLAs are typically applied as a percentage increase to salaries and wages based on changes in a cost-of-living index or other economic indicators.

**Debt Service:** The annual payments of principal and interest required to repay the Town’s outstanding debt. Debt service ensures that the Town meets its legal and financial obligations related to borrowing.

**Department:** An organizational unit within the Town responsible for delivering specific programs, services, or functions. Each department manages its own budget and staff to carry out activities aligned with the Town’s goals and strategic priorities.

**Division:** A functional unit within a department that carries out specialized services or activities. Divisions help organize work more efficiently and ensure that specific program areas or operational responsibilities are managed effectively.

**Electric Fund:** An enterprise fund that finances the operation and maintenance of the Town’s electric utility, which provides power to over 9,200 customers. All revenue comes from electric sales and service fees, which are reinvested into infrastructure upgrades, energy purchases, and reliability improvements.

**Enterprise Fund:** A fund used to account for operations that are financed and operated without using tax funding, where the intent is that the costs of providing services are recovered primarily through user fees or charges. The Town has two enterprise funds: Water Sewer Fund and Electric Fund.

**Expenditure** – An outlay of money by a municipality to provide programs and services within its approved budget. Expenditures in the Town of Clayton’s budget include payroll and benefits, operating expenses, programs, contractual obligations, capital outlay, debt service, special appropriations, and miscellaneous expenses.

**Fiscal Year:** The 12-month period for which an organization plans the use of its funds. The Town of Clayton's fiscal year is July 1 - June 30.

**Fund:** An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations. The Town has 3 main operating funds - General Fund, Water Sewer Fund, Electric Fund.

**Fund Balance:** The difference between a fund’s assets and liabilities, similar to equity in private-sector accounting. Fund balance serves as a measure of financial health and provides resources for cash flow, emergencies, or future needs.

**Funding Source:** The origin of revenues that support the Town’s budget. These sources include property taxes, sales taxes, fees, grants, and other revenues that provide the financial resources for Town operations and services.

**General Fund:** The fund used to account for most financial resources and activities governed by the appropriation process.

**General Ledger Account:** A record used to track all financial transactions for a specific category, such as salaries, supplies, or utilities. Together, these accounts make up the Town’s general ledger, which serves as the central record of all financial



activity.

**General Obligation Bonds:** A type of bond backed by the “full faith and credit” of the Town, meaning it is supported by the Town’s ability to levy property taxes to repay the debt. GO Bonds require voter approval. Town example - current Parks & Recreation renovations and updates were financed by a GO Bond issuance

**Installment Financing:** A method of borrowing in which the Town finances a project or purchase by making a series of payments over time, similar to a mortgage or car loan. The Town does not issue public bonds but instead enters into an agreement with a lender, pledging the asset being financed (such as a building, vehicle, or equipment) as security.

**LAPP Funding (Locally Administered Projects Program Funding):** A competitive federal funding source, administered through regional Metropolitan Planning Organizations (MPOs), that supports local transportation projects.

**Likelihood of Failure (LOF):** A measure of how probable it is that a utility asset (such as a pipe, pump, or facility) will fail within a given timeframe. LOF takes into account factors like the asset’s age, condition, material, and maintenance history. LOF is used as a criterion to rank Capital Improvement Plan projects in both enterprise funds.

**Local Government Budget and Fiscal Control Act (LGBFCA):** [North Carolina General Statutes Chapter 159, Article 3](#); establishes the legal framework for budgeting, financial reporting, and fiscal management for local governments. It requires annual balanced budgets, outlines the role of the budget officer, and sets standards for accountability and transparency.

**Modified Accrual Basis of Budgeting:** An accounting method used for the General Fund in which revenues are recognized when they are measurable and available to fund current operations, and expenditures are recorded when the related liability is incurred, regardless of when cash is paid.

**North Carolina Local Government Commission (LGC):** A division of the North Carolina Department of State Treasurer that oversees the financial well-being of local governments. The LGC monitors compliance with state fiscal laws, provides guidance on financial management, and approves most local government debt issuances.

**Operating Budget:** A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

**Paygo (Pay-As-You-Go Financing):** A method of funding capital projects using current revenues, fund balance, or other available cash rather than issuing debt. Paygo avoids interest costs and keeps the Town’s debt levels lower, but it can limit the size or timing of projects since funding depends on money already on hand.

**Procurement:** The process by which the Town acquires goods and services needed to provide public services. Procurement includes activities such as requesting bids, evaluating proposals, selecting vendors, and issuing contracts, all while ensuring fairness, transparency, and compliance with legal requirements.

**Revaluation:** The process by which Johnston County updates the assessed value of all real property within the county to reflect current market value. Required by [N.C. General Statute § 105-286](#), counties must conduct a revaluation at least once every eight years (Johnston County is currently transitioning to a 4-year cycle). Revaluation ensures that property tax assessments are fair and equitable across all property owners.

**Revenue:** Inflows of resources or other enhancements of assets of an organization; The Town of Clayton realizes revenues through Ad Valorem taxes, sales taxes, intergovernmental revenues, permits and fees, sales revenues, grants, donations, and miscellaneous sources like interest income.

**Revenue Bond:** A type of bond repaid only from the revenues generated by the specific project or service it funds (such as water or sewer fees). Unlike GO Bonds, Revenue Bonds are not backed by property taxes. Town example - Electric Enterprise expansion in FY26 is partially funded through issuance of a revenue bond.



**Revenue Neutral Tax Rate:** The property tax rate that would generate the same amount of revenue as the previous year after a countywide property revaluation, excluding growth from new construction or improvements. It is calculated in accordance with [N.C. General Statute § 159-11\(e\)](#) and must be published in the annual budget message when a revaluation occurs.

**Tax Rate:** The amount of property tax stated in terms of a unit of the municipal tax base; for Clayton, the adopted FY26 rate is \$0.49 per \$100 of assessed valuation of taxable real and personal property.

**Water Sewer Fund:** An enterprise fund that supports all aspects of providing clean, reliable drinking water and safe wastewater treatment to residents and businesses. It's funded entirely through user fees, connection charges, and permit revenues—no tax dollars are appropriated or received in this fund.

# Contact Us

We welcome your questions and feedback about the Town of Clayton's FY 25–26 Budget.

## General Questions or Inquiries

If you have questions about the budget or need clarification, please email us at [budget@townofclaytonnc.org](mailto:budget@townofclaytonnc.org).

## Requests for Additional Documentation

If you are seeking copies of budget-related records or supporting documents, these must be requested through the Town's official [Public Records Request Portal](#). Public records requests ensure transparency and compliance with North Carolina law.

