

GENERAL FUND REVENUE	2007-08	2008-09	2009-10	2009-10	2010-11	% CHANGE
	ACTUAL	ACTUAL	ADOPTED	ESTIMATED	ADOPTED	2010/11 FROM
	06/30/08	06/30/09	BUDGET		BUDGET	2009/10
AD VALOREM TAX						
PRIOR YEAR	\$71,938	\$79,176	\$72,500	\$80,283	\$80,000	10%
CURRENT YEAR	\$9,950,734	\$10,723,627	\$10,863,818	\$10,920,222	\$10,920,222	1%
PENALTY & INTREST	\$18,881	\$21,326	\$20,000	\$21,000	\$21,000	5%
TOTAL AD VALOREM TAX	\$ 10,041,553	\$ 10,824,129	\$10,956,318	\$11,021,505	\$11,021,222	1%
LOCAL SALES TAXES						
LOCAL OPTION SALES TAX 1%	\$ 1,113,869	\$ 1,093,269	\$986,963	\$1,056,819	\$1,078,500	9%
LOCAL OPTION SALES TAX 1/2% #1	\$ 835,434	\$ 760,211	\$735,606	\$710,340	\$720,992	-2%
LOCAL OPTION SALES TAX 1/2% #2	\$ 829,642	\$ 753,381	\$782,721	\$630,265	\$639,716	-18%
LOCAL SALES TAX REALLOCATION	\$ -	\$ (3,876)	\$0	\$ -	\$0	
LOCAL OPTION SALES TAX 1/2% #3	\$ 603,825	\$ 285,697	\$0	\$ 179,775	\$182,473	
SALES TAX - CITY HOLD HARMLESS	\$ -	\$ 249,154	\$556,755	\$ 433,945	\$440,455	-21%
TOTAL LOCAL SALES TAXES	\$ 3,382,770	\$ 3,137,836	\$3,062,045	\$3,011,144	\$3,062,136	0%
OTHER TAXES/LICENSES						
MOTOR VEHICLE LICENSES	\$ 185,230	\$ 219,588	\$ 268,000	\$268,000	\$ 271,000	1%
MOTOR VEHICLE LIC - TRANS ONLY	\$ 61,743	\$ 92,822	\$ 61,743	\$62,500	\$ 55,000	-11%
MOTOR VEHICLE LIC - GROSS RECEIPTS	\$ -	\$ 1,403	\$ -	\$750	\$ 750	
PRIVILEGE LICENSES	\$ 76,070	\$ 82,964	\$62,000	\$83,000	\$76,000	23%
TIME WARNER FRANCHISE	\$ 32,252	\$ 31,878	\$0	\$0	\$0	
TOTAL OTHER TAXES/LICENSES	\$ 355,295	\$ 428,655	\$391,743	\$414,250	\$402,750	3%
UNRESTRICTED INTERGV						
FRANCHISE TAX	\$ 329,932	\$ 337,786	\$ 326,208	\$327,000	\$ 329,298	1%
PIPED NATURAL GAS TAX	\$ 40,851	\$ 49,676	\$ 41,525	\$48,186	\$ 46,741	13%
UTILITY FRANCHISE REALLOCATION	\$ (3,061)	\$ (1,225)	\$ -	\$0	\$ -	
VIDEO SALES PROGRAMMING	\$ 200,343	\$ 234,379	\$ 220,837	\$229,692	\$ 227,395	3%
WINE AND BEER	\$ 85,730	\$ 86,128	\$ 85,730	\$57,706	\$ 29,571	-66%
SALES TAX-TELECOMMUNICATIONS	\$ 216,265	\$ 236,833	\$ 242,368	\$227,360	\$ 222,813	-8%
NC DOT REIMBURSEMENT	\$ 4,726	\$ 4,223	\$ 4,200	\$4,200	\$ 4,200	0%
TOTAL UNRESTRICTED INTERGV	\$ 874,785	\$ 947,801	\$920,868	\$894,143	\$860,018	-7%
RESTRICTED INTERGVMT						
POWELL BILL	\$ 540,474	\$ 493,378	\$411,702	\$441,079	\$415,154	1%
NC RISK MGMT AGENCY GRANT	\$ 750	\$ -	\$750	\$750	\$750	0%
NCDEHNR AAT	\$ -	\$ -	\$0	\$ -	\$ -	
SOLID WASTE DISPOSAL TAX DIST.	\$ -	\$ 8,925	\$0	\$8,925	\$8,500	
PLANNING WORK GRANT	\$ 25,061	\$ 25,406	\$22,740	\$22,740	\$22,740	0%
NCDOT BIKE AND PED PROGRAM	\$ 10,850	\$ 34,650	\$0	\$0	\$0	
CHAPEL HILL SUPPLEMENT	\$ 3,725	\$ -	\$0	\$0	\$0	
50006 CLEAN WATER ACT GRANT	\$ -	\$ 45,000	\$0	\$0	\$0	
RECREATION-MUNICIPAL SUPPLEM	\$ 35,898	\$ 35,933	\$35,898	\$35,898	\$35,898	0%
RECREATION - ARTS COMM GRANT	\$ 1,500	\$ 1,500	\$0	\$1,500	\$1,500	
RECREATION - ARTS COMM GRANT	\$ 1,500	\$ 1,500	\$0	\$750	\$750	
DEPT JUSTICE BLOCK GRANT	\$ -	\$ -	\$0	\$ -	\$ -	
RECREATION - ARTS COMM GRANT	\$ -	\$ -	\$0	\$1,500	\$ -	
STROWD ROSES GRANT	\$ -	\$ -	\$0	\$3,500	\$ -	
STROWD ROSES GRANT	\$ -	\$ -	\$0	\$500	\$ -	
STROWD ROSES GRANT	\$ -	\$ -	\$0	\$1,000	\$ -	
NC DOJ FINGERPRINT GRANT	\$ -	\$ 23,780	\$0	\$0	\$0	
DEPT OF JUSTICE BLOCK GRANT	\$ -	\$ 6,777	\$0	\$0	\$0	
BYRNE GRANT	\$ -	\$ -	\$0	\$ -	\$ -	
FEMA REIMBURSEMENT GRANT	\$ -	\$ -	\$0	\$ -	\$ -	
FIREFIGHTERS GRANT	\$ -	\$ -	\$0	\$ -	\$ -	
CHANNEL 18 GOVT ACCESS GRANT	\$ -	\$ 7,136	\$0	\$0	\$0	
SAFER GRANT	\$ -	\$ 110,716	\$86,065	\$86,065	\$62,189	-28%
ECON DEV GRANT FR ORG COUNTY	\$ -	\$ 1,000	\$0	\$0	\$0	
FIRE GRANT FOR CAR SEATS	\$ 1,379	\$ 4,259	\$0	\$0	\$0	
BYRNE GRANT	\$ -	\$ -	\$0	\$35,646	\$ -	
BYRNE GRANT	\$ -	\$ -	\$0	\$8,663	\$ -	
ABC BOARD GRANT	\$ 11,725	\$ -	\$5,800	\$6,605	\$6,500	12%
SEIZURES REVENUE, STATE	\$ 14,076	\$ 10,442	\$960	\$2,692	\$0	-100%
SEIZURES REVENUE, FEDERAL	\$ 21,021	\$ -	\$0	\$0	\$0	
TOTAL RESTRICTED INTERGVMT	\$ 667,959	\$ 810,401	\$563,915	\$657,813	\$553,981	-2%

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	ACTUAL	ACTUAL	ADOPTED	ESTIMATED	ADOPTED	2010/11 FROM
	06/30/08	06/30/09	BUDGET		BUDGET	2009/10
FEES AND PERMITS						
MISC. RETURNED CHECK FEE	\$ 397	\$ 225	\$0	\$75	\$0	
TIME WARNER PEG FEES	\$ 14,415	\$ 11,609	\$12,000	\$5,954	\$12,000	0%
TOWER REVENUE	\$ 134,360	\$ 120,417	\$119,984	\$119,984	\$123,477	3%
PRIVILEGE LICENSE, LATE FEE	\$ 1,336	\$ 2,222	\$0	\$1,699	\$0	
COURT COST OFFICER FEES	\$ 6,043	\$ 5,105	\$3,000	\$3,195	\$3,000	0%
PARKING VIOLATIONS	\$ 7,775	\$ 5,850	\$3,500	\$3,500	\$3,500	0%
CHCCS -SRO CONTRACT	\$ 97,468	\$ 107,624	\$107,624	\$107,624	\$107,624	0%
DOG FEES	\$ 4,900	\$ 6,495	\$5,000	\$5,000	\$5,000	0%
ANIMAL VIOLATIONS	\$ 25	\$ 25	\$300	\$25	\$300	0%
FIRE DIST. FEES	\$ 442,900	\$ 429,969	\$423,966	\$423,966	\$420,878	-1%
CAR SEAT SALES	\$ 1,020	\$ 630	\$0	\$840	\$0	
FALSE ALARM FEES			\$0	\$0	\$0	
FIRE PERMIT FEES	\$ 775	\$ 4,700	\$3,200	\$4,953	\$4,800	50%
RE-INSPECTION FEE				\$700	\$0	
REPORTS	\$ 435	\$ 144	\$250	\$40	\$100	-60%
SIGN PERMITS	\$ 480	\$ 420	\$350	\$680	\$500	43%
SIGN PERMITS			\$0	\$135	\$0	
ENGINEERING FEE	\$ 47,214	\$ 38,084	\$40,000	\$23,164	\$30,000	-25%
DEV REVIEW FEE	\$ 21,352	\$ 36,303	\$25,000	\$24,592	\$20,000	-20%
STREET INSPECTION FEES	\$ -	\$ -	\$500	\$0	\$100	-80%
TECHNICAL REVIEW-FUTURE EQPMT	\$ -		\$0		\$0	
TECHNICAL REVIEW		\$ 7,698	\$0	\$19,200	\$10,000	
BUILDING PERMITS	\$ 63,204	\$ 50,613	\$50,000	\$99,079	\$55,000	10%
ELECTRIC PERMITS	\$ 59,745	\$ 55,561	\$45,000	\$89,136	\$50,000	11%
MECH. PERMITS	\$ 47,115	\$ 40,739	\$40,000	\$72,391	\$40,000	0%
RE-INSPECTION FEE	\$ 1,845	\$ 1,185	\$3,500	\$500	\$600	-83%
PLUMBING	\$ 39,140	\$ 38,976	\$40,000	\$59,288	\$40,000	0%
HOMEOWNERS RECOVER FEES	\$ 150	\$ 103	\$100	\$400	\$400	300%
RECYCLING FEES	\$ 5,350	\$ 4,872	\$6,500	\$5,200	\$4,800	-26%
STREET CUTS	\$ 180	\$ -	\$0	\$518	\$0	
DRIVEWAY PIPE INSTALLATION	\$ -		\$0			
STREET SIGNS	\$ 5,132	\$ 255	\$0	\$178	\$0	
DRIVEWAY PERMIT FEES	\$ 170	\$ 480	\$0	\$80	\$0	
STREET CLOSING	\$ 600	\$ 6,315	\$500	\$1,185	\$500	0%
PERM RGT OF WAY CLOSING FEE	\$ 120	\$ 80	\$0	\$120	\$0	
REFUSE COLLECTION FEES	\$ 1,950	\$ 875	\$1,500	\$685	\$1,500	0%
REFUSE COLLECTION - DUMPSTER	\$ 69,166	\$ 84,453	\$88,788	\$88,788	\$88,788	0%
BLDG STRUCTURE MVG PERMIT FEE			\$0		\$0	
TOTAL FEES & PERMITS	\$ 1,074,761	\$ 1,062,026	\$1,020,562	\$1,162,874	\$1,022,867	0%
SALES & SERVICES						
RECREATION FEES	\$ 184,877	\$ 198,109	\$203,000	\$205,760	\$ 168,587	-17%
DISCOUNT -RECREATION FEES	\$ -	\$ (11,644)	\$0	\$ (11,644)	\$ (11,644)	
TOWN CENTER FEES	\$ 85,666	\$ 82,612	\$96,300	\$84,345	\$ 94,760	-2%
DISCOUNT - TOWN CENTER FEES	\$ -	\$ (8,248)	\$0	\$ (8,248)	\$ (8,248)	
SALES- MERCH & CONCESSIONS		\$ -	\$0		\$ 1,000	
SALES- MERCH & CONCESSIONS		\$ -	\$0		\$ 150	
TOTAL SALES & SERVICES	\$ 270,543	\$ 260,829	\$ 299,300	\$ 270,213	\$ 244,606	-18%

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	ACTUAL	ACTUAL	ADOPTED	ESTIMATED	ADOPTED	2010/11 FROM
	06/30/08	06/30/09	BUDGET		BUDGET	2009/10
INVESTMENT EARNINGS						
INTEREST EARNED-OWASA SUBSIDY	\$ -	\$ 1,358	\$0	\$1,300	\$0	
INTEREST EARNED	\$ 392,956	\$ 149,960	\$100,000	\$65,000	\$50,000	-50%
TOTAL INVESTMENT EARNINGS	\$ 392,956	\$ 151,318	\$ 100,000	\$ 66,300	\$ 50,000	-50%
OTHER REVENUES						
RENT-FARMER'S MKT	\$ 2,000	\$ 2,370	\$2,000	\$2,370	\$2,000	0%
MISC INVENTORY	\$ -	\$ 660	\$0	\$0	\$0	
MISCELLANEOUS	\$ 50,759	\$ 44,462	\$1,500	\$624	\$1,500	0%
SALE OF MATERIAL	\$ 6,296	\$ 2,917	\$0	\$481	\$0	
SALES OF CEMETERY LOTS	\$ 12,870	\$ 9,060	\$5,000	\$9,000	\$6,000	20%
SALE/ FIXED ASSETS	\$ 57,880	\$ 32,764	\$10,000	\$4,529	\$10,000	0%
DONATIONS - ART COMM	\$ 141	\$ -	\$0	\$0	\$0	
DONATIONS - CD & MEMORABILIA	\$ 975	\$ 2,630	\$1,200	\$2,600	\$1,200	0%
DONATIONS, CRAFT MKT						
54800 DONATIONS-WALK CARRBORO	\$ -	\$ 4,996	\$0	\$0	\$0	
54900 DONATIONS-COMEDY THEATER	\$ -	\$ 500	\$0	\$0	\$0	
GREEN AWAKENING PROJECT		\$ 1,500	\$0	\$0	\$0	
MISCELLANEOUS	\$ 6,829	\$ 319	\$500	\$21	\$500	0%
DONATIONS BULLETPROOF VEST	\$ -	\$ 750	\$0	\$0	\$0	
POLICE MISC	\$ 5,783	\$ 3,926	\$2,500	\$5,692	\$2,500	0%
SALARY REIMBURSEMENT/SPEC EVT	\$ 953	\$ -	\$0	\$0	\$0	
FIRE MISC	\$ 4,259	\$ 2,146	\$1,000	\$2,577	\$1,000	0%
MISCELLANEOUS	\$ 2,733	\$ 492	\$500	\$827	\$500	0%
REFUSE CART SALES	\$ 3,730	\$ 4,138	\$3,500	\$3,408	\$3,500	0%
YARD WASTE CONTAINERS	\$ 2,767	\$ 2,430	\$2,600	\$1,651	\$2,600	0%
MISCELLANEOUS	\$ 504	\$ 1,508	\$0	\$31	\$0	
DONATIONS	\$ -	\$ 467		\$31		
DONATIONS - CARRBORO DAY	\$ 45		\$50	\$0	\$50	0%
DONATIONS - MUSIC FESTIVAL	\$ 10,504	\$ 10,441	\$12,500	\$8,100	\$10,439	-16%
DONATIONS-POETRY ALIVE IN CARRBORO	\$ 152	\$ -	\$100	\$30	\$0	-100%
DONATIONS - JULY 4TH	\$ 1,417	\$ 1,547	\$1,250	\$135	\$0	-100%
DONATIONS - CARRBORO PARKS PROJECTS	\$ 7,533	\$ 5,450	\$0	\$883	\$0	
DONATIONS - FILM FESTIVAL	\$ 3,514	\$ 4,504	\$4,500	\$3,034	\$1,890	-58%
DONATIONS ARTS COMMITTEE	\$ 35	\$ 340	\$375	\$0	\$390	4%
DONATIONS - RECREATION MISC	\$ 224	\$ -	\$0	\$0	\$0	
PLANNING MISC.	\$ -	\$ 1,699	\$0	\$0	\$0	
TOTAL OTHER REVENUES	\$ 181,901	\$ 142,015	\$49,075	\$46,024	\$44,069	-10%
		\$ -				
OTHER FINANCING SOURCES						
INSTALLMENT FINANCING PROCEEDS	\$ 1,668,939	\$ -	\$620,496	\$620,496	\$560,500	-10%
FUND BALANCE APPROPRIATED	\$ -		\$546,306	\$0	\$526,591	-4%
TRANSFER FR GRANT FUND		\$ 34,200	\$0		\$0	
TRANSFER FR CAP RESERVE FUND	\$ 357,000		\$544,806	\$544,806	\$176,945	-68%
TRANSFER FROM CAPITAL PROJ FD	\$ -	\$ -	\$0		\$0	
TOTAL OTHER FINANCING SRCE	\$ 2,025,939	\$ 34,200	\$1,711,608	\$1,165,302	\$1,264,036	-26%
TOTAL REVENUES	\$ 19,268,463	\$ 17,799,211	\$19,075,434	\$18,709,568	\$18,525,685	-3%

GENERAL FUND REVENUE DESCRIPTIONS

The following information briefly explains the major sources of revenue and describes the means used to project anticipated income for the Town of Carrboro in the FY10-11 Budget.

AD VALOREM TAXES

The largest single source of revenue to municipalities in North Carolina is the Ad Valorem revenue which represents a tax paid by those owning property within the municipality. Ad Valorem Taxes or property tax income includes real property, motor vehicle and business personal property taxes.

The general reappraisal of real property for the Town produced an estimated total property valuation of \$1,900,491,499 including motor vehicle billings. Each penny on the tax rate generates approximately \$185,277.

The General Assembly has approved various higher exemptions for senior citizens aged 65 or older and for citizens, including veterans, who are 100% disabled and subsist on a specified household income. These exemptions are expected to reduce the tax base available for taxation by an estimated \$7,009,327. This action, while attempting to reduce the impact of the overall tax burden of this population, does result in a loss in property tax revenue of \$41,313.

LOCAL SALES TAXES

The State collects and distributes the proceeds from the local levied tax on retail sales consisting of a 1% sales tax (Article 39); and three ½% sales tax (Articles 40, 42 & 44). The Article 44 sales tax was implemented in 2002. Food is exempted from this tax. In exchange for Article 44, the General Assembly repealed local government reimbursements for inventory tax, intangibles tax, tax on food stamp purchases, and homestead exemption. In 2007, the General Assembly passed legislation to have the State assume county Medicaid costs and eliminate the Article 44 local sales tax. Effective October 1, 2008, the state took over one quarter cent of the Article 44 local options sales tax and effective

October 1, 2009, the state took over the remaining one-quarter cent of that local tax. *The legislation provides for municipalities to be completely reimbursed for the loss of their share of these tax revenues, including growth.* The first one-quarter cent was replaced by a payment equal to 50% of the amount each municipality receives from the Article 40 local sales tax and the second one-quarter cent will be replaced by a payment equal to 25% of the amount each municipality receives for the Article 39 local sales tax.

Funds for the hold harmless payment to municipalities come from the counties' share of sales tax revenues. There is no expiration date on the hold harmless payments. The legislation also changes the distribution for the Article 42 local option sales tax from per capita to point of delivery distribution. *A hold harmless provision ensures that this change will not affect municipal distributions.*

With these unique economic times, town staff is projecting no change in the sales tax receipts.

OTHER TAXES AND LICENSES

This category of revenue is comprised of motor vehicle licenses, privilege licenses, and the Time-Warner Franchise.

Privilege Licenses - Privilege Licenses are issued annually to entities conducting business within the Town of Carrboro. The type of business conducted determines the fee charged. Businesses, where not restricted by state law, are assessed a fee based on gross receipts earnings. Expected revenue from privilege licenses is expected to remain stable showing approximately \$76,000 based on historical and current trends.

Motor Vehicle License Tax –The vehicle license tax is \$30 per car. The Town allocates \$5 of this motor vehicle license fee to offset cost increases paid by the Town for the transit partnership with Chapel Hill and UNC-Chapel Hill.

Time Warner Franchise Agreement - The largest revenue in this category was the franchise revenues received from Time Warner franchise agreement where the Town is paid five percent of the gross revenues collected on Carrboro subscribers. Given the legislative changes, this revenue capacity became limited.

The Town's definition of "gross revenues" or "gross receipts" is broader than the state's for its sales tax, and is eligible to collect franchise taxes on those items not covered by the state definition. The town, like numerous other municipalities, expected to collect these revenues until franchise agreement expired. The Town's agreement ends in 2011. *These revenues are available so long as no other cable competitor identifies Carrboro as a service area. At this time, the Town does not expect to earn revenue under the Time Warner Cable Franchise.*

UNRESTRICTED INTERGOVERNMENTAL REVENUE

This category of revenue is primarily comprised of state-collected local revenues that are not directed to specific programs or services. Primarily comprised of state-collected local revenues that once was simply known as the utility franchise tax, this category of revenue shows an increase due to growth despite the effects of a recession.

Local Video Programming Revenues- Beginning January 1, 2007, local governments were no longer able to impose franchise taxes on video programming services. In conjunction, a sales tax on video programming services was added by the State that covered some of the same revenue received directly by local governments. The first distribution of the state video programming revenues to local governments was in early June 2007.

According to the North Carolina League of Municipalities, video programming revenues in the current year are expected to be 1-2 percent below the FY08-09 receipts. It is expected that the receipts for FY10-11 will remain at FY09-10 levels or increase by 1%. The Town estimates a slight increase based on trends.

Electricity Franchise Tax – represents actual receipts from electric services within the municipal boundaries. This revenue source is affected by changes in population and highly sensitive to weather. Based on previous and current collections, this revenue is estimated to increase remain relatively flat at \$329,298.

Piped Natural Gas Excise Tax - This revenue represents an excise tax on piped natural gas. Amounts received are based on monthly therm volumes received by the end-user of the gas. This revenue was separated from electric franchise tax (formerly called utility franchise revenue) in 1998 and is distributed by a formula that establishes a "benchmark" or minimum revenue to be received by the municipality. Additional revenue may accrue to the jurisdiction once all municipalities receive their share of the benchmark. Per the League of Municipalities, these revenues are expected to be flat next year or even decline given that natural gas use by industry is declining due to the recession.

Wine and Beer Tax – provides for the distribution of 23.75% state beer tax collections to local governmental units in which beer is legally sold. It further provides for taxes on unfortified wine and 22% of collections for taxes on fortified wine to local governmental units in which wine is legally sold, on a per capita basis. The Town's share of these revenues is expected to be reduced by two-thirds, the difference representing the portion retained by the State of North Carolina as a measure to balance the state budget. This action was taken by the state in balancing the FY09-10 budget and is anticipated to continue through the next budget cycle.

Telecommunication Sales Tax- In 2001, the General Assembly replaced the utility franchise tax on local telephone service with a new sales tax on telecommunications. The Town experienced its first full fiscal year of telecommunications tax revenue effective June 30, 2003. According to the League, the statewide growth in this revenue is estimated to decline in FY09-10 and continue to decline in FY10-11 by another 1.5-2.5 percent.

RESTRICTED INTERGOVERNMENTAL REVENUE

Restricted intergovernmental revenues represent state and federal grants or other local governmental revenues received for specific purposes by the Town, the largest of which is the recurring Powell Bill grant funds for street resurfacing.

Powell Bill – These grant revenues are generated from the State’s gasoline tax and a percentage of this tax is returned to the municipality through a formula based on population and street mileage. Powell Bill funds can only be used for street maintenance, construction, traffic signs, sidewalks, curbs, gutters, drainage and other related needs. While the budget is slightly increased, Carrboro shows a 16 percent decrease over actual receipts based on population and street mileage maintained.

Durham-Chapel Hill-Carrboro Urban Area Planning Work Program Grant – This grant provides support toward the Transportation Planner salary costs. This grant of \$22,740 is based on estimates provided by the grant program.

Recreation Municipal Supplement – Orange County provides a supplement to the Town for recreation programs in recognition of town services offered to county residents.

SAFER Grant – The fire department was awarded a SAFER (Staffing for Adequate Fire and Emergency Response Program) four-year grant in April 2008 for three firefighters. The grant will subsidize salary costs over with a graduated but declining amount over several years (beginning with 90% in the first year and 80% in the second year, 50% in the third year, and 30% in the final year). The town is in the third year of this grant.

ABC (Alcoholic Beverage Control) Board Grant – The Police Department applies annually for a grant to assist the ABC Board in managing alcohol violation programs.

FEES AND PERMITS

The Town charges various types of permits and fees to residences and commercial establishments needing specific services. A large portion of the fees and permits received by the Town relate to development and growth within the Town. Fees and permits continue to remain flat in FY10-11, given the economy.

Time Warner Public Education and Government Fees (PEG) – The Time Warner Franchise agreement allows the Board of Aldermen to assess a special fee to cable consumers to purchase cable equipment for televising board meetings. This fee was implemented in FY04-05 to fund improvements to the cable casting equipment for televising board meetings. *It is possible that the Town will not receive these revenues in FY09-10 due to the entry of other competitors in Carrboro’s service area.*

However, the Town is budgeting for \$12,000 to be collected on this special cable fee, with the intent of setting aside those funds in a reserve account for future equipment costs, if collected.

Fire District Fees - The Carrboro Fire Department provides fire protection services to the South Orange Fire District located in Orange County and outside of the Town’s limits. A three-member fire district board meets annually and approves the tax rate for the fire district based on a formula developed by the County and the Town of Carrboro. Orange County pays the Town for the fire protection services based on the approved fire district tax rate.

Chapel Hill-Carrboro School District - It is anticipated that the Chapel Hill Carrboro School District will continue to contract with the Town to provide two School Resource Officers. One shall be stationed at McDougale Middle School and one at the new Carrboro High.

Engineering Fees - Applicants are responsible for paying 80% of fees assessed by the Town's Engineers (Sungate Design Group). Sungate bills the Town and the Town, in turn, sends a bill to the applicant for all such fees. Expected revenue \$30,000

Development Review Fees - Applicants wishing to receive a Zoning Permit, Special Use Permit, or Conditional Use Permit must pay the appropriate fee for the Town to review plans for adherence to the Land Use Ordinance before a permit may be issued. The fee is paid one-time even though the plans may be reviewed multiple times before a permit is issued. Expected Revenue: \$20,000.

Building Permits are issued on new and existing buildings when the buildings are renovated or newly constructed for commercial property, single-family dwellings, townhouses, condominiums and duplexes. Anticipated revenue is \$55,000.

Electric Permits are issued on new and existing buildings for service changes, premises wiring and commercial up-fits. Anticipated revenue is \$50,000.

Mechanical Permits are issued on new installation of residential and commercial buildings and replacement of heating and cooling equipment. Anticipated revenue is \$40,000.

Plumbing Permits are issued on new and renovated buildings i.e. water and sewer, irrigation and backflow. Anticipated revenue is \$40,000.

Dumpster Collection Fees represent a fee added in FY02-03 for the collection of commercial refuse on October 1, 2002. The Town began at that time charging the full cost of pickup and disposal of all refuse the Town collects from all commercial dumpsters in Town. Collection is estimated at \$88,788.

Tower Revenue - The Town owns a cell tower and leases space via a multi-year contract for antennas. Anticipated revenue is \$123,477.

SALES AND SERVICES

Recreational Fees and Town Center Fees represent fees for a variety of recreational services and activities offered to town residents. The Town's Park facilities, such as picnic shelters, ball fields and the multi-purpose areas

are also available for rent. In the past few years, the town has been able to offer meeting rooms and facility space within the Century Center to the public for rental for various functions. The Town sponsors various team sports and programs for the Town's citizens. The revenues are expected to increase slightly based on planned program registrations and reservations.

INVESTMENT EARNINGS

Interest Income - The Town generates interest income by investing idle cash in interest paying checking accounts and money market accounts. The FY10-11 estimate is at \$50,000.

OTHER REVENUES

Representing a very small portion of the overall revenue stream, this revenue is comprised of donations, rent, reimbursements for town services provided to other jurisdictions, fixed asset sales, and other sundry sales.

OTHER FINANCING SOURCES

This category of revenue represents debt proceeds received by the Town or funds that are transferred from another fund into the General Fund. Highlights include:

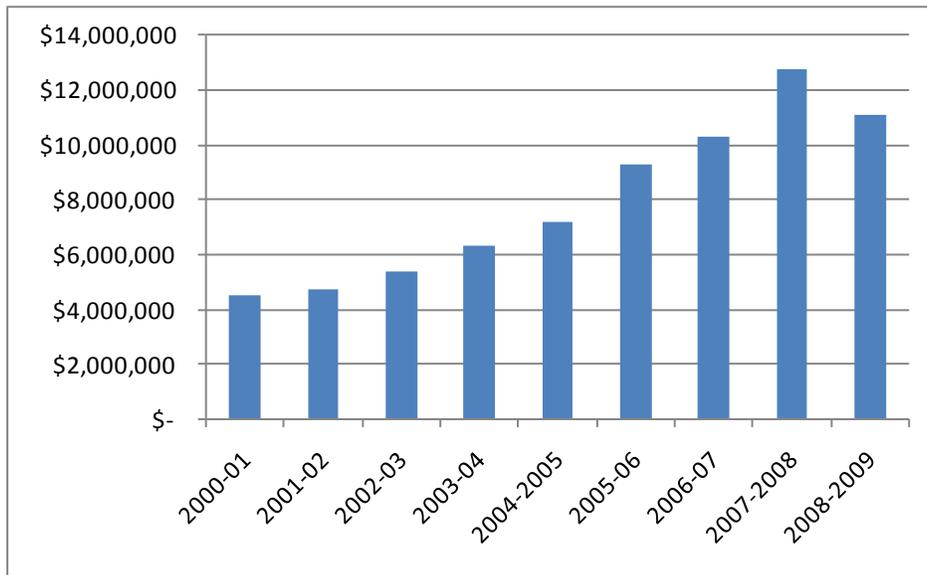
Lease-purchase or Bond Proceeds - This represents the full cost of equipment or other capital purchase that the Town has obtained through installment or bond financing. Following generally accepted accounting practices, the full cost of the financed equipment is budgeted (equipment purchased in that fiscal year) in addition to the lease payment. However, an offsetting entry equal to the full cost value of the equipment is budgeted on the revenue side as lease proceeds. Thus, the true tax impact of the financed equipment is the lease or debt service payment only.

Transfers from Other Funds - While the General Fund is the major operating budget for the Town, several other funds exist where the Town may choose to transfer resources from those funds to the General Fund. The most common transfers seen are from the capital reserve fund or from the capital projects fund.

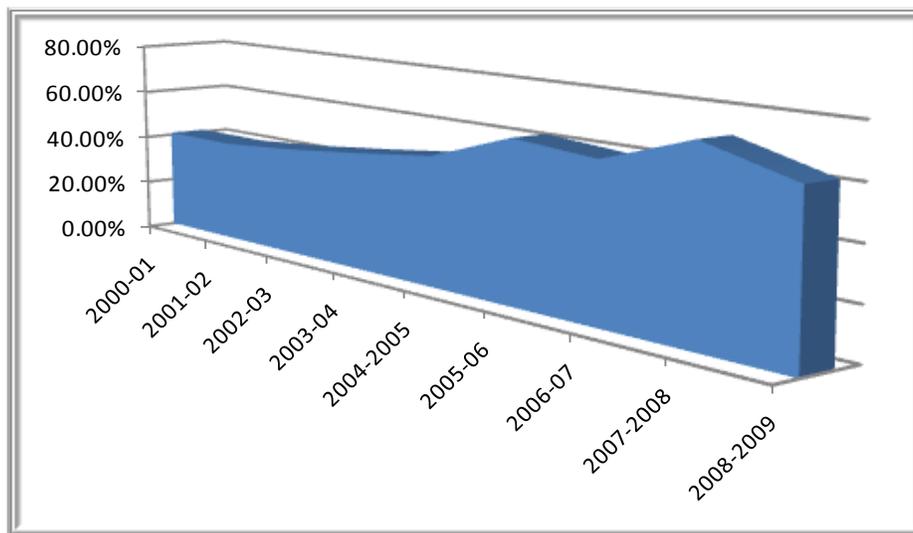
FUND BALANCE APPROPRIATED - Funds accumulated through the under-expenditure of budgeted appropriations and the receipt of revenues that exceed budgeted projections result in fund balance or reserves. An appropriation of fund balance is sometimes necessary to balance

projected revenues with expenditures. The level of appropriation is determined by the differences between estimated expenditures and the expected revenues. The FY10-11 budget appropriates \$526,591 in fund balance reserves.

General Fund Balance as of June 30



General Fund Balance as a Percentage of Operating Revenues



GENERAL FUND SUMMARY OF EXPENDITURES					
	2007-08	2008-09	2009-10	2010-11	% CHANGE
	ACTUAL	ACTUAL	ADOPTED	ADOPTED	2010/11 FROM
			BUDGET	BUDGET	2009/10
SUMMARY					
PERSONNEL	9,384,191	9,805,519	10,529,785	10,671,163	1%
OPERATIONS	6,340,677	7,895,598	7,331,347	7,227,512	-1%
CAPITAL OUTLAY	1,063,957	1,737,495	1,214,302	627,010	-48%
TOTAL	16,788,825	19,438,612	19,075,434	18,525,685	-3%

GENERAL FUND FY2010-11 BUDGET CATEGORY OF EXPENDITURE BY DEPARTMENT				
DEPARTMENT	PERSONNEL SERVICES	OPERATING COSTS	CAPITAL OUTLAY	TOTAL
MAYOR & ALDERMEN	119,086	162,650	0	281,736
ADVISORY BOARDS	0	12,750	0	12,750
GOVERNANCE SUPPORT	0	266,003	0	266,003
TOWN MANAGER	252,538	24,450	0	276,988
ECONOMIC & COMM DEV.	118,614	34,341	0	152,955
TOWN CLERK	99,570	15,300	0	114,870
MANAGEMENT SERVICES	467,863	544,879	0	1,012,742
HUMAN RESOURCES	311,207	63,170	0	374,377
INFORMATION TECHNOLOGY	170,233	662,950	22,750	855,933
POLICE	2,749,381	341,730	122,000	3,213,111
FIRE	2,082,208	281,127	160,000	2,523,335
PLANNING	993,263	165,935	0	1,159,198
TRANSPORTATION	0	1,064,150	0	1,064,150
PUBLIC WORKS	1,839,740	1,446,031	322,260	3,608,031
PARKS & RECREATION	1,026,212	346,131	0	1,372,343
NON-DEPARTMENTAL	441,248	247,000	0	688,248
DEBT SERVICE	0	1,548,915	0	1,548,915
TOTALS	10,671,163	7,227,512	627,010	18,525,685

*General Fund – Summary of Full and Part-time Positions
Department and Division Level (if applicable)*

BOARD OF ALDERMEN

Position	FY 2008-09	FY 2009-10	FY 2010-11
Assistant to the Mayor (part-time @ 20 hours per week)	1	1	1
Total Count, Board of Aldermen	1	1	1

TOWN MANAGER

Position	FY 2008-09	FY 2009-10	FY 2010-11
Town Manager	1	1	1
Assistant to the Town Manager	1	1	1
Total Count, Town Manager	2	2	2

ECONOMIC AND COMMUNITY DEVELOPMENT

Position	FY 2008-09	FY 2009-10	FY 2010-11
Economic & Community Development Director	1	1	1
Program Support Assistant II (part-time @ 20 hrs/week)	1	1	1
Total Count, Economic & Community Development	2	2	2

TOWN CLERK

Position	FY 2008-09	FY 2009-10	FY 2010-11
Town Clerk	1	1	1
Total Count, Town Clerk	1	1	1

MANAGEMENT SERVICES

Position	FY 2008-09	FY 2009-10	FY 2010-11
Finance Director	1	1	1
Accounting Officer	1	1	1
Purchasing Officer/Budget Analyst	1	1	1
Staff Accountant	1	1	1
Accounting Technician II	1	1	1
Accounting Technician I	1	1	1
Accounting Technician I (part-time @32 hrs/week)	1	1	1
Total Count, Management Services	7	7	7

INFORMATION TECHNOLOGY

Position	FY 2008-09	FY 2009-10	FY 2010-11
Information & Technology Manager	1	1	1
Information Technology Support Engineer	1	1	1
Total Count, Information Technology Division	2	2	2

Positions by Department and Division Level, Continued

HUMAN RESOURCES

Position	FY 2008-09	FY 2009-10	FY 2010-11
Human Resources Director	1	1	1
Human Resources Analyst	1	1	1
Total Count, Human Resources	2	2	2

POLICE

Position	FY 2008-09	FY 2009-10	FY 2010-11
Police Chief	1	1	1
Police Captain	2	2	2
Administrative Assistant	1	1	1
Program Support Assistant II	1	1	1
Administrative Services Division	5	5	5
Police Lieutenant	4	4	4
Police Sergeant	4	4	4
Police Officer	17	17	17
Police Patrol Division	25	25	25
Police Lieutenant	1	1	1
Police Sergeant	2	2	2
Police Officer	4	4	4
Police Community Services	7	7	7
Police Lieutenant	1	1	1
Police Sergeant	5	5	5
Police Investigations Division	6	6	6
Animal Control Officer	1	1	1
Animal Control Division	1	1	1
Total Count, Police	44	44	44

FIRE-RESCUE

Position	FY 2008-09	FY 2009-10	FY 2010-11
Fire Chief	1	1	1
Program Support Assistant I (part-time @ 20 hrs/week)	1	1	1
Fire Supervision Division	2	2	2
Deputy Fire Chief	1	1	1
Fire Captain	3	3	3
Fire Lieutenant	3	3	3
Fire Driver/Mechanic	1	1	1
Fire Driver/Operator	5	5	5
Fire Relief Driver	0	0	9
Fire Fighter	21	21	12
Fire Suppression Division	34	34	34
Fire Marshal	1	1	1
Fire Prevention Division	1	1	1
Total Count, Fire-Rescue	37	37	37

PLANNING

Position	FY 2008-09	FY 2009-10	FY 2010-11
Planning Director	1	1	1
Planning Administrator	1	1	1
Transportation Planner	1	1	1
Environmental Planner	1	1	1
GIS Specialist	1	1	1
Administrative Assistant	1	1	1
Planning Division	6	6	6
Development Review Administrator	1	1	1
Planner/Zoning Specialist	3	3	3
Permit Technician	1	1	1
Zoning Division	5	5	5
Code Enforcement Supervisor	1	1	1
Code Enforcement Officer III	2	2	2
Inspections Division	3	3	3
Total Count, Planning	14	14	14

RECREATION AND PARKS

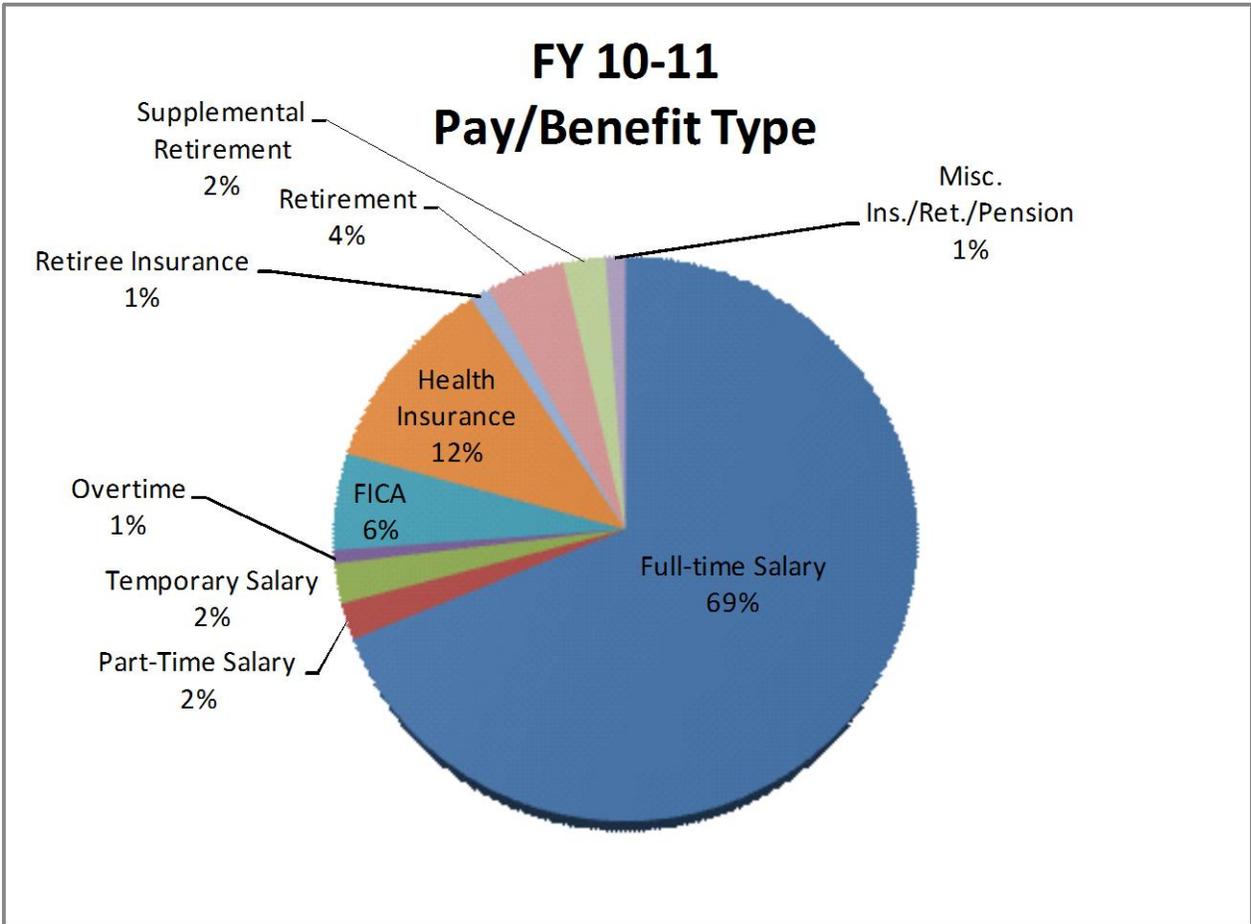
Position	FY 2008-09	FY 2009-10	FY 2010-11
Recreation and Parks Director	1	1	1
Recreation Supervision Division	1	1	1
Recreation Administrator	1	1	1
Recreation Supervisor	5	5	5
Recreation Athletics & General Programming	6	6	6
Facilities Administrator	1	1	1
Facilities Supervisor	1	1	1
Activity Manager (part-time at 30 hours per week)	1	1	1
Administrative Assistant	1	1	1
Program Support Assistant II (part-time at 30 hours per week)	1	1	1
Program Support Assistant I(1 full-time & 1 part-time at 30 hours per week)	2	2	2
Total Count, Facilities Division	7	7	7
Total Count, Recreation and Parks	14	14	14

Positions by Department and Division Level, Continued

PUBLIC WORKS

Position	FY 2008-09	FY 2009-10	FY 2010-11
Public Works Director	1	1	1
Administrative Analyst	1	1	1
Engineering Technician	1	1	1
Administrative Assistant	1	1	1
Public Works Supervision	4	4	4
Street Superintendent	1	1	1
Construction Inspector	1	1	1
Street Crew Leader	1	1	1
Maintenance/Construction Worker	5	5	5
Signs and Marking Specialist	1	1	1
Maintenance/Construction/Sign & Marking Assistant	1	1	1
Street Maintenance Division	10	10	10
Solid Waste Supervisor	1	1	1
Solid Waste Equipment Operator II/Crew Leader	1	1	1
Solid Waste Equipment Operator II	1	1	1
Solid Waste Equipment Operator I	4	4	4
Solid Waste Management Division	7	7	7
Building Maintenance Supervisor	1	1	1
Building Maintenance Worker	1	1	1
Custodian	1	1	1
Central Services Division	3	3	3
Fleet Maintenance Supervisor	1	1	1
Mechanic II	1	1	1
Mechanic I	1	1	1
Fleet Maintenance Division	3	3	3
Landscaping/Grounds Supervisor	1	1	1
Grounds Crew Leader	2	2	2
Groundskeeper II	1	1	1
Groundskeeper	5	5	5
Landscaping Division	9	9	9
Total Count, Public Works	36	36	36

Total Count, Town of Carrboro	162	162	162
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FY 10-11 Pay/Benefit Type	Amount	Percent
Full-time Salary	\$ 7,330,744	68.70%
Part-Time Salary	\$ 223,410	2.09%
Temporary Salary	\$ 242,884	2.28%
Overtime	\$ 80,625	0.76%
FICA	\$ 591,148	5.54%
Health Insurance	\$ 1,225,124	11.48%
Retiree Insurance	\$ 123,456	1.16%
Retirement	\$ 473,461	4.44%
Supplemental Retirement	\$ 257,575	2.41%
Misc. Ins./Ret./Pension	\$ 122,736	1.15%
TOTAL	\$ 10,671,163	100.00%