

TOWN OF CARRBORO
NORTH CAROLINA

ADOPTED BUDGET
FISCAL YEAR 2011-12

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DISTINGUISHED BUDGET PRESENTATION AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Town of Carrboro, North Carolina for its annual budget for the fiscal year beginning July 1, 2010.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications devise. This award is valid for a period of one year only. It is believed our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



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Reader's Guide to the Budget Document

The Mayor and Board of Aldermen, annually, adopt an operating budget for the Town via a budget ordinance as required by the North Carolina General Statutes (GS 159-13). The budget document describes the driving economic, financial, and environmental factors that translate community values into a dynamic web of services that contribute to the town's desired quality of living.

The annual budget, as presented in the budget document, has a companion document, called the Capital Improvement Program (CIP). In addition to presenting the town's annual budget, the budget document includes the multi-year capital budget and five-year fiscal projections for all expenditures to present a complete picture of Board commitments. The purpose of presenting this holistic picture is to assist the Board, town staff, and the community in understanding the impact of current decisions on the future and to plan for expected changes or problems. This enables the Town to maintain a positive fiscal health and to operate effectively. The budget document is divided into sections (by the following tabs) that explain the services and commitments of the Town.

- Budget Message** – This section includes the Executive Summary that describes the fiscal environment faced by the Town and identifies the expenditure and revenue budget actions to be considered by the elected governing board. This section also includes the Town's budget ordinance that outlines proposed revenues and expenditures for various funds as appropriated by the Board, the largest operational budget being the Town's General Fund.
- Community and Organizational Profile** – This section of the document highlights the demographic, economic and cultural features of the Carrboro community, and the goals of the community expressed via the elected Board. It also describes the public budget process, financial policies and information pertinent to the Town's operations.
- General Fund** - This is the Town's major operating fund. The general fund is divided into operational functions (identified by tabs). Each of the tabbed sections represents a department or expenditure category that is authorized within the budget ordinance, except for General Government, which includes numerous departments. Larger departments may also show divisions for each distinctive service provided. The reader is also provided information on each department that contains a description of the department's purpose, service activities, coming year work plan goals, objectives, and projects, table of authorized positions, performance measures and financial spending history and budget.
- Special Revenue Funds** – The Town currently maintains several special revenue funds, including Revolving Loan Fund, Economic Development Initiative Fund, Affordable Housing Fund, and Grants Fund.
- Capital Projects Fund** – This fund includes all active capital and bond funded projects, Capital Reserve Fund, and the Payment-in-Lieu Fund.

- ☐ **Financial Trends - Past, Present, and Future** – This section provides information on the Town’s financial trends, past, present, and future. A companion document, “Adopted Capital Improvement Program” (CIP) describes planned capital improvement projects and funding sources for the next six fiscal years and is available at www.townofcarrboro.org/documents.

- ☐ **Glossary** – A list of common budgeting terms defined and explained.

Please direct any comments or questions to:

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Town of Carrboro
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Carrboro, NC 27510
Telephone: (919) 942-8541
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Email: amcadoo@townofcarrboro.org

Budget information is also available for viewing on the Internet at:
www.townofcarrboro.org/documents



July 1, 2011

To: Mayor and Board of Aldermen

It is with pleasure that I submit to you the adopted budget for fiscal year 2011-12. As with past years, the adopted budget has required difficult choices as the national and local economies continue to recover. For local governments in North Carolina the economic challenges are compounded as the State seeks to address its budget deficit. Any actions by the state that adversely affect anticipated revenues or service delivery for municipalities could change the recommended budget significantly.

The major objectives of the recommended budget are to:

- Avoid a property tax rate increase,
- Maintain current service delivery levels,
- Maintain current active employees' jobs and benefits,
 - Set aside the pay-for-performance plan for third year in a row,
 - Provide for a lump sum payment for employee job performance (prorated for part-time permanent employees) with the amount based on whether employee is below or above the Housing Minimum Wage level,
 - Continue current health insurance plan,
 - Continue with freeze on specific vacant positions, and.
- Continue with planned long-term capital initiatives.

A combination of strategies is included in the adopted budget to achieve the above objectives. I am particularly pleased to have a budget that contains no property tax rate increase for the third consecutive fiscal year. In addition to continuing to tighten the operating expenditures, certain major equipment purchases have been postponed, and other financing sources have been increased. The Town can continue the capital initiatives underway, including the Weaver Street reconstruction project, sidewalk and greenways bond initiatives, and street repaving. The Town will also be able to fund light vehicle replacements that are considered critical to providing day-to-day services. The accompanying Executive Summary further outlines the overall budget priorities and strategies for fiscal year 2011-12.

Sincerely,

Steven E. Stewart
Town Manager

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EXECUTIVE SUMMARY

BUDGET OVERVIEW

While recent news indicates key business trends such as employment, business returns, and investments are improving, public sector revenues, which rely on property and sales tax receipts, lag behind the private sector in economic recovery. For North Carolina local governments the economic challenges are compounded as the State seeks to address its budget deficit. Thus, the FY 2011-12 budget process presented more challenges than the prior years.

Like other local governments, The Town of Carrboro is still experiencing sluggishness with revenues. Staff has, however, continued to maintain a course of budget strategies to protect the short and long-term positive fiscal condition of the Town. The FY 2011-12 budget requires ongoing use of fiscal tools currently in place to adapt the budget and capital plans and financing to maintain the current level of services to the citizens. Town staff continues to delay capital projects, freeze vacant positions, and cut less vital operating expenses. Frozen positions include a Planner/Zoning Development Specialist, Landscape and Grounds Supervisor, and two new Police Officers that were approved to begin in January 2009, as well as a number of seasonal positions. These efforts are part of an overall strategy to avoid increasing the tax burden for Town residents in this time of economic difficulty.

The FY 2011-12 recommended budget, which substantially maintains the current revenue level, is focused on the primary interests that were included in the FY 2010-11 budget process:

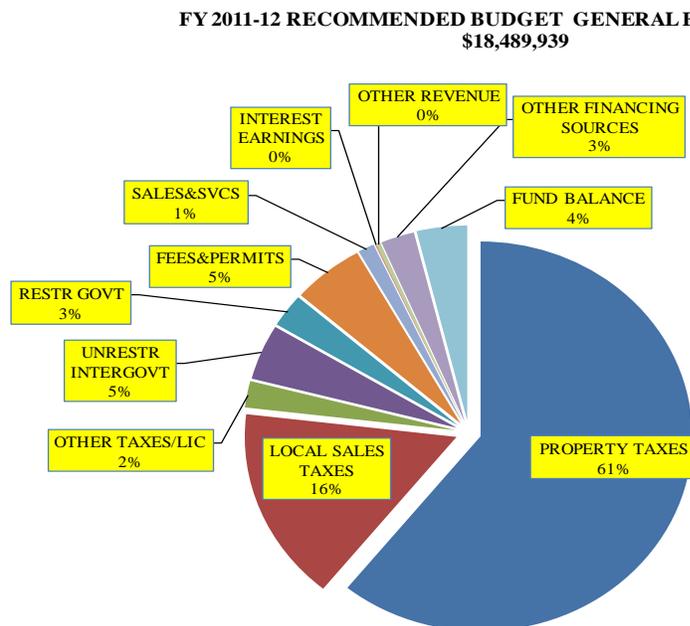
- Avoid a property tax rate increase,
- Maintain current service delivery levels,
- Maintain current active employees' jobs and benefits,
 - Set aside the pay-for-performance plan for third year in a row,
 - Provide for a lump sum payment for employee job performance (prorated for part-time permanent employees) with the amount based whether employee is above the Housing Minimum Wage level,
 - Continue current health insurance plan,
 - Continue with freeze on specific vacant positions, and,
- Continue to extent possible with planned long-term capital initiatives.

By tightening the operating expenditures, the Town can continue to fund capital initiatives underway, including the Weaver Street reconstruction project, sidewalk and greenways bond initiatives, and street repaving. The Town is also able to fund light vehicle replacements that are considered critical to providing day-to-day services. Some equipment items remain unfunded and must be considered in future years. For FY 2011-12 major equipment items scheduled for replacement have been postponed to a later time, including the Fire-Rescue Pumper and Front End Loader for Public Works. An attempt has been made to balance the significant pressure to hold down expenditures while acknowledging the danger of delaying the replacement of capital items that will become more costly in the long run-both on the capital side and the operating budget.

The total recommended general fund budget is \$18,489,939, a slight decrease of \$35,747 over the prior year budget. By law, municipalities are required to have a balanced budget where revenues must equal budgeted expenditures. Highlights of Town revenues and expenditures follow.

REVENUE REALITIES

Carrboro's revenue stream has two broad types of revenues: recurring revenues and other financing sources which represent certain one-time inflows of revenue that might otherwise distort a governmental fund's regular ongoing revenue trends. Recurring revenues consist of property taxes, sales taxes and intergovernmental revenues and comprise approximately 85% of general fund revenues. While the recurring revenues from property taxes are expected to increase slightly due to increased valuations, recurring revenues from sales taxes, and intergovernmental revenues, are down by over \$150,000 over the current year budget.



Other Financing Sources and Fund Balance comprise 7% of general fund revenues. There is overall decrease in Other Financing Sources due to the need for less installment financing to replace vehicles and equipment in FY 2011-12. The transfer from the Capital Reserve Fund of \$176,945 will be continued to partially offset the increase in debt service for the new fire station and to offset the first year of debt service for installment financing for replacement vehicles.

	CHANGES OVER PRIOR YEAR	FY 2011-12 RECOMMENDED REVENUE	FY 2010-11 ADOPTED REVENUE
INTERFUND TRANSFERS	\$0	\$176,945	\$176,945
INSTALLMENT FINANCING	(\$261,650)	\$298,850	\$560,500
FUND BALANCE	\$185,572	\$712,163	\$526,591
TOTAL OTHER FINANCING SOURCES	(\$76,078)	\$1,187,958	\$1,264,036

Installment financing represents the full cost of vehicles and equipment that the Town is planning to finance through a loan. 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 value only. The full cost of financed equipment being purchased in FY 2011-12 equals \$298,850; the budgeted lease proceeds on the revenue side are also equal to this same amount. The projected installment financing revenue is \$261,650 less than the previous year. The debt expenditure associated with borrowing the funds for the equipment and vehicles recommended for replacement is \$65,740 and is offset by the Capital Reserve Fund transfer as mentioned above.

Fund Balance Appropriations are conservatively budgeted and increase by \$185,572 from the prior year. Overall fund balance appropriations make-up 4% of total revenues.

The two largest sources of revenue, property taxes and sales taxes, remain essentially flat. The property tax base is estimated at \$1,930,004,544 for FY 2011-12, representing a \$14,131,751 increase in value, or growth of less than 1% over the June 30, 2010 value of \$1,915,872,793. Each penny on the tax rate generates approximately \$188,947. In addition, property tax relief is available to taxpayers that meet specific guidelines. Relief is available for the elderly, permanently-disabled persons, and veterans who meet income and other specific exemption requirements. These relief benefits are expected to reduce the tax base available for taxation by an estimated \$6,555,628, resulting in a reduction of \$38,639 in property tax income to Carrboro.

Overall sales tax receipts, reflecting seven months of collections (\$1.7 million) for the year, are 50% of FY 2010-11 adopted budget (\$3.0 million) with actual collections estimated to be \$2.7 million. Compared to the same time period in FY 2009-10 sales tax receipt collections show a 1% decline. Statewide the N. C. League of Municipalities anticipates sales tax revenue distributions in the current fiscal year will be at least 2.5% higher than the FY 2009-10 collections.

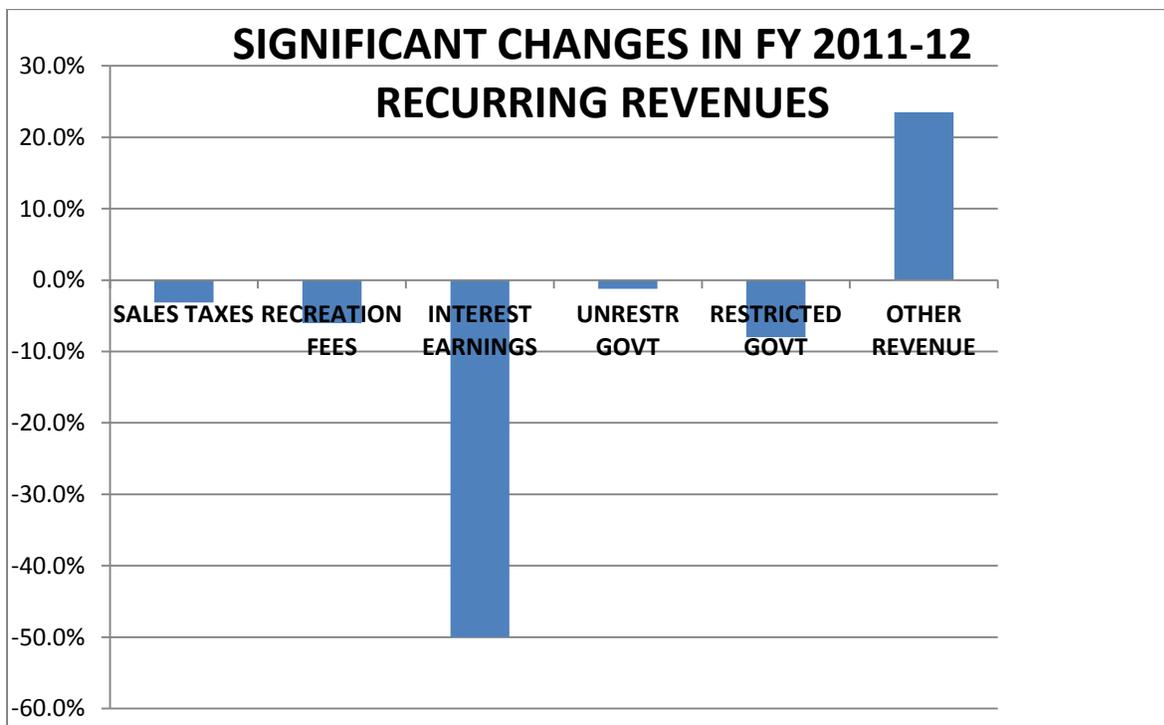
However, sales tax refund activity this year is at a higher level than in past years. While some of the higher level tax refunds are due to the reduction of a refund backlog by the state there appears to be increased refund claims activity by non-profits.

CATEGORY	% change	CHANGES OVER PRIOR YEAR	FY 2011-12 RECOMMENDED REVENUE	FY 2010-11 ADOPTED REVENUE
PROPERTY TAXES	2.0%	\$224,811	\$11,246,033	\$11,021,222
LOCAL SALES TAXES	-3.1%	(\$96,083)	\$2,966,053	\$3,062,136
OTHER TAXES/LIC	0.8%	\$3,326	\$406,076	\$402,750
UNRESTR INTERGOVT	-1.2%	(\$10,488)	\$849,531	\$860,019
RESTR GOVT	-8.0%	(\$44,216)	\$509,765	\$553,981
FEES & PERMITS	-0.7%	(\$7,629)	\$1,015,238	\$1,022,867
SALES & SVCS	-6.0%	(\$14,760)	\$229,846	\$244,606
INTEREST EARNINGS	-50.0%	(\$25,000)	\$25,000	\$50,000
OTHER REVENUE	23.5%	\$10,370	\$54,439	\$44,069
TOTAL EARNED REVENUE	0.2%	\$40,331	\$17,301,981	\$17,261,650

For FY 2011-12 the League anticipates statewide sales tax growth of 3-4%. While national sales growth has been positive since the end of 2009, sales in North Carolina have only flirted with growth the past couple of years. Sales tax revenues are not expected to rise quickly without a recovery of the housing market, which is not expected during FY 2011-12. Assuming that sales tax refunds from non-profits do not decline and local sales tax distributions continue to decline as the past two years, sales tax revenues for FY 2011-12 are projected to be 3% less.

Given the economy, the Town is seeing no growth in the majority of revenues across the board. The decrease in interest earnings is due to historically low interest rates. Intergovernmental revenues, recreation programming, rentals, and donations (reported in the Other Revenue category) have all been affected.

The Recreation Department estimates a drop in recreation programming fees based on current activity. The department plans to continue assisting residents with low incomes and qualifying groups with its scholarships and subsidies that, in FY 2009-10, equaled \$8,099. Through March 2011, the department has provided \$9,983 in similar support. The FY 2011-12 budget estimates that \$11,644 will be provided in support.



Other significant budget shortfalls include a 10% decrease in restricted Intergovernmental Revenues. The planned graduated annual reduction in the Staffing for Adequate Fire and Emergency Response (SAFER) grant for three firefighters that began in FY08-09 explains the bulk of the decrease in Restricted Intergovernmental revenues. Offsetting this decrease is \$8,500 from the relatively new excise tax imposed on municipal solid waste and construction debris that is deposited in a landfill. The excise tax on solid waste is returned to local governments to

support solid waste management programs and services. The Town expects to continue to receive the Alcoholic Beverage Control (ABC) Board grant for the Police Department to provide supplies for the enforcement of alcohol violations. While the Other Revenue category reflects an increase, these revenues are primarily donations and comprise 0.3% of the total revenues.

For Unrestricted Intergovernmental Revenues, the Town is expecting the beer and wine tax distributions to remain flat. In FY 2009-10 the State reduced the local share of beer and wine taxes resulting in a reduction of these revenues by 2/3. The Town expects that the State will continue this reduction for the next year.

BUDGET PROCESS

The budget process is similar to past years, requiring departments to justify their operating budget, the continuation of services as well as any expansions. The continuation budget includes adjustments for price increases in the cost of goods and services; and may include projects and infrastructure expenditures reflected in the annual CIP which includes street resurfacing costs, vehicles, equipment, various specific capital projects and debt service payments for capital commitments. All other requests are defined as “proposed changes” and are budgeted in a separate column.

EXPENDITURES

Town staff, in preparing budget requests, was asked to limit requests for expenditure increases to those things that are considered critical to have in FY 2011-12. The reduced flexibility in the revenue portfolio has required a sharp focus on what is important and necessary to performing day-to-day services. No expansion requests are funded.

As shown in the chart below, the recommended budget equals \$18,489,939, representing a \$35,747 decrease from the current year adopted budget. Much of this decrease is due to decreases in operations costs. The current year budget also includes continuation of the Town’s street resurfacing program, but at a reduced level. The annual transfer of \$200,000 for street resurfacing will not be made in FY 2011-12.

EXPENDITURE CATEGORY	2010-11 ADOPTED BUDGET	2011-12 RECOMMENDED BUDGET	CHANGES OVER PRIOR YEAR BUDGET	% CHANGE
PERSONNEL	\$ 10,671,236	\$ 10,752,733	\$ 81,497	0.8%
OPERATIONS	\$ 7,227,439	\$ 6,958,116	\$ (269,324)	-3.7%
CAPITAL OUTLAY	\$ 627,010	\$ 779,090	\$ 152,080	24.3%
TOTAL	\$ 18,525,685	\$ 18,489,939	\$ (35,747)	-0.2%

PERSONNEL

The increased personnel costs provide for the following:

- maintaining employee benefits at current levels
- providing for a small lump sum payment (equal to 1.7% of total budgeted payroll) to reward employee performance

Maintaining employee benefits includes the unfunded mandate to increase the employer contribution to the Local Government Employees' Retirement System (LGERS) from 6.35% to 6.88% for general employees and 6.41% to 7.35% for law enforcement personnel. This will cost an additional \$51,702 in FY 2011-12. The LGERS rate was increased last year for the first time since 1983. The State Treasurer's Office also anticipates an additional increase each year for the next several fiscal years to keep the pension fund solvent.

Town staff worked with its benefits broker to review health insurance benefits and was able to maintain the current benefits level and negotiate an increase of 8.2% (after anticipating an increase in excess of 15%) for the upcoming year (\$129,971). Retiree health insurance is expected to increase as well by \$30,000 due to the increased number of retirements. There were no increases in the costs of other benefits.

The continuing financial situation makes it impossible in FY 2011-12 to consider a return to the pay-for-performance plan in its original form where employees are rewarded for varying levels of performance. When the Board of Aldermen approved the plan, it was explained that performance pay amounts may vary from year to year depending on budget availability and labor market conditions. However, the recommended budget does include a one-time lump sum payment at a total cost of \$196,319 for all permanent full-time and part-time employees based on their performance level and whether they are earning above or below the Minimum Housing Wage of \$15.31 per hour. Below is the schedule for the lump sum payment.

Minimum Housing Wage	Outstanding Performance Rating	Proficient Performance Rating
Below \$15.31/Hour	\$ 1,250	\$ 1,000
At or Above \$15.31/Hour	\$ 1,000	\$ 750

Permanent part-time employees will receive a prorated amount based on hours worked.

It will be important in future budget years to return to properly funding the pay-for-performance system which financially rewards individual employees based on their actual levels of performance. Routinely providing no performance increases can affect our competitiveness with other jurisdictions and can create morale problems. Use of a lump sum payment that is essentially the same for everyone is an acceptable compensation strategy if used on a very infrequent basis. Otherwise, it can hurt employee morale because there is little to differentiate between levels of performance. In addition, there is no recognition of the different levels of job responsibilities, skill levels, education and licensing requirements, supervisory responsibilities, consequences of employee decisions, etc. that would normally afford a larger increase to employees with greater job responsibilities. This compensation strategy can also negatively impact our competitiveness.

Overall, the increase in personnel costs is offset by freezing several vacant positions for the upcoming year, saving the Town \$237,211. These positions have been frozen for two years and

there is no expectation that they will be filled during FY 2011-12. In addition, the Town opened the new fire station last year with existing fire personnel and continues to await word on a grant application to fund the final three firefighter positions planned for the new fire station.

OPERATING EXPENSES

The General Fund total operating budget for FY 2011-12 remains essentially flat with an overall expense reduction of \$35,747 (0.2%). Operating expenses are down overall by \$269,324; and capital outlays are up by \$152,080. Operating decreases occur when one-time expenses such as capital outlay or transfers are budgeted in the current year and are not reflected in the upcoming year. It is important to note a \$5,000 appropriation is in the Economic and Community Development Department to support the Local Living Economy Initiative. For FY 2011-12 the debt service decrease is 9% or \$146,804 (after some debt is retired and the initiation of new). The one-time allocation (\$151,883) in the General Fund for Weaver Street Reconstruction budgeted in the prior year is not needed for the FY 2011-12 budget.

CAPITAL OUTLAY

As mentioned earlier in the budget message, capital initiatives are an important component of this budget. In accordance with the Town’s financial policies, the Town Manager develops and maintains a six-year capital improvement program (CIP) plan that includes long-term maintenance, infrastructure needs and technology needed for the community. The CIP is incorporated into the annual operating budget request process. Items are appropriated into the budget by the Board of Aldermen upon adoption of the budget. The CIP plan can affect all categories of spending in the budget, including personnel and operating costs in addition to capital outlay costs.

The total \$799,090 budgeted for capital outlay reflects curtailed capital spending that is largely limited to the annual vehicle and equipment needs (\$298,850).

Department	Vehicle	Cost	Debt Svc
Rec & Parks	Full Size Pick up -Replace #016	\$ 16,000	3,520
Rec & Parks	Small Pick up -Replace #015	\$ 15,800	3,476
Planning	Mid size SUV - Replace #135	\$ 28,000	6,159
Police	Administration-Replace vehicle #190	\$ 28,000	6,159
Police	Patrol Vehicle-Replace vehicle #205	\$ 33,600	7,391
Police	Patrol Vehicle-Replace vehicle #206	\$ 33,600	7,391
Police	Patrol Vehicle-Replace vehicle #207	\$ 33,600	7,391
Police	Patrol Vehicle-Replace vehicle #208	\$ 33,600	7,391
Police	Patrol Vehicle-Replace vehicle #235	\$ 33,600	7,391
Police	Investigations-Replace vehicle #204	\$ 27,300	6,005
Police	Animal Control vehicle - Replace K-9	\$ 15,750	3,465
	TOTAL	\$ 298,850	\$ 65,740

Other capital initiatives are funded including the annual street resurfacing allocation (\$451,490), and operating and debt service costs for the bond-funded sidewalk program and the new fire substation previously discussed.

Numerous capital projects currently on hold in FY 2011-12 (all of which have been on hold the past two years) are proposed for funding through designated fund balance contingent upon fund balance ratios remaining within the stated fiscal policy goal of 22.5% to 35%. These projects will remain in the designated fund balance to be considered for funding as signs of economic stability and improvement occur. Annually an agenda item is presented to the Board in late June designating funds for projects that are not yet completed. The items in the chart below will be added to that agenda item.

CAPITAL PROJECTS DELAYED - SET ASIDE IN DESIGNATED FUND BALANCE	
ADAMS TRACT PEDESTRIAN BRIDGE	\$ 30,000
REPLACE CARPET IN FIRE DEPT HALLWAY	\$ 4,000
DOG PARK FENCE RENOVATION	\$ 10,500
WILSON PARK PLAYGROUND EQUIPMENT FOR 2-5 YEAR OLDS, FY08-09 CIP (FULL COST = \$30k; DEBT SERVICE = \$10k)	\$ 10,000
TOTAL	\$ 54,500

Due to fiscal constraints, a few capital items and operating costs associated with capital items (firefighters) remain unfunded as indicated in the chart below. As done annually, the Town will revisit its CIP in November 2011 and will review the status of all capital needs. The items proposed above for funding with designated fund balance and in the six-year planning cycle will be reviewed in context of the economic environment and spending plans will be revised accordingly.

CIP INITIATIVES NOT FUNDED	
THREE FIREFIGHTERS	\$ 129,923
FIELD #4 RENOVATION AT ANDERSON PARK	\$ 48,510
MULTIPURPOSE FIELD RENOVATIONS AT ANDERSON PARK	\$ 42,130
ANDERSON PARK LIGHTS	\$ 99,907
FIRE RESCUE PUMPER	\$ 620,000
FRONT END LOADER	\$ 220,000
IT - CAR VIDEO INFRASTRUCTURE AND EQUIPMENT	\$ 64,330
TOTAL	\$ 1,224,800

ALL OTHER FUNDS

While the general fund is the major operating budget for the Town, numerous other funds are used to track expenditures funded with legally restricted revenues including reserves for capital projects as designated by the Board, revolving loans for economic development, grants and capital projects. The activities of these funds are budgeted when board action is needed.

A transfer of \$176,945 is budgeted to offset debt service costs for the fire substation and initial vehicle financing costs in the General Fund. The transfer from the capital reserve fund is recognized as revenue to the general fund as Other Financing Sources with a corresponding expense budget in the debt service budget.

CONCLUSION

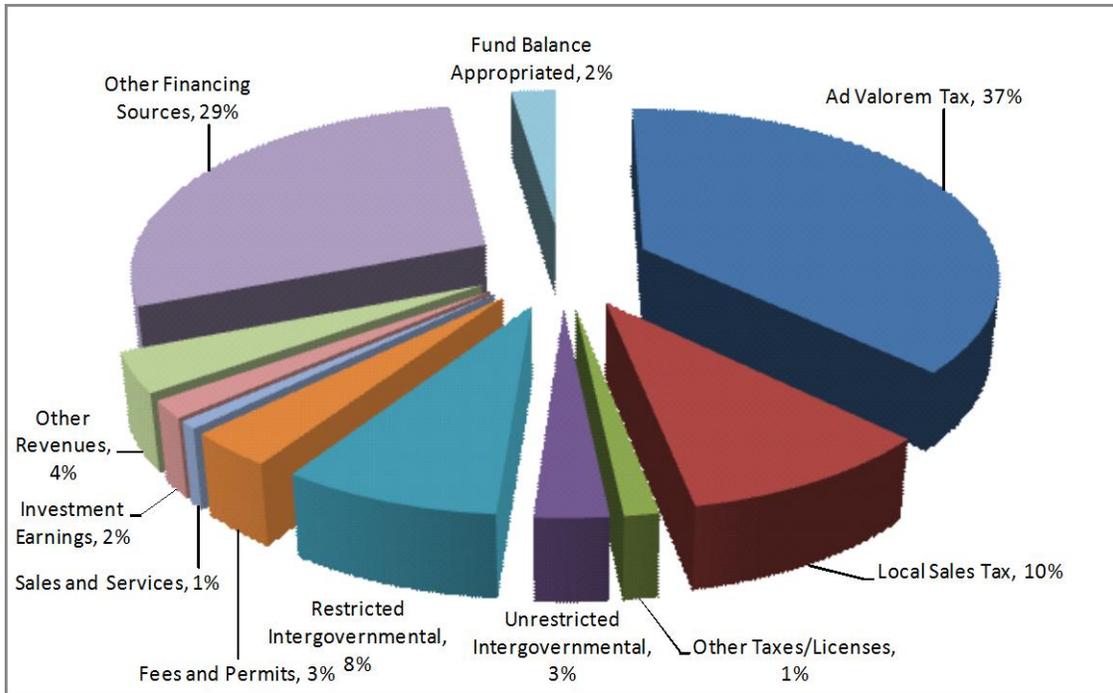
A significant concern is that the major revenues (property tax receipts and sales taxes) remain anemic, showing less than 1% growth over the FY10-11 adopted budget. Many other recurring revenues are also experiencing little or no growth, such as intergovernmental revenue, interest earnings, and recreation fees. These are revenues that represent a response to the economic conditions. The no growth in revenues in the slow economic recovery requires the Town to delay capital improvement projects and consider the use of fund balance to maintain the current level of services to the citizens. As capital projects and vehicle replacements are delayed, there may be increased costs in the future.

Understanding the limited growth of town revenues, a word of caution is needed in understanding that the interests of maintaining town services and employee benefits without increasing the tax rate in this recommended budget will require the Town to pay for short and long-term commitments in the future that can only be covered through growth in the revenue stream and/or future tax increases. Specific large ticket items to consider in addition to delayed capital initiatives discussed above may include paying additional mandated state retirement costs; restoring the pay-for-performance program; increased debt service costs for vehicles and bond-funded sidewalk and greenways program to be supported by the General Fund, and continued health insurance cost increases. These items could impact the FY 2012-13 budget by a minimum of \$500,000. Additionally, funding for three new fire fighters and current frozen positions could add another \$300,000 or more.

The sales tax and the lackluster growth in the Town's property tax base are two large and important sources of funding for the Town that severely limit what can be afforded in the way of community services. The Town will continue to make careful and balanced choices in providing for, day-to-day services, longer term capital needs and the recognition of the valuable contributions made by all of our employees. It is important in our community to continue the commitment to quality service delivery and strong fiscal health in a manner that is sustainable for future generations.

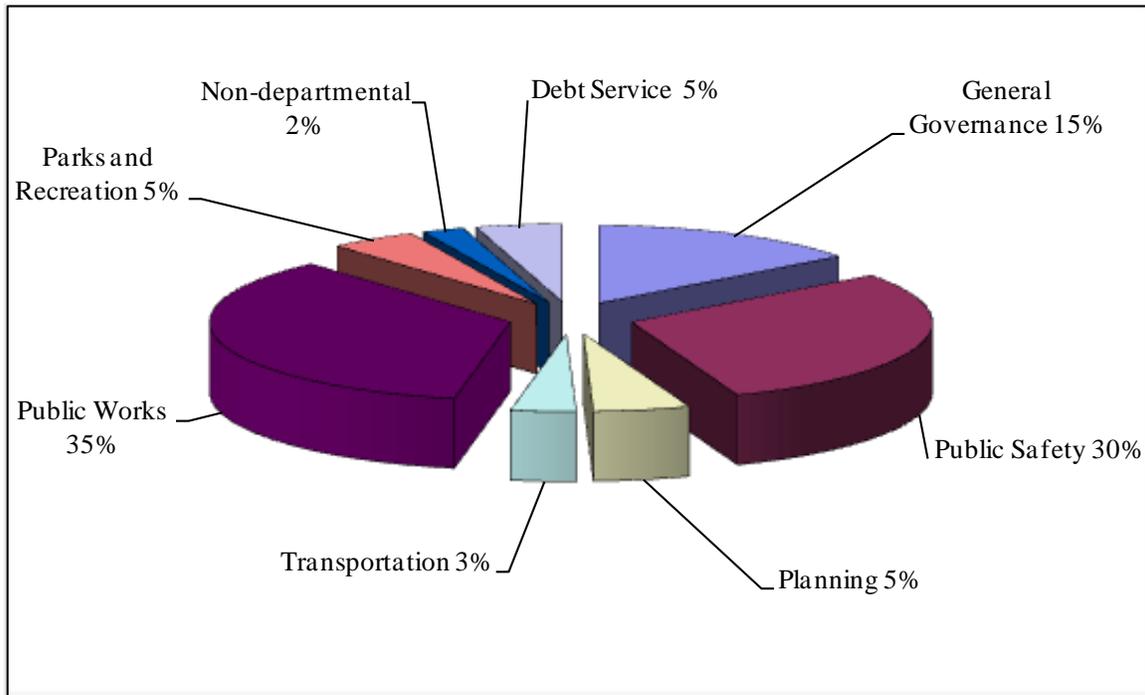
Revenue Summary - All Funds FY 2011-12 Budget by Fund Type

	General Fund	Special Revenue Funds	Capital Funds	Total All Funds
Ad Valorem Tax	\$11,246,033			\$ 11,246,033
Local Sales Tax	\$2,966,053			\$ 2,966,053
Other Taxes/Licenses	\$406,076			\$ 406,076
Unrestricted Intergovernmental	\$849,531			\$ 849,531
Restricted Intergovernmental	\$509,765	\$ 379,900	\$ 1,617,804	\$ 2,507,469
Fees and Permits	\$1,015,238			\$ 1,015,238
Sales and Services	\$229,846			\$ 229,846
Investment Earnings	\$25,000	\$ 305,000	\$ 179,507	\$ 509,507
Other Revenues	\$54,439	\$ 813,440	\$ 463,551	\$ 1,331,430
Other Financing Sources	\$475,795		\$ 8,173,228	\$ 8,649,023
Fund Balance Appropriated	\$712,163	\$ 11,750		\$ 723,913
Total Budgeted Revenues	\$ 18,489,939	\$ 1,510,090	\$ 10,434,090	\$ 30,434,119



Expense Summary - All Funds FY 2011-12 Budget by Fund Type

	General Fund	Special Revenue Funds	Capital Funds	Total All Funds
Mayor and Board of Aldermen	\$ 298,236			\$ 298,236
Advisory Boards	\$ 11,800			\$ 11,800
Governance Support	\$ 268,541			\$ 268,541
Town Manager	\$ 275,987			\$ 275,987
Economic and Community Development	\$ 150,604	\$ 1,130,190		\$ 1,280,794
Town Clerk	\$ 88,120			\$ 88,120
Management Services	\$ 1,001,601			\$ 1,001,601
Human Resources	\$ 376,731			\$ 376,731
Information Technology	\$ 868,785			\$ 868,785
Police	\$ 3,359,901			\$ 3,359,901
Fire	\$ 2,401,635		\$ 3,250,000	\$ 5,651,635
Planning	\$ 1,192,020	\$ 379,900		\$ 1,571,920
Transportation	\$ 1,064,150			\$ 1,064,150
Public Works	\$ 3,794,881		\$ 7,007,145	\$ 10,802,026
Parks and Recreation	\$ 1,428,198		\$ -	\$ 1,428,198
Non-departmental	\$ 506,639		\$ 176,945	\$ 683,584
Debt Service	\$ 1,402,111			\$ 1,402,111
Total Budgeted Expenditures	\$ 18,489,939	\$ 1,510,090	\$ 10,434,090	\$ 30,434,119



SUMMARY OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES GENERAL FUND

	2009-10 Actual	2010-11 Adopted	2010-11 Estimated	2011-12 Adopted	% Change 2011/12 from 2010/11
Estimated Fiscal Year Beginning Fund Balance	\$ 11,819,860	\$ 14,975,070	\$ 17,256,817	n/a	n/a
Revenues					
Ad Valorem Taxes	\$ 11,213,669	\$ 11,021,222	\$ 11,264,500	\$ 11,246,033	2%
Local Option Sales Taxes	\$ 3,039,931	\$ 3,062,136	\$ 2,702,158	\$ 2,966,053	-3%
Other Taxes and Licenses	\$ 508,344	\$ 402,750	\$ 413,100	\$ 406,076	1%
Unrestricted Intergovernmental	\$ 875,129	\$ 860,018	\$ 858,819	\$ 849,531	-1%
Restricted Intergovernmental	\$ 731,165	\$ 553,981	\$ 594,882	\$ 509,765	-8%
Permits and Services	\$ 1,175,314	\$ 1,022,867	\$ 1,074,730	\$ 1,015,238	-1%
Sales and Services	\$ 256,639	\$ 244,606	\$ 238,090	\$ 229,846	-6%
Investment Earnings	\$ 49,174	\$ 50,000	\$ 15,000	\$ 25,000	-50%
Other	\$ 122,317	\$ 44,069	\$ 114,949	\$ 54,439	24%
Subtotal	\$ 17,971,682	\$ 17,261,649	\$ 17,276,228	\$ 17,301,981	0%
Transfers In:					
Installment Financing Proceeds	\$ 617,955	\$ 560,500	\$ 560,500	\$ 298,850	-47%
Fund Balance Appropriated	\$ -	\$ 526,591	\$ 526,591	\$ 712,163	35%
Transfer from General Fund	\$ -				
Transfer from Grant Fund	\$ -	\$ -	\$ -	\$ -	
Transfer from Capital Reserve Fund	\$ -	\$ 176,945	\$ 176,945	\$ 176,945	0%
Transfer from Non-Departmental	\$ (404,562)				
Bond Proceeds					
Other Financing	\$ 213,393	\$ 1,264,036	\$ 1,264,036	\$ 1,187,958	-6%
Revenues	\$ 18,185,075	\$ 18,525,685	\$ 18,540,264	\$ 18,489,939	0%
Expenditures					
General Government	\$ 2,980,135	\$ 3,348,354	\$ 3,009,429	\$ 3,340,405	0%
Public Safety	\$ 5,397,502	\$ 5,736,446	\$ 5,752,107	\$ 5,761,536	0%
Planning	\$ 1,098,192	\$ 1,159,198	\$ 1,129,139	\$ 1,192,020	3%
Transportation	\$ 1,032,835	\$ 1,064,150	\$ 1,064,150	\$ 1,064,150	0%
Public Works	\$ 2,958,684	\$ 3,608,031	\$ 3,805,155	\$ 3,794,881	5%
Parks and Recreation	\$ 1,243,416	\$ 1,372,343	\$ 1,235,829	\$ 1,428,198	4%
Economic and Physical Development	\$ 47,825	\$ -	\$ -	\$ -	#DIV/0!
Nondepartmental	\$ -	\$ 476,248	\$ -	\$ 506,638	6%
Capital Outlay	\$ 2,474,729	\$ -	\$ -		
Transfers To:					
General Fund					
Capital Reserve Fund	\$ -	\$ 212,000	\$ 212,000	\$ -	-100%
Capital Project Fund	\$ -	\$ -			
Bond Fund	\$ -				
Affordable Housing Fund	\$ -				
Debt Service:					
Principal	\$ 1,214,257	\$ 1,237,001	\$ 1,237,001	\$ 1,107,059	-11%
Interest and Other Charges	\$ 263,461	\$ 311,914	\$ 311,914	\$ 295,052	-5%
Total Expenditures	\$ 18,711,036	\$ 18,525,685	\$ 17,756,724	\$ 18,489,939	0%
Estimated Fiscal Year Ending Fund Balance	\$ 14,975,070	\$ 14,975,070	n/a	n/a	n/a

Notes: In North Carolina, adopted budgets must be balanced. In some cases, fund balance is appropriated as part of the adopted budget. The ending fund balance presented in this chart is not relevant on the columns showing adopted budget figures. The Town only has governmental funds.

General Government Accounting Principles require governmental fund data be presented separately for each individual major governmental fund. General Fund is always considered a major fund.

The change in the general fund balance is based on spending levels being at 83% of the total budget. Carrboro has maintained the fund balance level within the range stated in the Town's fiscal policy. In recent years, fund balance has exceeded the range ceiling of 35%.

SUMMARY OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES BOND FUND

	2009-10 Actual	2010-11 Estimated Projection	2010-11 Adopted	2011-12 Adopted	% Change 2011/12 from 2010/11
Estimated Fiscal Year Beginning Fund Balance	\$ (1,985,170)	\$ (2,127,006)	n/a	n/a	n/a
Revenues					
Ad Valorem Taxes					
Local Option Sales Taxes					
Other Taxes and Licenses					
Unrestricted Intergovernmental					
Restricted Intergovernmental	\$ 53,747	\$ 273,860	\$ 967,508	\$ 1,541,508	59.33%
Permits and Services					
Sales and Services					
Investment Earnings	\$ 1,163	\$ 22,971	\$ 155,757	\$ 179,507	15.25%
Other	\$ -	\$ 98,607	\$ 98,607	\$ 113,356	14.96%
Transfers In:					
Installment Financing Proceeds					
Fund Balance Appropriated					
Transfer from General Fund		\$ 12,700	\$ 12,700	\$ 12,700	0.00%
Transfer from Grant Fund					
Transfer from Capital Reserve Fund		\$ 239,988	\$ 239,988	\$ 239,988	0.00%
Transfer from Non-Departmental					
Bond Proceeds		\$ -	\$ 2,600,540	\$ 2,600,540	0.00%
Revenues	\$ 54,910	\$ 648,126	\$ 4,075,100	\$ 4,687,599	15.03%
Expenditures					
General Government					
Public Safety					
Planning					
Transportation					
Public Works					
Parks and Recreation					
Economic and Physical Development					
Nondepartmental					
Capital Outlay	\$ 196,746	\$ 1,212,526	\$ 3,835,112	\$ 4,687,599	22.23%
Transfers To:					
General Fund					
Capital Reserve Fund			\$ 239,988	\$ -	-100.00%
Capital Project Fund					
Bond Fund					
Affordable Housing Fund					
Debt Service:					
Principal					
Interest and Other Charges					
Total Expenditures	\$ 196,746	\$ 1,212,526	\$ 4,075,100	\$ 4,687,599	15.03%
Estimated Fiscal Year Ending Fund Balance	\$ (2,127,006)	\$ (2,691,406)	n/a	n/a	n/a

The Town continues to issue bond anticipation notes (BANS) to construct sidewalks and greenways. Upon completion of these bond-funded projects, the Town will issue bonds, eliminating the deficit currently recorded in the fund. GAAP requires short-term notes to be recorded as liabilities and not revenues.

At a minimum, governmental funds other than the general fund must be reported as major funds if they meet both of the following criteria:

- 10% criterion. An individual governmental fund reports at least 10% of any of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund revenues, or d) total governmental fund expenditures
- 5% criterion. An individual governmental fund reports at least 5% of the aggregated total for both governmental funds and enterprise funds of any one of the items for which it met the 10% criterion.

**SUMMARY OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES
NONMAJOR FUNDS**

	2009-10 Actual	2010-11 Estimated Projection	2010-11 Adopted	2011-12 Adopted	% Change 2011/12 from 2010/11
Estimated Beginning Fund Balance	\$ 2,811,256	\$ 4,170,367	n/a	n/a	n/a
Revenues					
Ad Valorem Taxes					
Local Option Sales Taxes					
Other Taxes and Licenses					
Unrestricted Intergovernmental					
Restricted Intergovernmental	\$ (1,154)	\$ 456,196	\$ 276,296	\$ 456,196	65.11%
Permits and Services					
Sales and Services					
Investment Earnings	\$ 23,758	\$ 511,097	\$ 511,097	\$ 511,097	0.00%
Other	\$ 17,141	\$ 629,575	\$ 539,575	\$ 638,261	18.29%
Transfers In:					
Installment Financing Proceeds			\$ 4,017,000	\$ 4,017,000	0.00%
Fund Balance Appropriated					
Transfer from General Fund	\$ 3,401,883	\$ 3,401,883	\$ 1,634,028	\$ 1,634,028	0.00%
Transfer from Grant Fund					
Transfer from Capital Reserve Fund					
Transfer from Non-Departmental					
Bond Proceeds					
Revenues	\$ 3,441,628	\$ 4,998,751	\$ 6,977,996	\$ 7,256,582	3.99%
Expenditures					
General Government	\$ 2,719	\$ -	\$ 229,397	\$ 229,397	0.00%
Public Safety	\$ -				
Planning					
Transportation					
Public Works					
Parks and Recreation					
Economic and Physical Development	\$ 15,825	\$ 27,963	\$ 989,793	\$ 1,280,794	29.40%
Nondepartmental					
Capital Outlay	\$ 84,465	\$ 849,327	\$ 5,442,851	\$ 5,508,705	1.21%
Transfers To:					
General Fund	\$ 20,000	\$ 26,555	\$ 315,955	\$ 237,686	-24.77%
Capital Reserve Fund			\$ -		
Capital Project Fund					
Bond Fund					
Affordable Housing Fund					
Debt Service:					
Principal					
Interest and Other Charges					
Total Expenditures	\$ 123,009	\$ 903,845	\$ 6,977,996	\$ 7,256,582	3.99%
Estimated Ending Fund Balance	\$ 4,170,367	\$ 8,265,273	n/a	n/a	n/a

**SUMMARY OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES
TOTAL GOVERNMENTAL FUNDS**

	2009-10 Actual	2010-11 Estimated Projection	2010-11 Adopted	2011-12 Adopted	% Change 2011/12 from 2010/11
Fiscal Year Beginning Fund Balance	\$ 12,645,946	\$ 19,300,178	n/a	n/a	n/a

Revenues					
Ad Valorem Taxes	\$ 11,213,669	\$ 11,264,500	\$ 11,021,222	\$ 11,246,033	2.04%
Local Option Sales Taxes	\$ 3,039,931	\$ 2,702,158	\$ 3,062,136	\$ 2,966,053	-3.14%
Other Taxes and Licenses	\$ 508,344	\$ 413,100	\$ 402,750	\$ 406,076	0.83%
Unrestricted Intergovernmental	\$ 875,129	\$ 858,819	\$ 860,018	\$ 849,531	-1.22%
Restricted Intergovernmental	\$ 783,758	\$ 1,324,938	\$ 1,797,785	\$ 2,507,469	39.48%
Permits and Services	\$ 1,175,314	\$ 1,074,730	\$ 1,022,867	\$ 1,015,238	-0.75%
Sales and Services	\$ 256,639	\$ 238,090	\$ 244,606	\$ 229,846	-6.03%
Investment Earnings	\$ 74,095	\$ 549,068	\$ 716,854	\$ 715,604	-0.17%
Other	\$ 139,458	\$ 843,131	\$ 682,251	\$ 806,056	18.15%
Transfers In:					
Installment Financing Proceeds	\$ 617,955	\$ -	\$ 4,577,500	\$ 4,017,000	-12.24%
Fund Balance Appropriated	\$ -	\$ 560,500	\$ 526,591	\$ 298,850	-43.25%
Transfer from General Fund	\$ 3,401,883	\$ 3,941,174	\$ 1,646,728	\$ 2,358,891	43.25%
Transfer from Grant Fund	\$ -	\$ -	\$ -	\$ -	
Transfer from Capital Reserve Fund	\$ -	\$ 239,988	\$ 416,933	\$ 239,988	-42.44%
Transfer from Non-Departmental	\$ (404,562)	\$ 176,945	\$ -	\$ 176,945	
Bond Proceeds	\$ -	\$ -	\$ 2,600,540	\$ 2,600,540	0.00%
Revenues	\$ 21,681,613	\$ 24,187,141	\$ 29,578,781	\$ 30,434,119	2.89%

Expenditures					
General Government	\$ 2,982,854	\$ 6,305,361	\$ 3,577,751	\$ 3,569,802	-0.22%
Public Safety	\$ 5,397,502	\$ 5,752,107	\$ 5,736,446	\$ 5,761,536	0.44%
Planning	\$ 1,098,192	\$ 1,129,139	\$ 1,159,198	\$ 1,192,020	2.83%
Transportation	\$ 1,032,835	\$ 1,064,150	\$ 1,064,150	\$ 1,064,150	0.00%
Public Works	\$ 2,958,684	\$ 3,805,155	\$ 3,608,031	\$ 3,794,881	5.18%
Parks and Recreation	\$ 1,243,416	\$ 1,235,829	\$ 1,372,343	\$ 1,428,198	4.07%
Economic and Physical Development	\$ 63,650	\$ 27,963	\$ 989,793	\$ 1,280,794	29.40%
Nondepartmental	\$ -	\$ -	\$ 476,248	\$ 506,638	6.38%
Capital Outlay	\$ 2,755,940	\$ 2,061,853	\$ 9,277,963	\$ 10,196,304	9.90%
Transfers To:					
General Fund	\$ 20,000	\$ 26,555	\$ 315,955	\$ 237,686	-24.77%
Capital Reserve Fund	\$ -	\$ 212,000	\$ 451,988	\$ -	-100.00%
Capital Project Fund	\$ -	\$ -	\$ -	\$ -	0.00%
Bond Fund	\$ -	\$ -	\$ -	\$ -	
Affordable Housing Fund	\$ -	\$ -	\$ -	\$ -	
Debt Service:	\$ -	\$ -	\$ -	\$ -	
Principal	\$ 1,214,257	\$ 1,237,001	\$ 1,237,001	\$ 1,107,059	-10.50%
Interest and Other Charges	\$ 263,461	\$ 311,914	\$ 311,914	\$ 295,052	-5.41%
Total Expenditures	\$ 19,030,791	\$ 23,169,027	\$ 29,578,781	\$ 30,434,119	2.89%

Fiscal Year Ending Fund Balance	\$ 17,018,431	n/a	n/a	n/a	n/a
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The following ordinance was introduced by Alderman Gist and seconded by Alderman Broun:

ANNUAL BUDGET ORDINANCE

Town of Carrboro, North Carolina

FY 2011-12

Ordinance No. 23/2010-11

WHEREAS, the recommended budget for FY 2011-12 was submitted to the Board of Aldermen on May 3, 2011 by the Town Manager pursuant to G.S. 159-11 and filed with the Town Clerk pursuant to G.S. 159-12;

WHEREAS, on May 24, 2011, the Board of Aldermen held a public hearing on the budget pursuant to G.S. 159-12;

WHEREAS, on June 21, 2011, the Board of Aldermen adopted a budget ordinance making appropriations and levying taxes in such sums as the Board of Aldermen considers sufficient and proper in accordance with G.S. 159-13;

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE TOWN OF CARRBORO, NORTH CAROLINA:

Section 1. The following amounts are hereby appropriated for the operation of the Town of Carrboro and its activities for the fiscal year beginning July 1, 2011 and ending June 30, 2012, according to the following schedules.

SCHEDULE A - GENERAL FUND

GENERAL GOVERNMENT.....	\$3,340,405
Mayor & Board of Aldermen.....	\$ 298,236
Advisory Boards	\$ 11,800
Governance Support.....	\$ 268,541
Town Manager	\$ 275,987
Economic & Community Development.....	\$ 150,604
Town Clerk	\$ 88,120
Management Services	\$1,001,601
Human Resources	\$ 376,731
Information Technology	\$ 868,785
PUBLIC SAFETY	\$5,761,536
Police.....	\$3,359,901
Fire	\$2,401,635
PLANNING	\$1,192,020
TRANSPORTATION.....	\$1,064,150
PUBLIC WORKS.....	\$3,794,881
PARKS & RECREATION	\$1,428,198
NONDEPARTMENTAL.....	\$506,638
DEBT SERVICE	\$1,402,111
TOTAL GENERAL FUND.....	\$18,489,939

SCHEDULE B – SPECIAL REVENUE FUNDS

Capital Reserve Fund

Transfer to General Fund\$176,945

Section 2. It is estimated that revenues from the following major sources will be available during the fiscal year beginning July 1, 2011 and ending June 30, 2012 to meet the foregoing schedules:

SCHEDULE A - GENERAL FUND

Ad Valorem Taxes	\$11,246,033
Local Sales Taxes	\$2,966,053
Other Taxes/Licenses	\$406,076
Unrestricted Intergovernmental Revenue	\$849,531
Restricted Intergovernmental Revenue	\$509,765
Fees and Permits	\$1,015,238
Sales & Services	\$229,846
Investment Earnings.....	\$25,000
Other Revenues.....	\$54,439
Other Financing Sources.....	\$475,795
Fund Balance Appropriated	\$712,163
TOTAL GENERAL FUND.....	\$18,489,939

SCHEDULE B – SPECIAL REVENUE FUNDS

Capital Reserve Fund

Fund Balance Appropriated\$176,945

Section 3. Pursuant to GS 159-13.2 (a), the Board of Aldermen may authorize and budget for capital projects and multi-year special revenue funds in its annual budget ordinance. The project ordinance authorizes all appropriations necessary for the completion of the projects. No project ordinances are needed at this time.

Section 4. Charges for services and fees by Town Departments are levied in the amounts set forth in the Miscellaneous Fees and Charges Schedule.

Section 5. The following authorities shall apply:

- a. The Town Manager can transfer between departments and functions within the General Fund for pay plan adjustments, service level benefits, law enforcement separation allowance, unemployment insurance, and retiree, dependent, and permanent part-time health benefits without further action by the Board.
- b. The Town Manager can transfer within functions.

- c. The Town Manager, in accordance with the Town fiscal policy, may at the end of a fiscal year, upon confirming that the undesignated fund balance available in the annual audit exceeds the policy ceiling of 35%, set aside an amount in designated fund balance for transfer to the capital reserve fund for future projects.
- d. All operating funds encumbered or designated within fund balance for project expenditures as confirmed in the annual June 30, 2011 audit of the previous year shall be re-appropriated to the Fiscal Year 2011-12 without further action by the Board.
- e. The Finance Officer may approve intradepartmental transfer requests between appropriation units and between programs (formally called “organizational units”) within the departmental budget.
- f. Transfers between funds and transfers from the contingency account may be executed only by the Board of Aldermen. The Carrboro Board of Aldermen will appropriate funds from the Contingency account exclusively for government operations.
- g. In recognition of unpredictable fuel prices, a Fuel Contingency account has been established in the General Fund. The Town Manager may approve transfers from this Fuel Contingency account if needed by departments when their fuel line items are fully expended.
- h. The Orange County Tax Collector, is authorized, empowered, and commanded to collect the 2011 taxes set forth in the tax records filed in the office of the Orange County Tax Assessor, and in the tax receipts herewith delivered to the Tax Collector, in the amounts and from the taxpayers likewise set forth. Such taxes are hereby declared to be a first lien upon all real property of the respective taxpayers in the County of Orange. This section of the ordinance shall be a full and sufficient authority to direct, require, and enable the Orange County Tax Collector to levy on and sell any real or personal property of such taxpayers, for and on account thereof, in accordance with law.
- i. Under GS143-64.32, architectural, engineering, and surveying services with fees less than thirty thousand dollars (\$30,000) may in writing be exempt from the RFQ (Request for Qualification) process.

Section 6. There is hereby levied the following rates of tax on each one hundred dollars (\$100) valuation of taxable property as listed for taxes as of January 1, 2011 for the

purpose of raising the revenue constituting the general property taxes as set forth in the foregoing estimates of revenue and in order to finance the foregoing appropriations.

General Fund\$5894

Section 7. In accordance with G.S. 159-13, a copy of this ordinance shall be filed with the Town Manager, the Finance Officer, and the Town Clerk.

The foregoing resolution having been submitted to a vote received the following vote and was duly adopted this 21st day of June 2011;

Ayes: Sammy Slade, Lydia Lavelle, Joal Hall Broun, Jacquelyn Gist, Randee Haven-O’Donnell

Noes: None

Absent or Excused: Mark Chilton, Dan Coleman

I, Catherine C. Wilson, Town Clerk for the Town of Carrboro, NC do hereby certify that the foregoing is a true and correct copy of an ordinance approved by the Carrboro Board of Aldermen.


Town Clerk



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ABOUT THE TOWN OF CARRBORO...

The Town of Carrboro is a small local government entity overseen by a Mayor and Board of Aldermen and professionally managed by a Town Manager. The Town is a growing community located within Orange County in the north central portion of North Carolina. The area's topography is characterized by rolling hills. The Town, which was incorporated in 1911, has a population of 19,582 and is situated next to Chapel Hill, the University of North Carolina and is near the Research Triangle Park.

The growth of the Town is directly related to the expansion of the University of North Carolina at Chapel Hill and growth in the Research Triangle Park. Enrollment at the University has risen from 24,872 in 2000 to 29,390 in 2010.

DEMOGRAPHICS

Census 2010 data releases are underway, with many statistics scheduled for release through 2013. At the present time, general information on ethnic composition and the occupancy status of housing has been released for the Town of Carrboro. The American Community Survey (ACS), however, provides more detailed information on population, housing occupancy and ownership, educational attainment, employment and travel. The ACS, a method of continuously collecting data on these characteristics by sampling three million households each year, has been underway since 2005. Aggregated estimates for the period 2005 to 2009 for smaller communities, including Carrboro, were released in December 2010. More frequent data collection is considered a viable method of providing more up-to-date information about the US population, particularly at the local community level.

POPULATION

The 2010 population of Carrboro is 19,582, which is a 16.7 percent increase from 2000. Carrboro added 2,800 people to its population between 2000 and 2010. These residents constitute 14.2 percent of the Orange County population. The following paragraphs highlight important demographic changes that have taken place over the past decade.

ETHNIC COMPOSITION

Of the total Orange County population, 2,706 are of Hispanic/Latino origin and make up 13.8 percent of the population. This is up from 12.3 percent ten years earlier. In 2010, 1,921 (71%) Hispanic/Latino residents were 18 years or older. Since 2000, the Hispanic/Latino population in Orange County has grown from 5,273 to 7,213.

Racial Composition of Carrboro		
Race	2010 Percent	2000 Percent
Other (including two or more)	10.4	8.6
Asian	8.2	5.2
American Indian and Alaska Native	0.4	0.4
Black or African American	10.1	13.5
White	70.9	72.7

AGE COMPOSITION

The combined age groups of the years 20 to 54 continue to make up more than 63 percent of Carrboro's total population. The percent changes from 1990 highlights some changes worthy of notice. The age group of 20 to 24 has decreased 10 percent since 2000, an indication of a decline of the proportion of undergraduate students living in Carrboro. The population also decreased in the rest of the age groups between 25 to 54, revealing a decline in graduate students, young professionals, married couples and families as part of the community. The school age population (age 5 to 19) decreased slightly from the number in 2000; a fairly significant change from the population segment's doubling in the previous decade. Married couple families with children under 18 are estimated to make up about 21 percent of Carrboro households; 57 percent are estimated to be non-family households. The biggest increases took place in the age groups of 55 to 59 and 75 to 85. The largest age group in Carrboro continues to be the 25 to 34 age group, estimated to make up about 19 percent of the population.

Age	Number	% of Population	% Change from 2000
Under 5 Years	1,244	7.0	37%
5 to 9 Years	942	5.3	-.85%
10 to 14 Years	1,217	6.8	44%
15 to 19 Years	1,099	6.2	25%
20 to 24 Years	2,895	16.2	-10%
25 to 34 Years	3,421	19.2	-18%
35 to 44 Years	2,548	14.3	-2%
45 to 54 Years	2,398	13.4	39%
55-59 Years	836	4.7	128%
60 to 64 Years	365	2.1	23%
65 to 74 Years	304	1.7	-24%
75 to 84 Years	455	1.92.5	44%
85 Years and Over	125	0.7	-13%
Source: U. S. Census Bureau 2005-2009 American Community Survey			

HOUSING

Carrboro continues to be mostly a community consisting of rental units as 62 percent of the housing stock is renter occupied. Owner occupied housing continues to increase as a segment of the local housing stock, up to 38.5 percent from 2000. The total housing stock of 9,200 housing units had a vacancy rate of 9 percent. Of the total housing units, 41 percent was in single-unit structures, 58 percent was in multi-unit structures, and 1 percent was mobile homes. Thirty-four percent of the housing units were built since 1990. As of 2009, population density continues to top that in the state of North Carolina at 3,141 persons per square mile, down from 3,753 persons per square mile in 2000.

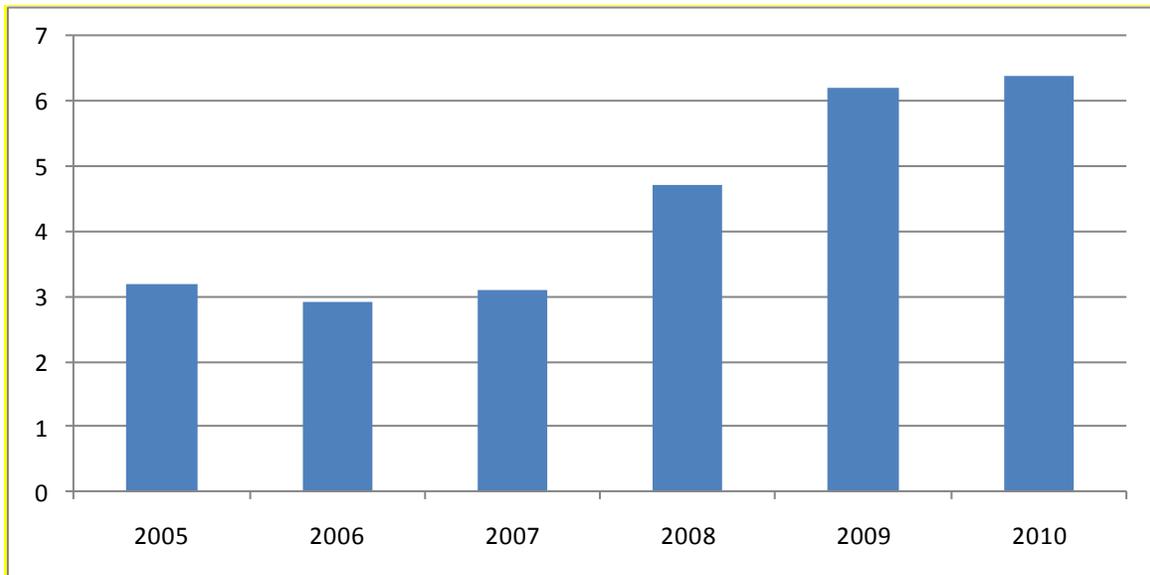
The median value of a housing unit in Carrboro in 2005-2009 was \$307,600. This is up from \$143,242 in 2000, a 114 percent increase.

INCOME

The 2005-2009 per capita income for Carrboro is \$29,418 and the median household income is \$39,366. The household income levels of Carrboro break roughly into equal thirds. Thirty-two percent of the households earn less than \$25,000 a year. Twenty-five percent of the households make between \$25,000 and \$50,000 a year, while 41 percent of households make more than \$50,000 a year.

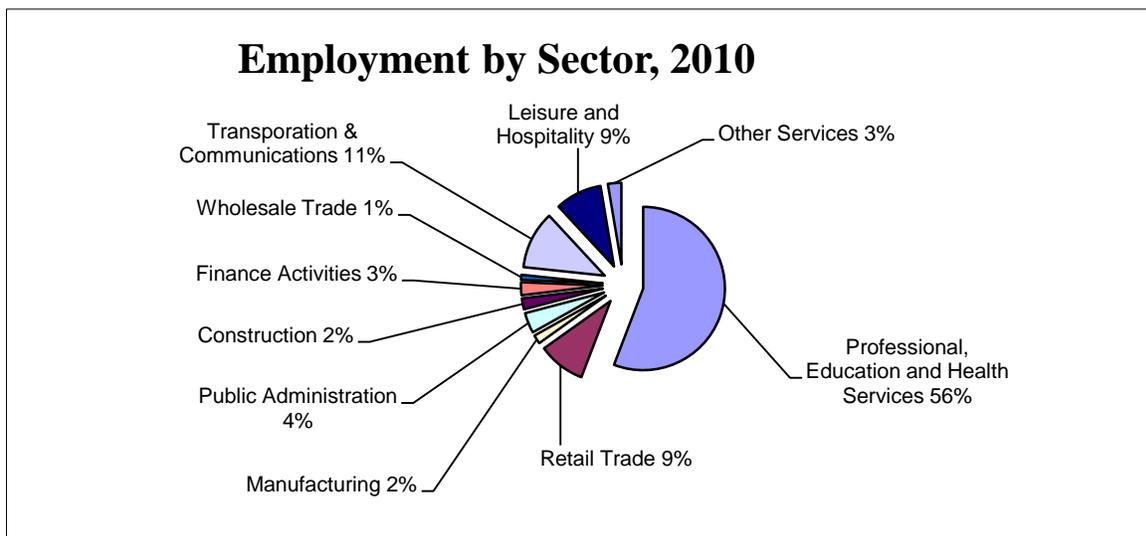
EMPLOYMENT

In 2005-2009, employment levels in Carrboro reflect national and statewide trends with an increase in the unemployment rate from 3.6 in 2000 to 5.9 percent. The unemployment rate for Orange County has fluctuated since 2005 and due to the current national economic condition has climbed to 6.4% as of December 2010.



The major employers within Orange County (those with 450 or more employees) reflect the dominance of the professional services and retail sectors.

Employer	# of Employees
University of North Carolina at Chapel Hill	16,217
UNC Health Care System	7,964
Blue Cross/Blue Shield of NC	1,239
Chapel Hill-Carrboro City Schools	2,138
Orange County Schools	1,157
Orange County Government	850
Town of Chapel Hill	912
Sports Endeavors	676
Harris Teeter	489



Source: Orange County Economic Development Commission

Key Intergovernmental Relationships

The Town of Carrboro has many relationships with surrounding communities and with other State and regional organizations that affect the services provided to the community. A summary of these relationships follows:

State of North Carolina

- Established the Town by granting a municipal charter
- Grants and imposes powers to the Town
- Constructs and maintains a road network within the Town limits
- Is the conduit for transportation improvement funds used to maintain roads
- Collects and distributes certain taxes to the Town (sales taxes, beer and wine taxes, etc.)

Triangle J Council of Governments (TJCOG)

- Provides planning and other services to towns that are members of this voluntary organization that represents a region of municipal and county governments, including Carrboro
- Includes one delegate and one alternate to its board of delegates

City of Durham

- Provides staff for the Durham/Chapel Hill/Carrboro Metropolitan Planning Organization (Transportation Advisory Committee)

Chatham County

- Meets with town staff via Orange-Chatham Work Group on occasion to review development issues. Development at the border affects each community.

University of North Carolina

- Has mutual aid agreement for police services and emergencies
- Involves town in planning for Carolina North
- Allows use of easement for Libba Cotten bikeway

Orange Water and Sewer Authority

- Provides a mutual aid agreement for emergency response
- Extends water and sewer services in Carrboro zoning jurisdiction in accordance with policies of the Board
- Maintains fire hydrants used by the Carrboro Fire Department

Orange County

- Provides mutual aid agreement for police services
- Provides landfill and recycling services to Carrboro
- Appoints two members to OWASA board of directors
- Participates in Joint Planning Agreement
- Plans jointly with Town for use of Housing and Urban Development Funds (HUD) and receives local contribution from Town toward affordable housing initiatives

- Has community, elected board members, and other Carrboro residents serve on numerous boards, commissions, and work groups including: Solid Waste Advisory Board, Orange County Economic Development Commission, JOCCA, EMS Council, Intergovernmental Parks Work Group, and the Orange County Housing and Land Trust
- Assists with funding of joint capital projects including recent purchase of Adams Tract for open space preservation
- Operates 911 emergency communications system; dispatches fire and police service units
- Provides jail services for Carrboro
- Provides tax assessing and collection services for Carrboro
- Provides grants to Carrboro for recreation
- Enforces soil and erosion control ordinance in the Town
- Program cooperative recreational and educational ventures with Orange County

Town of Chapel Hill

- Provides fixed-route, E-Z rider and Shared Ride transit services via an interlocal agreement with Town of Carrboro and the University of North Carolina
- Appoints two members to the Orange County Solid Waste Advisory Board, two members to the Orange Water and Sewer Authority (OWASA) board of directors.
- Has a mutual aid agreement for fire protection
- Provides use of Chapel Hill's fire training facilities
- Provides regular staff communications regarding services and policies
- Share resources with Chapel Hill, i.e., protective gear and hose tester in the Fire Department; special events staffing
- Program cooperative recreational and educational ventures with Chapel Hill

Town of Hillsborough

- Provides mutual aid agreement for fire and police protection
- Appoints two members of the Orange County Solid Waste Advisory Board

Chapel Hill-Carrboro School System

- Engages in joint use agreements for use of some recreation facilities
- Uses town services to provide school resource officer

GOVERNMENTAL STRUCTURE

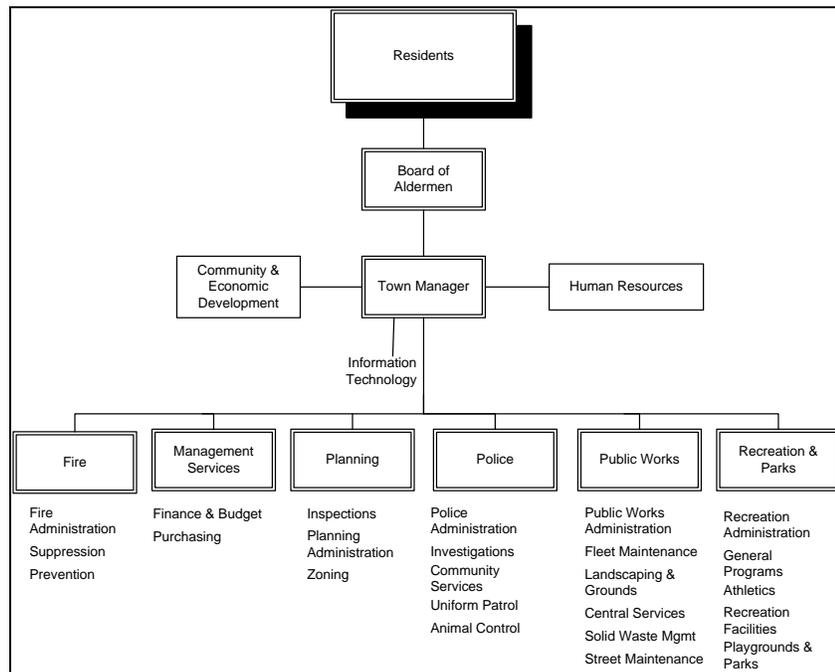
The Town of Carrboro has a council/manager form of municipal government. Under the council/manager form of government, the Board of Aldermen performs the legislative functions of the town: establishing laws and policies. The Board of Aldermen is an elected body representing the residents of Carrboro. Under the current electoral system, the Board of Aldermen consists of a mayor and six aldermen. The mayor and the aldermen are elected by the voters of the entire town. The mayor is elected to serve a term of two years and the aldermen are elected to serve staggered terms of four years. The mayor acts as the official head of town government and presides at board meetings. The mayor is a voting member of the board. He or she also appoints council members to advisory boards and committees.

The Board also appoints a manager who carries out the laws and policies enacted by the board. The Town Manager is responsible for managing the town's employees, finances, and resources. The Town has 162 full-time and part-time employees with 8 departments reporting to the Town Manager (see chart below). The Board of Aldermen also appoints a Town Clerk to maintain important town records, and an attorney, who represents the town administration and board in all legal matters.

Local governments in North Carolina exist to provide a wide range of basic services on which we all depend: police and fire protection; public works (garbage collection, street resurfacing, fleet maintenance, landscaping and building and grounds); planning; inspections and zoning; economic and community development; and parks and recreation programming. The major services provided by the Town include all of the services above but exclude water and sewer services

and tax collections. Certain large costs assumed by the Town reflect key services that are contracted with other governmental jurisdictions such as transit services, recycling, and landfill fees. The town also has administrative support units (personnel, technology, finance, budget, purchasing, town clerk, etc) that provide both direct services as well as indirect support services. The General Fund is the primary operating budget for the Town. The town has several other smaller funds primarily for capital reserves or for capital projects.

The budget for the town is largely supported by property taxes. The Town, facing growth in the Northern Transition Area, envisions the potential increase in the town's population to 24,000. In



addition, the Town, in an effort to reduce the tax burden on residents, is exploring ways to increase its commercial tax base (~11%) as a percentage of its tax base.

BOARD PRIORITIES

The Board of Aldermen spends considerable time annually reviewing and defining strategic priorities for the Town with the ultimate goal of creating and maintaining Carrboro as a sustainable community that is a highly desirable place to live. The Board’s decisions ultimately affect the resource allocations for Town services and approved with the annual budget ordinance allocating expenditures and revenues for July 1 through June 30 of each year.

Budgeting in Carrboro has become a year-round event. After adoption of the operating budget in June, work on the CIP begins in August. Much of the work presented in the annual operating budget draws from the CIP, reports and assessments of community needs identified by residents, advisory boards, staff, and the Board.

Budget Calendar

January 20	Management Services distributes budget manual
January 30	Board Retreat
February 21	Departmental budgets, work plans, and performance measures due
February 22	Board holds public hearing to receive community input
March 1-8	Town Manager meets with department heads to review budget requests
March 18-31	Final review of budget requests by Town Manager
April 25-29	Town Manager meets one-on-one with Board of Aldermen
May 3	Town Manager submits recommended budget to Board
May 10	First budget work session
May 24	Board holds public hearing on recommended budget
June 7	Second budget work session (if needed) & Board directs Town Manager to prepare final budget
June 21	Board adopts final budget

Beginning in December, departmental budgets are prepared and justified using two components - a continuation budget and a proposed change or expansion budget. In recognition that some costs incurred by the Town reflect increases beyond normal inflation, the continuation budget, includes those costs, as well as expenditures where the Town or Board has made a legal or budgetary commitment. The inclusion of these costs in the continuation budget will allow the Town to maintain the same high levels of service provided in the current year with similar operating funds. These costs include projects and infrastructure expenditures reflected in the annual Capital Improvements Plan which includes street resurfacing costs, vehicles, equipment, various specific capital projects and debt service payments for capital commitments. Other ongoing annual costs in the continuation budget includes performance pay for employees, and dependent and retiree health insurance, and numerous operating costs needed to provide daily services.

All other requests are defined as “proposed changes” and are budgeted in a separate column and are categorized in a manner such that the Board and residents can understand the various dynamics involved in making funding decisions. Dynamics include improved service levels, and capital outlay – recurring capital outlay that does not meet the capital thresholds for

consideration in the CIP. Justifications for proposed changes are based on the Board's adopted goals as well as individual departmental goals and objectives.

Also driving the services and budget process provided by the town are the strategic priorities and financial policies adopted by the Board. These financial policies address revenues, cash management, expenditures, debt and risk management, capital needs, and budgeting and management.

The current Board priorities (in bold) and their relationship to departmental goals and work plans (in italics) are listed below:

- ❖ **Diversify revenue stream to maintain ethnic and economic diversity**
 - ◆ *Maximize use and revenue at recreation facilities.(Recreation & Parks)*
 - ◆ *Diversify and expand the commercial the tax base, to create more high paying jobs in town, and to promote the town's image as a place for businesses.(Economic and Community Development)*
 - ◆ *Expand our community based programs to other locations to better serve our diverse population. (Recreation & Parks)*
 - ◆ *Offer diversified programs reflective of citizen needs and promotes sensitivity to cultural diversity. (Recreation & Parks)*

- ❖ **Improve walkability and public transportation**
 - ◆ *Improve Quality of public transportation service. (Transportation)*
 - ◆ *Improve level of public transportation service. (Transportation)*
 - ◆ *Work with Chapel Hill Transit to more effectively manage current level of public transportation service in Carrboro, to extend service into areas of Carrboro not served by fixed route service, and evaluate the shared-ride service in Carrboro (number of participants). (Transportation)*
 - ◆ *Improve access to public transportation. (Transportation)*

- ❖ **Encourage development that is compact, dense, and appeals to diverse lifestyles and incomes**
 - ◆ *Increase the number of affordable energy efficient housing units in the Town. (Economic and Community Development)*

- ❖ **Enhance and sustain quality of life/place issues for everyone**
 - ◆ *Reduce the number of known drug houses and street-level drug sales locations. (Police)*
 - ◆ *Maintain index crime clearance rates at or above the national average for comparable towns. (Police)*
 - ◆ *Ensure the safety of all employees and citizens on town property. (Police)*
 - ◆ *Provide fire suppression, light duty rescue, and emergency medical technician services on a 24-hour basis covering the Town of Carrboro and the South Orange Fire District. (Fire-Rescue)*
 - ◆ *Provide fire education for schools, day care centers, and special interest groups. (Fire-Rescue)*

- ◆ *Achieve a well-balanced public infrastructure. (Planning)*
- ◆ *Help citizens develop a human environment that promotes trust, mutual respect, acceptance, happiness and well being. (Planning)*
- ◆ *Develop innovative approaches to support the community, particularly with regard to housing, transportation, energy production and consumption, and ecological restoration and protection. (Planning)*
- ◆ *Provide timely, cost-effective maintenance of public streets, bike paths, storm drainage system and right-of-way. (Public Works)*
- ◆ *Provide cost effective, reliable solid waste collection and disposal. (Public Works)*
- ◆ *Provide park facility and ball field maintenance. (Public Works)*
- ◆ *Provide classes, workshops, trips, camps and other general recreational activities to meet the varied leisure interests and needs of the community. (Recreation & Parks)*
- ◆ *Operates 10 parks and 1 indoor community facility. (Recreation & Parks)*

FINANCIAL POLICIES

Among the responsibilities of municipalities to its residents are the care of public funds and the wise and prudent management of municipal finances while providing for the adequate funding of the service delivery to the public and the maintenance of public facilities. These financial management policies adopted by the Board are designed to ensure the fiscal stability of the Town and guide the development and administration of the annual operating and capital budgets. With Governmental Accounting Standards Board Statement 54 (GASB 54), *Fund Balance Reporting and Government Fund Type Definitions*, scheduled for implementation for the fiscal year ending June 30, 2011, the Town revised its fund balance policy on April 5, 2011. All other provisions of the Town's Financial Policies as updated June 3, 2008 remain unchanged and continue to be in effect.

Objectives

The Town's financial objectives address revenues, cash management, expenditures, debt and risk management, capital needs and budgeting and management. The specific objectives are listed below:

- Protect the policy-making ability of the Board of Aldermen by ensuring that important policy decisions are not controlled by financial problems or emergencies.
- Assist Town management by providing accurate and timely information on financial conditions.
- Provide sound principles to guide the important decisions of the Board of Aldermen and of management which have significant fiscal impact.
- Provide essential public facilities and prevent deterioration of the Town's public facilities and its capital plant.
- Set forth-operational principles that minimize the cost of government and financial risk, to the extent consistent with services desired by the public.
- Enhance the policy-making ability of the Board of Aldermen by providing accurate information on program costs.
- Employ revenue policies that prevent undue or unbalanced reliance on certain revenues, which distribute the costs of municipal services fairly, and which provide adequate funds to operate desired programs.
- Ensure the legal use of all Town funds through a good system of financial security and internal controls.

Achieving These Objectives:

Town staff shall develop and maintain methods of forecasting future revenues and expenditures. These methods shall project the Town's future revenues and expenditures through a variety of methods including but not limited to forecasts of the economy and future development of the Town.

Town staff will estimate General Fund revenues using an objective and analytical process, as well as documenting and maintaining specific assumptions. In instances where there is uncertainty as to assumptions, conservative revenue projections shall be provided.

REVENUE POLICIES

Important issues to consider in revenue analysis are growth, flexibility, elasticity, dependability, diversity, and administration. Under ideal situations, revenues grow at a rate equal to or greater than the combined effects of inflation and expenditures. Revenues should be sufficiently flexible to allow adjustments to changing conditions.

The Town uses the following policies to govern its operations and methods regarding revenues that are used for operations.

Sources of revenue

The Town will strive to maintain a diversified and stable revenue system to shelter the government from short-run fluctuations in any single revenue source and ensure its ability to provide for ongoing service.

A balance will be sought in the revenue structure between the proportions of elastic and inelastic revenues. New sources of revenue will be sought to achieve the desirable balance.

Restricted revenue shall only be used for the purpose intended and in a fiscally responsible manner. Programs and services funded by restricted revenue will be clearly designated as such.

Intergovernmental assistance shall be used to finance only those capital improvements that are consistent with the capital improvement plan and local government priorities, and whose operation and maintenance costs have been included in operating budget forecasts.

Fees and cost recovery

User fees and charges shall be reviewed annually. Town departments that generate a significant amount of user fee revenue regularly monitor their fees by comparing them to other local area jurisdictions. Fees shall be adjusted where appropriate to reflect these increases.

Engineering Fees represent an exception to user fees whereby applicants are responsible for paying 80% of fees assessed by the Town's engineers. The engineers, who perform under a contractual agreement with the Town, bill the Town and the Town, in turn, sends a bill to the applicant for all such fees.

The Recreation and Parks Department, establishes recreation fees based on numerous factors, depending upon the program or services offered. Services offered may be available at no cost (a town-sponsored event), partially subsidized based on financial need, or may be based on 80%-100% direct cost recovery. Fees for nonresident users of recreation programs shall be established after the Board of Aldermen approves the upcoming fiscal year budget. The fee shall be established by dividing the annual appropriation for the Recreation and Parks Department by the number of town residents. This will provide for a per capita cost for recreation services. An average of two activities per year in the Athletic Program and three activities per year in the General program area has been determined.

Therefore, the per activity fee shall be established for those persons not residing nor owning property in Orange County by dividing the annual out-of-county fee by two or three in the Athletic and General Program areas, respectively. An exception to this policy will be in those programs where fees are based on recovering 100% of direct costs.

Grants and federal funds

The Town shall aggressively pursue all grant opportunities; however, before accepting grants, the Town will consider the current and future implications of both accepting and rejecting the monies, including:

- the amount of matching funds required;
- in-kind services that are to be provided;
- the related operating expenses; and
- length of grant and consequential disposition of service (i.e., is the Town obliged to continue the services after the grant has ended).

Payment-in-Lieu Financing

Payment-in-lieu revenue represents payments from developers or property owners for the purpose of providing open space areas or recreational facilities that serves or benefits the residents of the development generating the funds.

The Town's ordinance allows developers of certain types of projects to either provide open space and recreational facilities according to standards set forth in the ordinance or pay a fee in accordance with the Town-established fee schedule.

Operating Transfers

To the maximum extent feasible and appropriate, General Fund transfers to other funds shall be defined as payments intended for the support of specific programs or services. Amounts not needed to support such specific program or service expenses shall revert back to the General Fund.

OPERATING BUDGET POLICIES

The Town uses the following policies to govern its operations and methods regarding operating budget expenditures.

Fund Balance

To maintain the Town's credit rating, meet seasonal cash flow shortfalls, economic downturns or a local disaster, the Town shall maintain and present fund balance for the general fund in accordance with the requirements of GASB 54.

The Town will maintain an unassigned fund balance in the general fund at a level ranging from 22.5% to 35% of the General Fund budget. When the fund balance exceeds 22.5% of the unassigned fund balance level, the Town may earmark funds exceeding 22.5% for capital projects or financing only. Unassigned fund balance will generally not be used for operating expenses.

Fund balance shall be confirmed at the end of each fiscal year by the annual independent audit and if the:

- 1) Unassigned fund balance falls below 20%, the Town Manager shall develop and implement a plan to rebuild the balance to 22.5% within one year; or
- 2) Unassigned fund balance exceeds 35%; the Town Manager may set aside an amount in assigned fund balance for transfer to the capital projects fund for future projects, unless the Town Manager determines it necessary to maintain fund balance at the current level due to existence of other fiscal, economic and/or operating conditions.

The Board of Aldermen shall take formal action to commit the use of fund balance for projects or purposes in any current year or future year's budget.

Absence a commitment of fund balance by the Board, the Town Manager has the authority to express intended uses of unrestricted fund balance that will result in assigned funds for specific purpose.

Where an expenditure is incurred for which restricted and unrestricted fund balance is available, the restricted fund balance, to the extent feasible, should be used first.

When expenditure is incurred for which there is unrestricted fund balance available, funds should be spent in the following order: committed, assigned and unassigned.

- a. Committed fund balances are amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- b. Assigned fund balances are amounts intended to be used by the government for specific purposes and so expressed by the governing body or by an official or body to which the governing body delegates the authority.
- c. Unassigned fund balance is the residual classification of the general fund that includes all amounts not contained in other fund balance classifications. Unassigned amounts are technically available for any purpose.

Budget Process and Procedures

State Laws

The North Carolina Local Government Budget and Fiscal Control Act requires that the Town Manager submit a recommended budget to the Mayor and Board of Aldermen no later than May 1st, that the Board hold a public hearing on the budget, and that the Board adopt an annual budget or interim budget each year by July 1st. The budget must be balanced. Defined by the Fiscal Control Act, "the sum of estimated net revenues and appropriated fund balance in each fund shall be equal to appropriations in that fund."

State laws also determine the types of services and regulatory authority, which the Town can provide as well as the revenue sources available to the Town. For example, the Town is authorized to provide police and fire protection, refuse collection, and street maintenance services, but is not authorized by the State to levy income taxes or to raise the local sales tax which is capped at the existing two and one-half (2.5) percent. In North Carolina, county governments are responsible for public health, education, and social services. County and state government decisions govern funding for the Chapel Hill- Carrboro school system.

Local procedures

The budget process follows a familiar process in that the primary mission continues to be the development of an annual financial plan for the Town. However, just as important, the budget is a strategic plan whereby departmental missions and objectives are aligned with the Board goals and commitments made today and the impact of those decisions are projected and planned for into the future.

Public input and review of the recommended budget is encouraged. The entire budget document shall be available at the Town Clerk's Office and the Town's website for review. The Board of Aldermen shall hold at least two meetings prior to their adoption of an annual budget.

The fiscal budget is prepared by the Town Manager for a one-year fiscal cycle beginning July 1 and ending June 30 of the following year and must be adopted by the Board of Aldermen prior to the beginning of each fiscal year.

The recommended budget, as presented by the Town Manager, shall reflect the continuation of current service levels wherever appropriate and/or shall include an explanation of any decreases and increases. Any reprogramming or budget shifts from the previous budget shall be clearly identified in the budget document.

The recommended budget, as presented by the Town Manager, shall represent a balanced budget; recommended allocations shall not exceed projected revenues.

General Fund Budgeting

The basic format of the budget shall identify programs within organizational structures defined primarily by department. Programs are defined as specific services provided to the public by a specific department. All assumptions, transfers, and other relevant budget data shall be clearly stated.

The Town will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing expenditures, accruing future years' revenues, or rolling over short-term debt.

Requests for human services and nonprofit funding shall coincide with the budget process. The Town shall set aside funds for external organizational or program services through the grant application process. The amount recommended for funding shall increase each year based on the consumer price index (CPI) over the previous twelve months. If the CPI remains flat or decreases, nonprofit funding shall remain unaffected. The requests are reviewed by the Town's Human Services Commission which in turn submits a funding recommendation to the Board of Aldermen.

Transfers between funds and transfers from the contingency account may be executed only by the Board of Aldermen. The Carrboro Board of Aldermen will appropriate funds from the Contingency Fund exclusively for government operations.

Where possible, the budget and subsequent status reports will integrate performance measurement and productivity indicators.

In instances where specific activities or purchases are authorized by the Board of Aldermen in a certain fiscal year and remain incomplete and thus, unexpended, fund balance may be carried forward, at Board of Aldermen's discretion, into the next fiscal year to support such activities or purchases.

Budgetary and accounting procedures will conform to Generally Accepted Accounting Principles (GAAP) for governmental agencies.

Special Fund Budgeting

The term “Special Funds” shall be used to identify all funds other than the General Fund, inclusive of the following fund types: Capital Reserve Fund, Payment-in-Lieu Capital Reserve Fund, Revolving Loan Fund, and Capital Projects Fund.

Special Funds shall be created when legally required, requested by the Board of Aldermen, or to facilitate internal accounting and financial reporting procedures.

The annual budget for each Special Fund shall be prepared in conjunction with the General Fund budget and shall be submitted to the Board of Aldermen for adoption prior to the beginning of the fiscal year.

Special Funds budgetary and accounting procedures will conform to GAAP.

Capital Fund Budgeting

A local government may in its discretion, authorize and budget for a capital project or grant project, either in its annual budget ordinance or in a project ordinance. At any time during the year, a project ordinance may be established. A local government shall not begin a capital project until it has adopted a balanced project ordinance for the life of the project.

A project ordinance is balanced when revenues estimated to be available for the project equal appropriations for the project. A project ordinance shall clearly identify the project and authorize its undertaking, identify the revenues that will finance the project, and make the appropriations necessary to complete the project.

Major capital decisions tend to have a fiscal and operational impact more extensive than that required of annual operating and maintenance decisions and require different planning and budgetary methods. For projects that cost over \$100,000 and will require more than one year to accomplish, it is recommended that departments use a project ordinance rather than the General Fund operating budget.

An amendment is required when the budget established for the project is not sufficient to complete the project in its entirety. A project ordinance amending the project budget will require approval by the Board of Aldermen.

Transfers

Line-item adjustments within one project will be allowed via an internal “budget adjustment request form”, assuming the project scope is substantially the same and total funding will not increase as a result of the transfer. Transfer requests will be prepared and signed by the department head of the requesting department and submitted to Management Services to be reviewed. When these transfers occur, the project manager will state that the project scope can still be achieved without increasing the total funding of the project. Management Services will ensure that all transfer requests are approved by the Town Manager.

A transfer between projects within the same fund is only allowed with formal board approval. This process ensures transparency and keeps the Board up-to-date regarding budget changes in capital projects.

Maintenance of Capital Assets

Provisions will be made for adequate maintenance of the capital plant and equipment and for their orderly rehabilitation and replacement, within available revenue and budgetary limits. The budget should provide sufficient funds for the regular repair and maintenance of all town capital assets. The budget should not be balanced by deferring these expenditures.

The budget shall incorporate tenets of the technology plan that recognize the importance and necessity of maintaining and updating the installed technological infrastructure. It is strongly suggested that end-user workstations are to be replaced on a four year cycle, servers to be replaced on a three year cycle and other network infrastructure and business applications to be replaced as dictated by financial, technical, and business criteria defined in the Technology Plan. Finally, it is noted that replacement of infrastructure with the latest technology, rather than applying major upgrades to existing infrastructure, is often the most cost effective path.

As with technology, town vehicles are also replaced on a predetermined schedule. Through a planned approach the Town looks to minimize fleet capital cost and operational cost. The Public Works Department utilizes a booklet containing replacement criteria (includes criteria such as age and usage) for recommending replacement. It should be noted that age and usage criteria provide general guidance for replacement and there can be other circumstances that factor in the decision to replace a vehicle or piece of equipment either sooner or later than the recommended guidelines. These factors may include high maintenance cost, excessive down time, resale value, standardization of fleet, or change of operation.

All vehicles and capital equipment that exceed \$25,000 per item shall be considered for town's installment financing schedule identified in the capital improvements plan. All vehicles are funded with installment financing.

CAPITAL IMPROVEMENT PROJECT POLICIES

The Town uses the following policies to govern its capital improvement program that address particular community needs.

Capital improvement program

The Town Manager shall develop and maintain a projection of capital improvement projects (Capital Improvement Program) for the next six years based on the previous capital improvement plans, community needs assessments, and on projects approved by the Board of Aldermen. The Capital Improvement Program (CIP) should be tied to projected revenue and expenditure constraints. Future planning should consider periods of revenue surplus and shortfall and adjust future programs accordingly. The CIP includes long-term maintenance and other operational requirements for proposed projects that meet the following criteria: 1) requested item is equipment costing more than \$25,000, or is a vehicle, and 2) requested project is multi-year in nature and exceeds \$100,000 over the life of the project. The CIP also includes information technology projects with costs equal to or greater than \$15,000. Each fiscal year, the Town Manager will update the CIP to include current information for review by the Board of Aldermen. The CIP plan is incorporated into the annual operating budget request process. Provisions are made for adequate maintenance of capital infrastructure and equipment and for

their orderly replacement within available revenue and budgetary limits. Items are appropriated into the budget by the board upon adoption of the budget.

Unexpended project balances shall be carried forward to future fiscal years to complete the intent of the original budget, contingent upon approval by the Board of Aldermen.

The Town's capital program will recognize the borrowing limitation and debt tolerance of the Town.

The CIP budget process shall include a financial analysis and narrative of the impact of the CIP on the Town's financial condition, including but not limited to, debt levels and operating budget.

The Town shall actively pursue outside funding sources for all projects for the CIP funding.

Capital improvement financing

Within the limitation of existing law, various funding sources may be utilized for capital improvements. Capital projects shall not be dictated by the nature of funding available except to the extent that the projects meet an initial test of being required to achieve Town goals and to the extent that projects must be placed in priority dictated by the nature of the funds available.

Unspent capital project funds shall revert to undesignated capital reserves within the Capital Reserve Fund for future capital funding. In no case shall projects incur a funding deficit without the express approval of the Board of Aldermen.

DEBT MANAGEMENT POLICY

POLICY STATEMENTS

Debt policies are written guidelines and restrictions affecting the amount, issuance, process, and type of debt issued by a governmental entity. The important functions of a debt policy are to:

- Provide guidance on the types and levels of the Town's outstanding debt obligations so as not to exceed acceptable levels of indebtedness and risk. Debt policies also serve as a framework within which the Town can evaluate each potential debt issuance;
- Direct staff on objectives to be achieved, both before bonds are sold and for the ongoing management of the debt program;
- Facilitate the debt issuance process by making important decisions ahead of time;
- Assist the Town in the management of its financial affairs, ensuring that the Town maintains a sound debt position and that its credit quality is protected;
- Allow for an appropriate balance between the established debt parameters and providing flexibility to respond to unforeseen circumstances and new opportunities; and
- Serve as a means of stimulating an open debate about the government's outstanding obligations and lead to an informed decision by elected officials.

Purpose and Type of Debt

Purpose:

Debt is only to be incurred for financing capital assets that, because of their long-term nature or because of budgetary constraints, cannot be acquired from current or budgeted resources. Debt is not to be used for operational needs or normal recurring maintenance. Ideally, the Town will strive to restrict debt issuance to capital needs identified and formalized in a capital improvement program (CIP).

Types of Debt:

A. The types of debt instruments can include general obligation bonds, bond anticipation notes, revenue bonds, lease-installment financings, certificates of participation, special obligation bonds, or any other financing instrument allowed under North Carolina statutes. The Town will strive to use the least costly and most appropriate form of financing for its project needs.

B. All debt issued, including short-term installment purchase financing that the Town incurs for recurring equipment, will be repaid within a period not to exceed the expected useful life of the improvements, equipment, or vehicles financed by the debt.

Debt Limits and Affordability

Debt policies should define limits or acceptable ranges for each type of debt. Limits are set for legal, financial, and policy reasons. State law dictates legal limits. Financial limits may be established to achieve a desired credit rating or to exist within budgetary or other resource constraints. Debt limits alone will not result in desired ratings, but limits on debt levels can have a material impact if the local government demonstrates adherence to the policy over time. Policy limits can include the purposes for which debt may be used, the types of debt that may be issued, and minimum credit ratings.

The Town will use an objective, analytical approach to determine the amount of debt to be considered for authorization and issuance.

Several standards or guidelines are available for establishing limits:

Outstanding Debt as a Percentage of Assessed Valuation

This ratio measures debt levels against assessed valuation and assumes that property taxes are the primary source of debt repayment.

Statutorily, the Town is subject to the Local Government Bond Act of North Carolina which limits the amount of net bonded debt the Town may have outstanding to 8% of the appraised value of property subject to taxation. However, this is not considered a realistic ratio as other ratios that measure ability to pay (described below) would exceed the Town's desired debt levels.

The Town will also strive to avoid maintaining a "high" debt burden as measured by the Local Government Commission. This analysis is updated annually by the LGC.

Debt per Capita

This ratio reflects the philosophy that all taxes, and therefore the total principal on outstanding debt, are paid by the residents (as measured by population count). This ratio is widely used by analysts as a measure of an issuer's ability to repay debt.

The Town will also strive to avoid maintaining a "high" debt burden as measured by the Local Government Commission. This analysis is updated annually by the LGC.

Debt Service as a Percentage of Operating Expenditures

The ratio that measures the percentage of debt service to the general fund expenditures reflects the Town's budgetary flexibility to change spending and respond to economic downturns.

Annual debt service payments (like a house payment), can be a major fixed part of a government's fixed costs and its increase may indicate excessive debt and fiscal strain.

The North Carolina Local Government Commission (LGC) advises that local governments should have a reasonable debt burden. A heavy debt burden may be evidenced by a ratio of General Fund Debt Service to General Fund Expenditures exceeding 15%, or Debt per Capita or Debt to Appraised Property Value exceeding that of similar units. Credit rating agencies, on the other hand, consider debt exceeding 20% of operating budget to be excessive. Ten percent is considered acceptable.

The Town will maintain this ratio at or below 12%, considering this to be a moderate level of debt.

Use of Debt Ratios

This measure of debt service expenditures as a percentage of operating expenditures will be the primary ratio used to relay the impact of debt to the Board, both in terms of tax rate and ability to pay debt within budgetary constraints. No project will be included in the CIP that increases the debt ratio above 12%. Any project that is considered outside of the Capital Improvement Plan shall be revisited in context of the plan to monitor the project's impact on the Town's debt ratios. Projects shall be considered for recommendation as long as the debt service expenditures as a percentage of operating expenditures remain at or below the 12% debt ratio.

The aforementioned measures, while defined with targets in mind, shall also be judged against the necessity of and benefits derived from the proposed acquisitions. The Town will continue to update its debt affordability analyses annually along with a review of peer groups to continue to analyze and control its debt effectively.

By establishing comparative debt ratios and targets over a period of time, the Town is demonstrating that there is an analytical and informed process for monitoring and making decisions about the Town's debt burden and maintaining the Town's fiscal position on behalf of the community.

Bond Ratings

The Town will seek to maintain its current A+ (Standard and Poors) and A1 (Moody's) bond ratings. The Town will maintain good communications with bond rating agencies about its financial condition and operations.

Debt Issuance and Structure

The Town will strive to issue bonds no more frequently than once in any fiscal year. The scheduling of bond sales and installment purchase decisions and the amount of bonds to be sold and installment financing to be sought will be determined each year by the Board of Aldermen. These decisions will be based upon the identified cash flow requirements for each project financed, market conditions, and other relevant factors.

If cash needs for bond projects are insignificant in any given year, the Board may choose not to issue bonds. Instead, the Board may fund upfront project costs and reimburse these costs when bonds are sold. In these situations, the Board will adopt reimbursement resolutions prior to the expenditure of project funds.

For most debt issues, the actual structure and sale is conducted in conjunction with the Local Government Commission (LGC), a division of the Office of State Treasurer. The LGC functions as the financial advisor to local governments when issuing debt. Structuring must take into consideration current conditions and practices in the municipal finance market.

The Town will seek level or declining debt repayment schedules on long-term bonded debt, as encouraged by the Local Government Commission. Debt requiring balloon principal payments reserved at the end of the issue term will be avoided. General obligation bonds will be generally competitively bid with no more than a 20-year life.

For short-term installment financings on capital items and equipment, the Town will rely on a competitive bidding process and the debt term will not exceed the useful life of the asset.

Capital Planning and Debt Determination

The Town will adopt a six-year capital improvements plan (CIP) annually. Debt financing and the associated policies will be considered in conjunction with the CIP with approval of funding and projects by the Board of Aldermen.

Any capital item that has not been included in the CIP or recurring lease-purchase schedule but because of its critical or emergency need where timing was not anticipated in the CIP or budgetary process, or is mandated immediately by either State or Federal requirements, will be considered for approval for debt financing.

BUDGETARY ACCOUNTING AND REPORTING

Budget Adoption

The Town operates under an annual budget ordinance administered in accordance with the Local Government Budget and Fiscal Control Act (North Carolina General Statutes Section 159). These statutes require that the Board of Aldermen adopt a balanced budget in which estimated revenues and appropriated fund balances equal expenditures. The Town Manager must submit a balanced budget proposal to the Board by June 1 of each year, and the Board must adopt the Budget Ordinance by July 1. A formal public hearing is required to obtain community comments of the proposed budget before the Board adopts the budget. By state law, the fiscal year begins on July 1 and ends on June 30.

An annual budget is adopted for the General Fund, and for the Capital Reserve Fund, and the Payment-in-Lieu Fund (Special Revenue Fund types) as needed. All annual appropriations lapse at the fiscal year end. Project ordinances are adopted for the remaining Special Revenue Funds, and the Capital Projects Fund.

Basis of Accounting and Budgeting

The budget is adopted using the modified accrual method of accounting. Under this basis, revenues are recognized in the period received and accrued if considered to be both measurable and available to pay current liabilities. The Town considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Those revenues susceptible to accrual include: investments, sales tax, and grants-in-aids earned. Expenditures are recognized when a liability is incurred. On a budgetary basis, revenues are recorded by source of revenue (property tax, intergovernmental, taxes and licenses, etc) and expenditures are recorded by department, function or project. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the fund level for multi-year funds.

Fund Type	Fund Category	Basis of Accounting	Budgetary Accounting
General Fund Group	Governmental	Modified Accrual	Modified Accrual
Special Revenue	Governmental	Modified Accrual	Modified Accrual
Capital Projects	Governmental	Modified Accrual	Modified Accrual

Within the budget ordinance, the general fund is further divided into functions, which represent the level of authorization, by the governing board. Revenue functions include Ad Valorem (Property Taxes), Local Sales Taxes, Other Taxes/Licenses, Restricted and Unrestricted Intergovernmental Revenues, Permit and Fees, Sales and Services, Investment Earnings, Other Revenues, Other Financing Sources, and Fund Balance Appropriated.

Expenditure functions are primarily budgeted at the departmental level and include: Mayor and Board of Aldermen, Advisory Boards, Governance Support, Town Manager, Economic and Community Development, Town Clerk, Management Services, Personnel, Police, Fire, Planning, Transportation, Public Works, Parks and Recreation, Non-departmental, and Debt Service.

The Board of Aldermen may authorize and budget for capital projects and multi-year special revenue funds in its annual budget ordinance. The project ordinance authorizes all appropriations necessary for the completion of projects.

Amending the Budget

The Board of Aldermen must approve all transfers between funds, transfers from contingency, and amendments to capital project ordinances.

Within the annual general fund, the Town Manager can transfer between functions for pay plan adjustments, service level benefits, and health benefits without further action by the Board. In addition, all operating funds encumbered or designated within fund balance for project expenditures as confirmed in the annual year-end audit of the previous year without further action by the Board. All other types of amendments within the General Fund must be approved by the Board (i.e., approving revenues and expenditures associated with a grant, transferring operating funds from one function to another that is not related to pay adjustments).

Capital project ordinances are approved at the project level. The capital fiscal policy, approved by the Board of Aldermen in November 2006, creates flexibility for the Town Manager to approve line item transfers within a project as long as the project can still be achieved without increasing the total funding of the project. An amendment is required when the budget established for the project is not sufficient to complete the project in its entirety.

Line Item Transfers

While budgets are approved at the departmental level within the budget ordinance, line-item budgets are controlled at three broad levels (categories) within a departmental cost center: salaries, operating, and capital outlay. Departments are only required to do a budget transfer form if there is a need to transfer funds between the broad categories of expenditures. The Finance Officer can process the transfers within a department at the request of the department head.

Purchase Orders

Purchase orders must be issued for purchases exceeding \$500 with exception of purchases obtained via procurement card or purchases specifically exempted by the Town's purchasing policy. Purchase requisitions under \$500 do not require approval by the Purchasing Officer.

Capital Outlay

All capital items (items exceeding \$5,000 and having a useful life of more than one year) must be approved in accordance with the adopted budget. With GASB34, the definition of capital outlay was refined to include infrastructure inventory including roads, bridges, and sidewalks, amongst other assets). Thresholds exist for buildings (\$20,000 minimum) and for infrastructure inventory (\$100,000 minimum). The annual budget document outlines those capital outlay items approved for purchase. Any changes must be approved through the transfer process outlined above.

Position Control

The annual pay plan adopted by the Board in conjunction with the budget lists authorized permanent positions. On the following pages are the Town's organizational chart and history of authorized permanent positions.

FINANCIAL FUND STRUCTURE

The accounts of the Town are organized on the basis of funds or account groups with each fund constituting a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts reflecting its assets, liabilities, fund balance, revenues and expenditures. Town resources are allocated to and accounted for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The multiple Town funds are classified as General Governmental Funds and are grouped into three generic fund types as described below.

General Governmental Funds

General Fund – The General Fund is the primary operating fund of the Town, which accounts for normal recurring town activities such as public works, planning, public safety, recreation, debt service, and administration. All authorized positions are funded entirely within the General Fund. Activities within the general fund are funded by revenue sources such as property tax, sales tax, and user fees.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. Funds include the Revolving Loan Fund, Affordable Housing Fund and the Grant Fund.

Capital Projects Fund – The Town has two Capital Projects Funds which are used to account for financial resources used for acquisition or construction of major capital facilities and equipment. One Capital Projects Fund tracks projects financed with bond funding and the other fund tracks all other capital projects. Due to GASB54 the Capital Reserve Fund and Payment-in-Lieu Fund have been moved from the Special Revenue Fund to the Capital Projects Fund.

GENERAL FUND REVENUE	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2010-11 ESTIMATED	ADOPTED 2011-12 BUDGET	% CHANGE
AD VALOREM TAX						
PRIOR YEAR	\$ 79,176	\$ 35,169	\$ 80,000	\$ 92,500	84,000	5.0%
CURRENT YEAR	10,723,627	11,161,989	10,920,222	11,151,000	11,138,626	2.0%
PENALTY & INTEREST	21,326	27,394	21,000	21,000	23,407	11.5%
TOTAL AD VALOREM TAX	10,824,129	11,224,552	11,021,222	11,264,500	11,246,033	2.0%

LOCAL SALES TAXES

LOCAL OPTION SALES TAX 1% Art 39	1,093,269	1,077,020	1,078,500	933,729	1,110,855	3%
LOCAL OPTION SALES TAX 1/2% Art 40	760,211	729,086	720,992	657,953	742,622	3%
LOCAL OPTION SALES TAX 1/2% Art 42	753,381	573,166	639,716	467,091	658,907	3%
LOCAL SALES TAX REALLOCATION	(3,876)	(21,255)	-	(11,633)	-	
LOCAL OPTION SALES TAX 1/2% Art 44	285,697	46,556	182,473	(5,768)	-	-100%
SALES TAX - CITY HOLD HARMLESS	249,154	635,359	440,455	660,786	453,669	3%
TOTAL LOCAL SALES TAXES	3,137,836	3,039,932	3,062,136	2,702,158	2,966,053	-3%

OTHER TAXES/LICENSES

MOTOR VEHICLE LICENSES	219,588	345,605	271,000	271,000	271,000	0%
MOTOR VEHICLE LIC - TRANS ONLY	92,822	58,262	55,000	55,000	55,000	0%
MOTOR VEHICLE LIC - GROSS RECEIPTS	1,403	303	750	750	750	0%
PRIVILEGE LICENSES	82,964	72,117	76,000	80,127	79,326	4%
TIME WARNER FRANCHISE	31,878	34,765	-	6,223	-	
TOTAL OTHER TAXES/LICENSES	428,655	511,052	402,750	413,100	406,076	1%

UNRESTRICTED INTERGV

FRANCHISE TAX-ELECTRIC	337,786	351,181	329,298	329,298	326,006	-1%
PIPED NATURAL GAS TAX	49,676	53,880	46,741	46,741	46,274	-1%
UTILITY FRANCHISE REALLOCATION	(1,225)	-	-	-	-	
VIDEO SALES PROGRAMMING	234,379	210,729	227,396	227,396	225,123	-1%
WINE AND BEER	86,128	27,782	29,571	29,571	29,571	0%
TELECOMMUNICATIONS SALES TAX	236,833	227,041	222,813	222,813	218,357	-2%
NC DOT REIMBURSEMENT	4,223	-	4,200	3,000	4,200	0%
TOTAL UNRESTRICTED INTERGV	947,801	870,613	860,019	858,819	849,531	-1%
	943,578	870,613				

RESTRICTED INTERGVMT

POWELL BILL	493,378	441,079	415,154	450,033	431,943	4%
NC RISK MGMT AGENCY GRANT	-	-	750	-	-	-100%
SOLID WASTE DISPOSAL TAX DIST.	8,925	13,274	8,500	10,539	10,434	23%
PLANNING WORK GRANT	25,406	42,868	22,740	22,740	22,740	0%
RECREATION-MUNICIPAL SUPPLEM	35,933	35,898	35,898	35,898	35,898	0%
RECREATION - ARTS COMM GRANT	1,500	1,500	1,500	-	1,500	0%
RECREATION - ORANGE CO ARTS COMM GRANT	1,500	750	750	-	750	0%
SAFER GRANT	110,716	87,999	62,189	62,189	-	-100%
BYRNE GRANT	-	32,944	-	2,702	-	
ABC BOARD GRANT	-	6,605	6,500	9,450	6,500	0%
SEIZURES REVENUE, STATE	10,442	8,385	-	1,331	-	
TOTAL RESTRICTED INTERGVMT	810,401	678,992	553,981	594,882	509,765	-8%

FEES AND PERMITS

RETURNED CHECK FEE	225	100	-	150	100	
TIME WARNER PEG FEES	11,609	11,939	12,000	8,900	8,900	-26%
TOWER REVENUE	120,417	119,986	123,477	123,477	125,112	1%
PRIVILEGE LICENSE, LATE FEE	2,222	2,319	-	1,900	1,886	
COURT COST OFFICER FEES	5,105	4,740	3,000	3,195	3,000	0%
PARKING VIOLATIONS	5,850	5,135	3,500	3,500	3,500	0%
CHCCS -SRO CONTRACT	107,624	107,624	107,624	107,624	107,624	0%
DOG FEES	6,495	7,099	5,000	5,000	5,000	0%
ANIMAL VIOLATIONS	25	-	300	300	300	0%
FIRE DIST. FEES	429,969	427,517	420,878	420,878	420,878	0%
CAR SEAT SALES	630	1,040	-	485	-	
FALSE ALARM FEES	-	225	-	1,386	-	
FIRE PERMIT FEES	4,700	8,147	4,800	8,300	5,000	4%
RE-INSPECTION FEE	-	875	-	2,125	-	
REPORTS	144	229	100	130	100	0%
SIGN PERMITS	420	880	500	675	500	0%
ENGINEERING FEE	38,084	24,594	30,000	28,000	26,000	-13%

GENERAL FUND REVENUE	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2010-11 ESTIMATED	ADOPTED 2011-12 BUDGET	% CHANGE
DEV REVIEW FEE	36,303	25,328	20,000	28,575	20,000	0%
STREET INSPECTION FEES	-	-	100	-	-	-100%
TECHNICAL REVIEW-FUTURE EQPMT	7,698	18,200	10,000	12,000	10,000	0%
BUILDING PERMITS	50,613	95,164	55,000	55,000	55,000	0%
ELECTRIC PERMITS	55,561	87,630	50,000	60,000	50,000	0%
MECH. PERMITS	40,739	67,839	40,000	40,000	40,000	0%
RE-INSPECTION FEE	1,185	750	600	600	600	0%
PLUMBING	38,976	56,084	40,000	40,000	36,000	-10%
HOMEOWNERS RECOVER FEES	103	127	400	150	150	-63%
RECYCLING FEES	4,872	7,708	4,800	7,500	4,800	0%
STREET CUTS	-	938	-	720	-	
STREET SIGNS	255	178	-	2,000	-	
DRIVEWAY PERMIT FEES	480	80	-	160	-	
STREET CLOSING	6,315	1,185	500	500	500	0%
REFUSE COLLECTION FEES	875	812	1,500	1,500	1,500	0%
REFUSE COLLECTION - DUMPSTER	84,453	90,587	88,788	110,000	88,788	0%
TOTAL FEES & PERMITS	1,062,026	1,175,314	1,022,867	1,074,730	1,015,238	-1%
SALES & SERVICES						
RECREATION FEES	198,109	189,893	168,587	174,959	168,587	0%
DISCOUNT -RECREATION FEES	(11,644)	(8,099)	(11,644)	(9,991)	(11,644)	0%
TOWN CENTER FEES	82,612	74,500	94,760	71,000	80,000	-16%
DISCOUNT - TOWN CENTER FEES	(8,248)	(300)	(8,248)	(1,100)	(8,248)	0%
SALES- MERCH & CONCESSIONS-MUSIC	-	-	-	-	-	
SALES- MERCH & CONCESSIONS-POETRY	-	-	-	-	-	
SALES- MERCH & CONCESSIONS	-	487	1,000	1,000	1,000	0%
SALES- MERCH & CONCESSIONS-FILM	-	-	-	1,948	-	
SALES- MERCH & CONCESSIONS-HALLO	-	158	150	274	150	0%
TOTAL SALES & SERVICES	260,829	256,639	244,606	238,090	229,846	-6%
INVESTMENT EARNINGS						
INTEREST EARNED	149,960	24,253	50,000	15,000	25,000	-50%
TOTAL INVESTMENT EARNINGS	149,960	24,253	50,000	15,000	25,000	-50%
OTHER REVENUES						
RENT-FARMER'S MKT	2,370	2,370	2,000	2,370	2,370	19%
MISC INVENTORY	660	-	-	215	-	
MISCELLANEOUS	44,462	3,277	1,500	1,500	1,500	0%
SALE OF MATERIAL	2,917	481	-	-	-	
SALES OF CEMETERY LOTS	9,060	6,040	6,000	7,455	6,000	0%
SALE/ FIXED ASSETS	32,764	26,610	10,000	74,000	20,000	100%
DONATIONS - ART COMM	-	-	-	-	-	
DONATIONS - CD & MEMORABILIA	2,630	2,425	1,200	2,510	1,200	0%
DONATIONS-WALK CARRBORO	4,996	-	-	211	-	
MISCELLANEOUS	319	59	500	1,104	500	0%
POLICE MISC	3,926	3,924	2,500	2,870	2,500	0%
FIRE MISC	2,146	3,311	1,000	2,000	1,000	0%
MISCELLANEOUS	492	6,849	500	892	500	0%
REFUSE CART SALES	4,138	5,209	3,500	4,039	3,500	0%
YARD WASTE CONTAINERS	2,430	2,662	2,600	2,500	2,600	0%
MISCELLANEOUS R & P	1,508	31	-	445	-	
DONATIONS	467	458	-	1,768	-	
DONATIONS - CARRBORO DAY	-	-	50	-	50	0%
DONATIONS - MUSIC FESTIVAL	10,441	8,100	10,439	8,100	10,439	0%
DONATIONS - JULY 4TH	1,547	270	-	15	-	
DONATIONS - FILM FESTIVAL	4,504	3,036	1,890	1,637	1,890	0%
DONATIONS ARTS COMMITTEE	340	167	390	-	390	0%
PLANNING MISC.	1,699	-	-	1,318	-	
TOTAL OTHER REVENUES	142,015	76,240	44,069	114,949	54,439	24%
OTHER FINANCING SOURCES						
INSTALLMENT FINANCING PROCEEDS	-	617,955	560,500	560,500	298,850	-47%
FUND BALANCE APPROPRIATED	-	-	526,591	526,591	712,163	35%
TRANSFER FR GRANT FUND	34,200	-	-	-	-	
TRANSFER FR CAP RESERVE FUND	-	544,806	176,945	176,945	176,945	0%
TRANSFER FROM CAPITAL PROJ FD	-	-	-	-	-	
TOTAL OTHER FINANCING SRCE	34,200	1,162,761	1,264,036	1,264,036	1,187,958	-6%
TOTAL REVENUES	\$17,797,853	\$19,020,348	\$18,525,686	\$18,540,264	\$18,489,939	0%

GENERAL FUND REVENUE DESCRIPTIONS

The following information briefly explains the major sources of revenue for the Town of Carrboro in the FY 2011-12 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 property tax base is estimated at \$1,930,004,544. Each penny on the tax rate generates approximately \$188,947.

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 \$6,555,628. 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 \$38,639.

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.*

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.

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.

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.

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.

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 has been reduced by two-thirds, the difference representing the portion retained by the State of North Carolina as a measure to balance the state budget. The Town expects the State to continue with this reduction for the next fiscal year.

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.

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.

Durham-Chapel Hill-Carrboro Urban Area Planning Work Program Grant – This grant provides support toward the Transportation Planner salary costs.

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

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.

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.

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 McDougle 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.

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.

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.

Electric Permits are issued on new and existing buildings for service changes, premises wiring and commercial up-fits.

Mechanical Permits are issued on new installation of residential and commercial buildings and replacement of heating and cooling equipment.

Plumbing Permits are issued on new and renovated buildings i.e. water and sewer, irrigation and backflow.

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.

Tower Revenue - The Town owns a cell tower and leases space via a multi-year contract for antennas.

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.

INVESTMENT EARNINGS

Interest Income - The Town generates interest income by investing idle cash in interest paying checking accounts and money market accounts.

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.

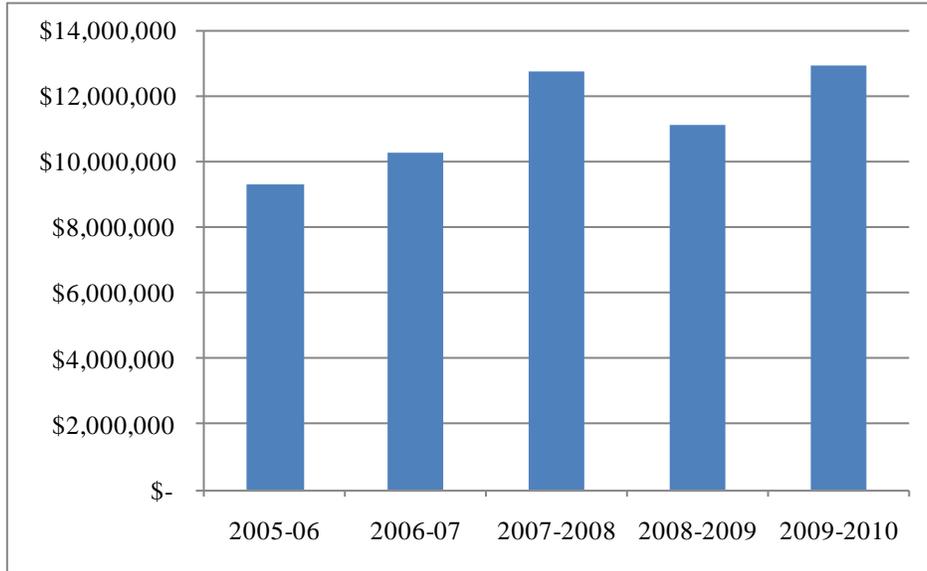
Transfers from Other Funds – While the General Fund is the major operating budget for the Town, several other funds exist where the Town may choose to transfer resources from those funds to the General Fund. The most common transfers seen are from the capital reserve fund or from the capital projects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

FUND BALANCE APPROPRIATED

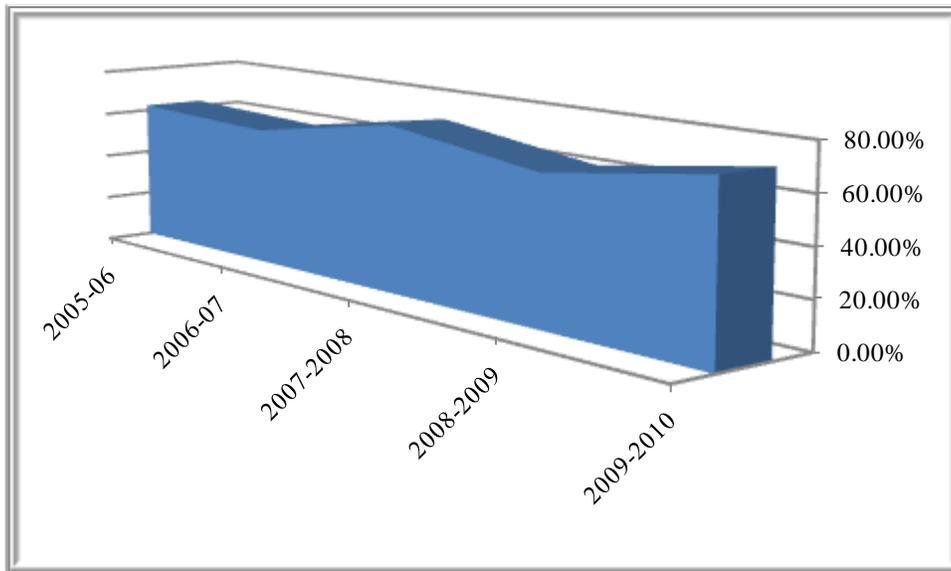
Funds accumulated through the under-expenditure of budgeted appropriations and the receipt of revenues that exceed budgeted projections result in fund balance or reserves. An appropriation of fund balance is sometimes necessary to balance projected revenues with expenditures. The level of appropriation is

determined by the differences between estimated expenditures and the expected revenues. The FY 2011-12 budget appropriates \$712,163 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

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
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SUMMARY

PERSONNEL	9,805,519	9,938,976	10,671,236	10,752,733	1%
OPERATIONS	7,838,316	6,651,351	7,227,439	6,958,116	-4%
CAPITAL OUTLAY	1,713,791	601,486	627,010	779,090	24%
TOTAL	19,357,626	17,191,813	18,525,685	18,489,939	0%

**GENERAL FUND
FY2011-12 BUDGET
CATEGORY OF EXPENDITURE BY DEPARTMENT**

DEPARTMENT	PERSONNEL SERVICES	OPERATING COSTS	CAPITAL OUTLAY	TOTAL
MAYOR & ALDERMEN	119,086	179,150	0	298,236
ADVISORY BOARDS	0	11,800	0	11,800
GOVERNANCE SUPPORT	0	268,541	0	268,541
TOWN MANAGER	252,434	23,553	0	275,987
ECONOMIC & COMM DEV.	109,625	40,979	0	150,604
TOWN CLERK	71,670	16,450	0	88,120
MANAGEMENT SERVICES	464,367	537,234	0	1,001,601
HUMAN RESOURCES	313,061	63,670	0	376,731
INFORMATION TECHNOLOGY	172,965	667,070	28,750	868,785
POLICE	2,770,125	350,726	239,050	3,359,901
FIRE	2,139,075	262,560	0	2,401,635
PLANNING	991,699	172,321	28,000	1,192,020
TRANSPORTATION	0	1,064,150	0	1,064,150
PUBLIC WORKS	1,839,580	1,503,811	451,490	3,794,881
PARKS & RECREATION	1,049,408	346,990	31,800	1,428,198
NON-DEPARTMENTAL	459,638	47,000	0	506,638
DEBT SERVICE	0	1,402,111	0	1,402,111
TOTALS	10,752,733	6,958,116	779,090	18,489,939

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

BOARD OF ALDERMEN

Position	FY 2009-10	FY 2010-11	FY 2011-12
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 2009-10	FY 2010-11	FY 2011-12
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 2009-10	FY 2010-11	FY 2011-12
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 2009-10	FY 2010-11	FY 2011-12
Town Clerk	1	1	1
Total Count, Town Clerk	1	1	1

MANAGEMENT SERVICES

Position	FY 2009-10	FY 2010-11	FY 2011-12
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
Program Support Assistant II (part-time @ 32 hrs/week)	1	1	1
Total Count, Management Services	7	7	7

INFORMATION TECHNOLOGY

Position	FY 2009-10	FY 2010-11	FY 2011-12
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 2009-10	FY 2010-11	FY 2011-12
Human Resources Director	1	1	1
Human Resources Analyst	1	1	1
Total Count, Human Resources	2	2	2

POLICE

Position	FY 2009-10	FY 2010-11	FY 2011-12
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 Officer II	4	4	4
Police Officer I	17	17	17
Police Patrol Division	25	25	25
Police Lieutenant	1	1	1
Police Officer II	2	2	2
Police Officer I	4	4	4
Police Community Services	7	7	7
Police Lieutenant	1	1	1
Police Officer II	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 2009-10	FY 2010-11	FY 2011-12
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 Fighter	21	21	21
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 2009-10	FY 2010-11	FY 2011-12
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
Program Support Assistant II	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 2009-10	FY 2010-11	FY 2011-12
Recreation and Parks Director	1	1	1
Recreation Supervision Division	1	1	1
Recreation Administrator (Org 622)	1	1	1
Recreation Supervisor (Org 622- 2) & (Org 623 -3)	5	5	5
Recreation Athletics (Org 622) & General Programming (Org 623)	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

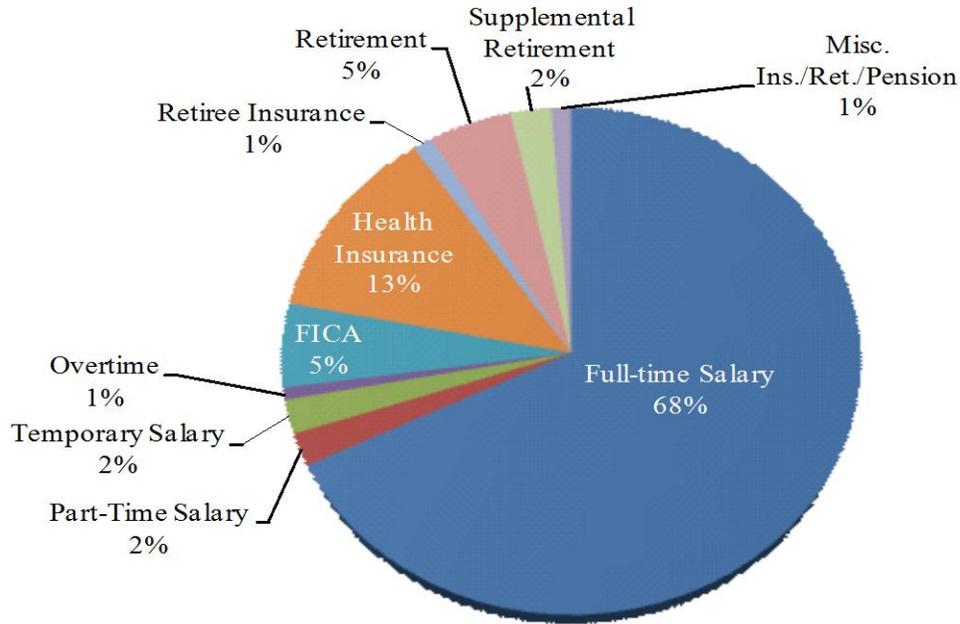
Positions by Department and Division Level, Continued

PUBLIC WORKS

Position	FY 2009-10	FY 2010-11	FY 2011-12
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/Crew Leader	1	1	1
Street Crew Leader	1	1	1
Maintenance/Construction Worker	5	5	5
Signs and Marking Specialist	1	1	1
Maintenance/Construction Worker/Signs & 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 Assistant	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 11-12 Pay/Benefit Type



<u>FY 11-12 Pay/Benefit Type</u>	<u>Amount</u>	<u>Percent</u>
Full-time Salary	\$ 7,288,726	67.78%
Part-Time Salary	\$ 224,859	2.09%
Temporary Salary	\$ 233,189	2.17%
Overtime	\$ 81,325	0.76%
FICA	\$ 574,924	5.35%
Health Insurance	\$ 1,336,334	12.43%
Retiree Insurance	\$ 123,456	1.15%
Retirement	\$ 514,503	4.78%
Supplemental Retirement	\$ 252,972	2.35%
Misc. Ins./Ret./Pension	\$ 122,446	1.14%
TOTAL	\$ 10,752,733	100.00%

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MAYOR AND BOARD OF ALDERMEN

PURPOSE

As elected officials within the framework of the council/manager form of town government, members of the Board of Aldermen make decisions and set policies to ensure the safety, health, attractiveness and social well-being of the community.

GOALS

- Diversify revenue stream to maintain ethnic and economic diversity.
- Protect historic neighborhoods and maintain Carrboro's unique identity.
- Improve walkability and public transportation.
- Encourage development that is compact, dense, and appeals to diverse lifestyles and incomes.
- Enhance and sustain quality of life / place issues for everyone.

SERVICES PROVIDED & ACTIVITIES

- Establishes annual goals for the organization.
- Reviews, reinforces, or alters public policies and long-range planning governing municipal operations and functions.
- Establishes priorities and funding limits through adoption of an annual budget.
- Grants or denies requests for conditional use permits.
- Responds to and communicates with citizens regarding their concerns, perspectives, and initiatives.
- Supervises work and responsibilities of Town Manager, Town Attorney, and Town Clerk.
- Makes appointments to and serves on committees and task forces.
- Participates in county and regional-wide planning and establishment of public policy.

UPCOMING FISCAL YEAR OBJECTIVES

- Review downtown parking situation.
- Encourage commercial development, especially local, "green collar", and arts-related businesses, through zoning changes, the Revolving Loan Fund, the Local Living Economy Task Force, and other initiatives identified at the annual retreat.
- Work to improve housing affordability.

PREVIOUS YEAR ACCOMPLISHMENTS

- Arranged interim uses for property at site of future Martin Luther King (MLK) Jr. Park.
- Refined plans for increasing commercial development in Carrboro.
- Completed design and construction for Fire Station #2.
- Adopted Comprehensive Bicycle Plan.

BUDGET SUMMARY

MAYOR AND BOARD OF ALDERMEN - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	110,828	110,914	119,086	119,086	0%
OPERATIONS	141,254	143,545	162,650	179,150	10%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	252,082	254,459	281,736	298,236	6%

AUTHORIZED PERMANENT POSITIONS	FY2008-09	FY2009-10	FY2010-11	FY2011-12
FULL-TIME POSITIONS				
PART-TIME POSITIONS	1	1	1	1
TOTAL	1	1	1	1

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Changes in operating costs reflect the addition of the Fall 2011 election costs (\$16,500).

ADVISORY BOARDS AND COMMISSIONS

PURPOSE

The Advisory Boards and Commissions advise the Board of Aldermen on issues and policy decisions as provided for in the Carrboro Town Code.

SERVICES PROVIDED & ACTIVITIES

- Review and make comments to the Board of Aldermen on proposed policies, plans and ordinances.
- Make recommendations to the Board of Aldermen as to the need for policies and ordinances.

BUDGET SUMMARY

ADVISORY BOARDS/COMMISSIONS - DEPARTMENTAL TOTAL

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	7,791	8,892	12,750	11,800	-7%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	7,791	8,892	12,750	11,800	-7%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Based on actual expenses for the past several years, the Advisory Board budget has been decreased as follows: Planning Board (\$200), Board of Adjustment (\$50), Transportation Advisory Board (\$200), Northern Transition Area Advisory Committee (\$100), Greenway Committee (\$200), and Environmental Advisory Board (\$200).

GOVERNANCE SUPPORT

PURPOSE

This budget supports local and regional agencies providing community services or information vital to the execution of Board of Aldermen priorities.

BUDGET SUMMARY

GOVERNANCE SUPPORT - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	250,696	259,472	266,003	268,541	1%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	250,696	259,472	266,003	268,541	1%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The budget reflects an increase of \$160 for Triangle J Council of Governments, \$791 for NC League of Municipalities, and \$1,587 for the Human Services Grant Program.

TOWN MANAGER

PURPOSE

The Town Manager serves as primary advisor to, and implements the policies of, the Mayor and Board of Aldermen. The Town Manager communicates these policies to residents and staff, and effectively organizes and manages town staff and resources to respond to the community and residents' needs.

GOALS

- To lead an organization that functions well internally and implements Board policies in a timely, effective, efficient, and friendly manner.
- To give well-informed, helpful advice to the Board on policy options and other matters.
- To facilitate effective Board action through the presentation of clear, concise agendas.
- To adhere to the professional code of ethics and always work towards the long-term best interests of the Town.
- To ensure staff satisfaction and retention.

SERVICES PROVIDED & ACTIVITIES

- Provides general guidance and support to town departments in achieving town-wide goals and objectives.
- Seeks capital improvement strategies to meet the needs of the town and organization.
- Studies, develops, and implements policy and program recommendations at the direction of the Board of Aldermen.
- Provides support for the Board of Aldermen.
- Represents the town's interests on local, regional, and state-wide bodies dealing with issues important to Carrboro.
- Conducts and facilitates public communication with the Mayor and Board of Aldermen, residents, employees, and other users of town services.

UPCOMING FISCAL YEAR OBJECTIVES

- Look for ways to continue providing quality services in ways that minimize the impact on the property tax rate.
- Focus on Board's economic development initiatives.
- Continue Better Together process with emphasis on sustainability.

PREVIOUS YEAR ACCOMPLISHMENTS

- Continued success in all areas listed in "Goals" section.
- Presented Town's "Better Together" program at North Carolina City and County Management Association Winter Conference.
- Established Energy Efficiency Revolving Loan Program using funds received in grant from Southeast Energy Efficiency Alliance (SEEA).
- Completed joint application with Town of Chapel Hill and the University of North Carolina at Chapel Hill for Google Fiber for Communities project.

BUDGET SUMMARY

TOWN MANAGER - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	234,252	250,954	252,538	252,434	0%
OPERATIONS	14,332	15,285	24,450	23,553	-4%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	248,584	266,239	276,988	275,987	-4%

AUTHORIZED PERMANENT POSITIONS	FY2008-09	FY2009-10	FY2010-11	FY2011-12
FULL-TIME POSITIONS	2	2	2	2
PART-TIME POSITIONS				
TOTAL	2	2	2	2

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Town Manager's budget decreased slightly due to the adjustment to fuel costs.

ECONOMIC AND COMMUNITY DEVELOPMENT

PURPOSE

The Economic and Community Development Department promotes and enhances the economic well being of Carrboro; and promotes and facilitates the development of safe, decent, and affordable housing for Carrboro residents.

GOALS

- Diversify and expand the commercial tax base, to create more high paying jobs in town, and to promote the town's image as a place for businesses.
- Create synergy in the downtown through support for the arts and cultural events, promoting and supporting healthy lifestyles and creating a positive business environment for merchants and customers.
- Promote and support locally owned expanding and new start-up business with an emphasis on green and sustainable ventures.
- Provide adequate parking in the downtown to support existing and potential businesses.
- Increase the number of affordable energy efficient housing units.
- Implement the Ten Year Plan to End Homelessness.
- Provide for emergency housing rehabilitation through the Carrboro Affordable Housing Fund.

SERVICES PROVIDED & ACTIVITIES

- Work with all developers and new or expanding businesses to facilitate the project review process and project implementation.
- Town liaison with neighborhood associations, non-profits, local and regional partners, and business leaders.
- Administer Human Services grant program.
- Coordinate housing as an Orange County HOME Consortium member.
- Produce annual Community Resource and Visitor's Guide.
- Market Carrboro Revolving Loan Fund and the Energy Efficiency Revolving Loan Fund.

UPCOMING FISCAL YEAR OBJECTIVES

- Carry out recommendations of the Local Living Economy Task Force.
- Re-establish Carrboro Business Association to organize special events and business promotions i.e. ArtWalk.
- Identify, evaluate, and make recommendations to remove barriers to home based businesses.
- Evaluate Revolving Loan Fund program and make recommendations for updating process.
- Continue to market the Revolving Loan Fund and begin marketing the Energy Efficiency Revolving Loan Fund.
- Work with planning staff and UNC students to develop scope of work and schedules for developing a downtown parking plan.
- Explore Green Collar business development including services, infrastructure, and job development.
- Look for opportunities to encourage and facilitate walking and biking in the downtown.

PREVIOUS YEAR ACCOMPLISHMENTS

- Evaluated and leased a parking lot in the central business district.
- Developed training for 60 people interested in starting small businesses in Carrboro.
- Provided a financial workshop for local businesses to address the current economic crisis.
- Facilitated approval and initial funding to support the Ten Year Plan to End Homelessness initiative.
- Funded 10 units of housing for the homeless through CASA.

PERFORMANCE MEASURES	FY2008-09 ACTUAL	FY2009-10 ACTUAL	FY2010-11 ESTIMATED	FY2011-12 PROJECTED
Economic Development				
# Referrals for Counseling to the Small Business and Technology Development Center ,SCORE, banks and other resources	38	32	30	40
# One-to-One Business Counseling	260	250	171	252
Amount of Loans Approved	\$315,540	0	0	\$150,000
Business Visits	N/A	364	160	251
# Revolving Loan Inquiries	51	51	41	50
Affordable Housing Initiatives				
# Neighborhood Association Meetings	4	40	48	5
# Referrals sent to Good Works	7	4	0	3
Housing Grant Reviews	12	13	8	8
# of New Affordable Housing Units Countywide (Includes Carrboro)	10	7	7	7
# of Affordable Rehab to Pre-existing Units HOME Countywide (includes Carrboro Units)	44	40	42	40
# Affordable Units for Disabled	N/A	16	3	3

BUDGET SUMMARY

ECONOMIC AND COMMUNITY DEVELOPMENT - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	119,286	120,220	118,614	109,625	-8%
OPERATIONS	6,997	30,084	34,341	40,979	19%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	126,283	150,303	152,955	150,604	-2%

AUTHORIZED PERMANENT POSITIONS	FY2008-09	FY2009-10	FY2010-11	FY2011-12
FULL-TIME POSITIONS	1	1	1	1
PART-TIME POSITIONS	1	1	1	1
TOTAL	2	2	2	2

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The primary decrease in the Economic and Community Development budget is due to personnel changes. The addition of \$5,000 in Operations is for the Local Living Economy Initiative.

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TOWN CLERK

PURPOSE

The Town Clerk prepares Board of Aldermen meeting agendas and minutes and makes them available to citizens and town staff; maintains official town documents; prepares and makes available updates to the Town Code and provides support for the Mayor and Board of Aldermen.

GOALS

- Serve the Board and the public by facilitating the production of meeting agendas and minutes in a clear, timely fashion.
- Provide complete, accurate, and error free minutes to the Board of Aldermen so they can be approved without amendments.
- Maintain and organize official town documents, including the Town Code and all Town Contracts, for the use of the Board, staff, and the public.
- Provide multiple public access points for all minutes and agendas.
- Increase the use of available technology in storage and retrieval of all town documents.

SERVICES PROVIDED & ACTIVITIES

- Prepares minutes and agendas of Board of Aldermen meetings and makes these documents available electronically through the Town's website and stores the documents permanently.
- Posts video and audio of all Board of Aldermen meetings to the website.
- Maintains updated Town Code and posts on the town website.
- Maintains an accurate record of all ordinances approved by the Board of Aldermen.
- Prepares and distributes the monthly Calendar of Meetings.
- Prepares the Calendar of Agenda Items for review by the Town Manager.
- Maintains a roster of advisory boards and commissions and facilitates the application and appointment process.
- Plans the annual advisory board recognition dinner.
- Researches town records upon request.
- Indexes and stores all Town Contracts and/or agreements.

UPCOMING FISCAL YEAR OBJECTIVES

- To increase the available minutes and agendas on the website from 12% of all prior years to 20%.
- To increase the number of electronically indexed contracts from 2% to 20%.
- To continue scanning back-up files for pre-1998 Board of Aldermen's meetings and make them searchable on the town's website.
- To increase the number of scanned contracts from 0% to 5%.
- To maintain a low percentage of minutes require amendments prior to approval.

PREVIOUS YEAR ACCOMPLISHMENTS

- Scanned backup files of Board of Aldermen's meetings and made them available on the Town's website.
- Provided updates to Town Code and to Information Technology Division (IT) for posting on the Town's website within two weeks of adoption.
- Transferred from IT, to the Town Clerk, the role of posting agendas and video to the Town's website.
- Began electronically indexing Town Contracts and Agreements.
- Provided error free minutes to the Board of Aldermen for 94% of the meetings.

BUDGET SUMMARY

TOWN CLERK - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	101,702	108,132	99,570	71,670	-28%
OPERATIONS	9,246	8,287	15,300	16,450	8%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	110,947	116,419	114,870	88,120	-23%

AUTHORIZED PERMANENT POSITIONS	FY2008-09	FY2009-10	FY2010-11	FY2011-12
FULL-TIME POSITIONS	1	1	1	1
PART-TIME POSITIONS				
TOTAL	1	1	1	1

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The personnel budget decrease in the Town Clerk's budget is due to personnel change. Operations budget includes more funding for training and conferences.

PERFORMANCE MEASURES	FY2008-09 ACTUAL	FY2009-10 ACTUAL	FY2010-11 ESTIMATED	FY2011-12 PROJECTED
# of Town Contracts on file with the Town Clerk	N/A	N/A	1300	1450
Employee Hours Spent Electronically Indexing Contracts	N/A	N/A	6	30
% of Town Contracts Electronically Indexed	N/A	N/A	200	1000
# of Board of Aldermen Minutes Prepared by Town Clerk	N/A	N/A	33	33
Employee Hours Per Set of Aldermen Minutes Prepared	N/A	N/A	200	205
% of Aldermen Minutes Approved Without Amendment	N/A	N/A	92%	90%
% of Aldermen Minutes Prepared Within 7 Days of the Meeting and Approved Without Amendment	N/A	N/A	92%	90%

MANAGEMENT SERVICES

PURPOSE

To provide financial management support for the delivery of town-wide services through the administration of financial, budget, payroll, accounts payables, billing and collections, and project development through best business practices.

SERVICES PROVIDED & ACTIVITIES

- Coordinate the annual independent audit and CAFR.
- Coordinate development of operating and capital budgets.
- Provide financial reporting as required by state and federal law.
- Process payroll and accounts payables.
- Perform billing and collections for privilege license applications; dumpster billing; and other various Town delivered services.
- Manage cash and investments to ensure sufficient cash is available to pay current obligations and that idle cash is invested in accordance with state law.
- Issues purchase orders for goods and services, solicits bids, and manages procurement card program.
- Manage risk and insurance program, including claims management, general liability, police, and public officials, and auto/property liability.

GOALS

- To strengthen financial accountability throughout the organization.
- To accurately process and record all transactions.
- To make financial information available to decision makers on a regular and timely basis.
- To evaluate and implement strategies to utilize technology for increased operating efficiency, effectiveness, and cost savings.

UPCOMING FISCAL YEAR ACTIVITIES

- Issue Bond Anticipation Note to continue financing sidewalk and greenways construction.
- Financing for vehicles and equipment replacement.
- Increase awareness throughout the organization on the use of MUNIS financial system.
- Continue to identify strategies for streamlining administrative processes.
- Review and update policies and procedures.
- Coordinate annual audit.
- File required compliance reports with state and/or federal agencies.
- Continue to review opportunities for local purchasing.

PREVIOUS YEAR ACCOMPLISHMENTS

- Completed successful audit for year ending June 30, 2010 with no audit findings.
- Received Distinguished Budget Presentation Award from the Government Finance Officers Association.
- Received Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association.
- Received a three year extension of general obligation bond authority to November 10, 2013.
- Issued a seventh Bond Anticipation Note financing for sidewalk and greenways construction.
- Implemented new banking services contract.
- Coordinated two successful public auctions for the sale of surplus property.

BUDGET SUMMARY

MANAGEMENT SERVICES - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	433,169	447,289	467,863	464,367	-1%
OPERATIONS	473,687	475,443	544,879	537,234	-1%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	906,855	922,732	1,012,742	1,001,601	-1%

	FY2008-09	FY2009-10	FY2010-11	FY2011-12
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	8	8	6	6
PART-TIME POSITIONS	1	1	1	1
TOTAL	9	9	7	7

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The decreases in the Management Services Department include salary changes associated with turnover and contractual services.

PERFORMANCE MEASURES	FY2008-09 ACTUAL	FY2009-10 ACTUAL	FY2010-11 ESTIMATED	FY2011-12 PROJECTED
Provide quarterly financial and budget status report to Manager and Department Heads	N/A	N/A	N/A	4
Close each accounting period according to schedule	N/A	N/A	12	12
Process payroll for Town employees according to schedule	N/A	N/A	26	26
Develop an annual budget that qualifies for GFOA Distinguished Budget Presentation Award	1	1	1	1
Issue a CAFR that qualifies for the GFOA Certificate of Achievement	1	1	1	1

HUMAN RESOURCES

PURPOSE

Partner with the management team to recruit, hire, develop, and retain a highly qualified diverse staff dedicated to delivering exemplary customer service and to creating an atmosphere of positive employee relations that focuses on the health and well-being of all employees.

GOALS

- Provide rewarding equal employment opportunities conducive to attracting applicants and retaining employees who have the education and experience commensurate with the position requirements.
- Focus on efforts to maintain positive employee relations through training, communication, and better together initiatives.
- Seek ways to improve and/or maintain a competitive and affordable fringe benefits package.
- Maintain a pay and position classification plan that is competitive with the external market while providing internal equity.

SERVICES PROVIDED & ACTIVITIES

- Advertises vacant positions, receives and screens employment applications, and assists departments with the hiring process.
- Conducts new employee orientations, including benefits enrollment sessions and surveys.
- Administers benefits program, including counseling all employees on benefits plan(s) and options.
- Sponsors munch-n-learn wellness activities.
- Counsels supervisors and employees on performance issues.
- Conducts salary surveys.
- Provides staff development training to employees.
- Assists departments with personnel and employee relations issues.
- Administers and monitors the performance evaluation process.
- Keeps supervisors and department heads abreast of legislative changes and guidelines that affect personnel administration.
- Maintains confidential personnel files in accordance with the General Statutes and completes reports according to state and federal regulations.

UPCOMING FISCAL YEAR OBJECTIVES

- Continue to promote and support the Better Together Initiative in a manner that increases employee morale and staff participation.
- Collaborate with Management Services to enhance human resources and payroll operations and procedures using the MUNIS Financial System.
- Assist the Safety Committee and the Fire Marshal in providing the required safety training for employees.
- Provide wellness education opportunities to staff and explore the use of incentives to boost participation in wellness events.
- Work with the Information Technology Division to provide onsite computer training opportunities.
- Continue to review and update human resources policies for compliance with federal and state laws.

PREVIOUS YEAR ACCOMPLISHMENTS

- Fulfilled the criteria to renew certifications in the International Personnel Management Association and the Society for Human Resource Professionals.
- Worked with the Town Manager in the recruitment and selection process of four department heads.
- Provided customer service and supervisory training to staff.
- Joined other employees in presenting the Better Together Initiative at the conference of the NC Association of City and County Managers.
- Sponsored flu shot clinic.
- Coordinated the Combined Giving Campaign.
- Sponsored employee recognition and appreciation activities and hosted employee potluck luncheons.
- Assisted with the Better Together Retreat, served on the project leadership team, and a strategy group.
- Served as President of the School of Government Municipal and County Alumni Association.
- Served on the Board of Directors for the Organization of Municipal Personnel Officers.
- Attended human resources training conferences and seminars.
- Conducted new employee orientation sessions and benefits enrollment seminars.
- Assisted in the resolution of numerous employee relations matters.

BUDGET SUMMARY

HUMAN RESOURCES- DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
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SUMMARY

PERSONNEL	273,821	286,713	311,207	313,061	1%
OPERATIONS	72,621	47,408	63,170	63,670	1%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	346,442	334,121	374,377	376,731	1%

	FY2008-09	FY2009-10	FY2010-11	FY2011-12
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	2	2	2	2
PART-TIME POSITIONS				
TOTAL	2	2	2	2

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The increase in the Human Resources budget is due to increased costs for health insurance and retirement contributions.

PERFORMANCE MEASURES	FY2008-09 ACTUAL	FY2009-10 ACTUAL	FY2010-11 ESTIMATED	FY2011-12 PROJECTED
Employee Turnover Rate	7.8%	6.1%	7.4%	7%
Probationary Completion Rate	91.7%	100%	100%	100%
Average # of applications received per recruitment cycle	58	70	64	95
Average # of days from position post to date of hire	92	78	50	92
# Training & other informational sessions	19	28	21	24
% of Commercial Drivers Passing Random Alcohol and Drug Testing	100%	100%	100%	100%
# of new employees actively participating in the Better Together Initiative	n/a	n/a	n/a	5

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INFORMATION TECHNOLOGY

PURPOSE:

Information Technology provides the highest quality technology-based services in the most cost-effective manner to increase the efficiency and effectiveness of Town services. This is accomplished in a spirit of customer service, partnership, and consultation with our stakeholders, which fosters a customer-focused environment that integrates people, processes, and technology.

GOALS

- To provide the technology to enhance the delivery of Town services and to increase the access to and the quality of vital government data.
- To partner with our customers to understand their business processes and needs and then identify activities that can be effectively streamlined through the application of technology in a manner that is cost-effective, convenient and satisfactory.
- To align technology to business processes throughout Town government.

SERVICES PROVIDED & ACTIVITIES

- Provide technology support services for computer, voice and web presence to all departments.
- Provide technology project support and management for departments.
- Manage ongoing departmental applications and Town operating system upgrades, patching and security.
- Maintain a replacement cycle for desktops and emergency services mobile computers through ongoing replacement cycles of aging inventory.
- Facilitate the collection, storage, security and integrity of electronic data while ensuring appropriate access.
- Provide, maintain and upgrade a reliable, scalable and secure infrastructure.
- Maintain reliable historical data backups for discrete data loss incidents and catastrophic events.
- Maintain, expand and upgrade Town wide phone system.
- Provide technology purchasing expertise to all departments.

UPCOMING FISCAL YEAR OBJECTIVES

- Continue to work with the NCDOT on the IT fiber optic overlay with the upgrade of the traffic light system.
- Begin advanced authentication implementation for NCIC/DCI access.
- Core network infrastructure (physical and logical) re-organization and upgrade.
- Investigate (potentially implement) PD patrol car in car video system.

PREVIOUS YEAR ACCOMPLISHMENTS

- Core network firewall upgrade/replacement and minor firewall replacements.
- Assist the Fire Department in deploying technology for the new fire station.
- Deployment/Upgrade of latest network directory infrastructure.
- Various departmental application upgrades and related hardware upgrades.
- Email system major upgrade, webmail upgrade, archiving and email security enhancement.
- Implementation of new traffic counters.
- Implementation of Fire Department video conferencing for FD training initiatives.
- Assisted Management Services in banking services provider change.

BUDGET SUMMARY

INFORMATION TECHNOLOGY - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	160,174	170,341	170,233	172,965	2%
OPERATIONS	609,325	494,438	662,950	667,070	1%
CAPITAL OUTLAY	49,459	17,463	22,750	28,750	26%
TOTAL	818,957	682,242	855,933	868,785	2%

	FY2008-09	FY2009-10	FY2010-11	FY2011-12
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	2	2	2	2
PART-TIME POSITIONS				
TOTAL	2	2	2	2

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The changes in personnel cost is due to the increase in health insurance and retirement contribution costs. Operations costs increased due to the increase in license fees. Capital outlay costs decreased since fewer servers will be replaced.

PERFORMANCE MEASURES	FY2008-09 ACTUAL	FY2009-10 ACTUAL	FY2010-11 ESTIMATED	FY2011-12 PROJECTED
# of Workstations Supported	155	160	165	165
# of Emergency Services Mobile Terminals Supported	37	37	40	45
Average hours per month of unplanned application downtime during business hours	<1	<1	<1	<1
# unsuccessful backups per month	3	4	2	2

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POLICE DEPARTMENT

PURPOSE

The Police Department maintains public safety and contributes to improving the quality of life through the enforcement of criminal and traffic laws. Police Department personnel utilize and maximize all available resources, technological advances, and educational opportunities in an effort to provide professional police services.

GOALS

- Ensure Carrboro will continue to be a safe community for all residents, business owners/operators, and guests.
- Monitor and address traffic and pedestrian safety issues.
- Meet mandated training requirements.
- Develop and retain personnel who effectively deal with emergency, crisis, and/or complex situations and handle routine duties carefully and professionally.
- Train and develop employees for advancement and/or for expanding job responsibilities.

SERVICES PROVIDED & ACTIVITIES

- The Uniform Patrol Division provides 24-hour service and emergency response; effectively answers and initiates calls for service; conducts preliminary criminal investigations and initiates arrests; provides necessary traffic control and enforcement; investigates traffic accidents; and provides basic business/residential security checks.
- The Criminal Investigations Division investigates major criminal cases and offenses involving juveniles, sexual assault, and domestic violence; processes crime scenes; coordinates efforts with relevant area authorities and service providers; maintains the evidence/ property room; conducts prospective employee background investigations; and provides on-call service.
- The Community Services Division provides law enforcement and other community-related services; partners with the community to meet specific neighborhood-driven requests for assistance; follows-up on complaints of suspected gang-related activity; initiates narcotics investigations; provides School Resource Officers at McDougle Middle and Carrboro High Schools and works with other schools to enhance safety and security; provides general crime prevention and community watch services; works with business owners to enhance safety and security; and provides other community outreach activities.
- The Administrative Division provides direct service to walk-in visitors and answers telephone inquiries; maintains incident reports and other departmental records and compiles monthly Uniform Crime Report; administers Department budget; and ensures that Department personnel receive appropriate training and adhere to the Department's policies and procedures.
- The Animal Control Division responds to and/or initiates animal control complaints; provides educational material; investigates serious cases; and enforces the Town's Animal Control Ordinance.

UPCOMING FISCAL YEAR OBJECTIVES

- Maintain index crime clearance rates at or above the national average for comparable towns.
- Increase the number of directed patrols and speed enforcement campaigns involving Uniform Patrol Division personnel.
- Increase the number of pedestrian safety operations involving Community Services Division personnel.
- Reduce the number of traffic accidents.
- Reduce the number of known drug houses and street-level drug sales locations.
- Obtain new or enhanced revenue sources.
- Continue succession planning efforts.

- Maintain staffing levels: hire new officers and promote current officers following the retirement of three senior staff members.

PREVIOUS YEAR ACCOMPLISHMENTS

- Met all mandated training goals.
- Maintained staffing levels at, or near, full.
- Closed by arrest a 26 year old homicide case.
- Designed and implemented a Pedestrian Safety Operation plan.
- Partnered with local law enforcement agencies, NC SBI, NC National Guard Narcotics Task Force, US Marshals, US Drug Enforcement Agency, and US Alcohol, Tobacco and Firearms during narcotics investigations (approximate pending tax money from narcotics seizures: \$61,613.00).

BUDGET SUMMARY

POLICE - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	2,652,819	2,714,734	2,749,381	2,770,125	1%
OPERATIONS	263,530	298,555	341,657	350,726	3%
CAPITAL OUTLAY	37,980	112,936	122,000	239,050	96%
TOTAL	2,954,329	3,126,224	3,213,038	3,359,901	5%

	FY2008-09	FY2009-10	FY2010-11	FY2011-12
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	42	44	44	44
PART-TIME POSITIONS				
TOTAL	42	44	44	44

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The increase in the departmental personnel budget is due to the increased cost of health insurance and retirement contribution costs. In a couple of Divisions, these expenses were offset by not budgeting vacant positions that had been budgeted in the previous year. The operations budget increased primarily due to higher fuel costs. Increase in capital outlay reflects the purchase of replacement vehicles in the FY11-12 CIP.

PERFORMANCE MEASURES	FY2008-09 ACTUAL	FY2009-10 ACTUAL	FY2010-11 ESTIMATED	FY2011-12 PROJECTED
Calls for Service	17,620	18,358	17,875	17,884
Calls for Service per 1,000 population	947	986	960	961
Part I Major Crimes	987	921	734	904
Part I Major Crimes per 1,000 population	53	49	39	49
Motor Vehicle Accidents	573	494	475	504
Motor Vehicle Accidents per 1,000 population	31	27	26	27
Criminal Arrests	826	825	655	797
Criminal Arrests per 1,000 population	44	44	35	43
Narcotic Arrests	128	164	99	125
Narcotic Arrests per 1,000 population	7	9	5	7
Sworn Officers	41	41	41	41
Sworn Officers per 10,000 population	22	22	22	22

Police Department *Division Level Summaries*

BUDGET SUMMARY

POLICE ADMINISTRATIVE SUPPORT 510

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	414,978	448,928	445,807	452,785	2%
OPERATIONS	18,795	21,104	27,523	32,625	19%
CAPITAL OUTLAY	-	-	-	28,000	0%
TOTAL	433,772	470,033	473,330	513,410	8%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The increase in the Administrative Support Division budget is primarily due to higher health insurance and retirement contribution costs. Operations costs increased (\$4,183) for fuel and vehicle supplies (\$846). Capital Outlay includes a replacement vehicle included in the FY11-12 CIP.

BUDGET SUMMARY

POLICE PATROL 511

2008-09 ACTUAL	2009-10 ACTUAL	2009-10 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	1,561,914	1,546,029	1,493,605	1,517,970	2%
OPERATIONS	173,444	179,943	228,243	225,436	-1%
CAPITAL OUTLAY	37,980	84,977	32,000	168,000	425%
TOTAL	1,773,338	1,810,950	1,753,848	1,911,406	9%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Patrol Division personnel budget reflects an increase based on increased costs of health insurance and retirement contributions. Changes in Operations include a decrease in vehicle supplies (\$1,933) due to the one-time radar retrofit costs from the previous year, and a slight decrease in fuel usage (\$814). Increased Capital Outlay is due to replacement of five vehicles included in the FY11-12 CIP.

BUDGET SUMMARY

POLICE COMMUNITY SERVICES 512

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	285,616	321,071	387,414	380,630	-2%
OPERATIONS	35,361	54,058	39,796	46,198	16%
CAPITAL OUTLAY	-	-	64,000	-	-100%
TOTAL	320,977	375,129	491,210	426,828	-13%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Community Services Division budget reflects a decrease in personnel cost due to not budgeting one vacant position that was budgeted for one quarter in the previous year which offset to a degree the increase in health insurance and retirement costs. Operations budget increased due to fuel costs and capital outlay decreased with the purchase of replacement vehicles in the previous year.

BUDGET SUMMARY

POLICE INVESTIGATIONS 515

2008-09 ACTUAL	2009-10 ACTUAL	2009-10 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	339,528	347,000	374,252	364,323	-3%
OPERATIONS	27,514	35,634	36,835	36,118	-2%
CAPITAL OUTLAY	-	27,958	26,000	27,300	5%
TOTAL	367,041	410,592	437,087	427,741	-2%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The decrease in the Investigations Division budget is primarily due to not budgeting one vacant position that was budgeted for one quarter in the previous year which offset to a degree the increase in health insurance and retirement costs. Operations decreased slightly based on fuel usage from the previous year. Capital Outlay reflects the purchase of a replacement vehicle in the FY11-12 CIP.

BUDGET SUMMARY
POLICE ANIMAL CONTROL
518

2008-09 ACTUAL	2009-10 ACTUAL	2009-10 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	50,784	51,705	48,303	54,417	13%
OPERATIONS	8,417	7,815	9,260	10,349	12%
CAPITAL OUTLAY	-	-	-	15,750	0%
TOTAL	59,201	59,520	57,563	80,516	40%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Increases in the Animal Control budget are due to increased health insurance and retirement contribution costs. Operations costs increased based on fuel usage. Capital Outlay reflects the purchase of a replacement vehicle in the FY11-12 CIP.

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FIRE AND RESCUE DEPARTMENT

PURPOSE

To protect lives, property, and the community from the destructive effects of fire, natural disasters, and hazards by providing public education, incident prevention, and emergency response services.

GOALS

- Provide OSHA-mandated safety training to applicable employees within ten days of employment and annually, thereafter.
- Attain an annual cardiac arrest save rate of 25%.
- Provide bi-monthly safety inspections of all town properties to ensure the safety of citizens and employees.
- Quarterly, conduct a minimum of one training session per shift with a mutual-aid partner, on a rotating basis.
- Contain at least half of all structure fires in the Town limits to the room of origin in order to reduce property damage.

SERVICES PROVIDED & ACTIVITIES

- Provides 24-hour fire suppression, light rescue, and emergency medical services for the Town of Carrboro and the South Orange Fire District.
- Conducts fire investigations in order to effectively determine the cause and origin of fires within the Town and the extra-territorial jurisdiction (ETJ).
- Delivers fire and life safety education to schools, day cares, and community groups.
- Provides fire prevention and code enforcement by performing fire inspections throughout the Town in accordance with the NC Fire Code.
- Provides plan reviews with cooperation from Orange County Fire Marshal's Office and the Carrboro Planning Department.
- Provides emergency staffing and special services during town-sanctioned activities and events.
- Responds to and/or initiates Chapter 11 complaints and enforces town code.
- Ensures department personnel receive all mandated training as required by OSHA, OSFM, and NFPA.
- Educates parents and guardians on the proper care, use, and maintenance of child passenger safety seats.
- Administers a smoke alarm installation and maintenance program that is free to all residents of Carrboro and the South Orange Fire District.

UPCOMING FISCAL YEAR OBJECTIVES

- Work with the Chapel Hill Fire Department to integrate fire response along the towns' borders to better utilize the resources of both departments.
- Move to unit dispatching to provide for faster, more appropriate emergency response based on the nature of calls, their location, and available resources.
- Become a Certified Light Rescue agency recognized by the North Carolina Association of Rescue and Emergency Medical Services.
- Attain EMS Delivery Agency status through the North Carolina Office of EMS.

PREVIOUS YEAR ACCOMPLISHMENTS

- Opened Fire Station 2 on Homestead Rd.
- Maintained a cardiac arrest save rate of 25%.
- Recorded 4,272(estimate) public education contacts.
- Checked and/or installed 262 child passenger seats.
- Installed 30 smoke alarms and distributed 71 address markers.
- Promoted three new Lieutenants, four Driver/Relief Drivers and one Driver/Mechanic.
- Replaced Brush Truck with a new Multi-Purpose Brush Truck.

BUDGET SUMMARY
FIRE - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	2,026,911	2,060,523	2,082,208	2,139,075	3%
OPERATIONS	279,229	323,692	281,127	262,560	-7%
CAPITAL OUTLAY	912,656	44,480	160,000	-	-100%
TOTAL	3,218,797	2,428,694	2,523,335	2,401,635	-5%

	FY2008-09	FY2009-10	FY2010-11	FY2011-12
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	36	36	36	36
PART-TIME POSITIONS	1	1	1	1
TOTAL	37	37	37	37

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The increase in personnel costs is due to increased health insurance and retirement contribution costs as well as the increased local match for year four of the SAFER grant. Operational costs decreased based on the final payment of the New Hope Fire District contract in FY 2011-12. Capital Outlay decrease is due to the purchase of a replacement vehicle the prior year.

PERFORMANCE MEASURES	FY2008-09 ACTUAL	FY2009-10 ACTUAL	FY2010-11 ESTIMATED	FY2011-12 PROJECTED
Fire and EMS Responses per 1,000 population – Town	64.5	58.85	68.4	62
Fire and EMS Responses per 1,000 population – South Orange Fire District	47.5	86.29	36	40
Actual Fires per 1,000 population in Town	3.4	3.4	3.1	3.1
Median Response Time to “Priority 1” calls in Town (minutes)	4:04	4:50	4:38	4:30
Total fire safety inspections completed	955	998	904	950
Inspections completed per inspector FTE	1,270	1,248	1,130	1,200
Training hours with mutual aid partner departments (hours)	840	170.5	283	200
Cost per Fire Department response	\$1,579	\$1,580	\$1,687	\$1,600
Fire loss as % of total valuation in Town and South Orange Fire District	.00008	.00063	.00027	.0004

Fire and Rescue Department *Division Level Summaries*

BUDGET SUMMARY

FIRE SUPERVISION

530

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	116,304	115,795	118,257	118,257	0%
OPERATIONS	43,559	25,142	25,344	29,218	15%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	159,863	140,937	143,601	147,475	3%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Increase in operational costs is due to the addition of a radio maintenance contract (\$4,000), and increases in office supplies (\$1,000) and professional dues (\$713).

BUDGET SUMMARY

FIRE SUPPRESSION

531

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	1,842,499	1,878,447	1,898,710	1,952,409	3%
OPERATIONS	222,727	281,655	240,174	215,688	-10%
CAPITAL OUTLAY	912,656	18,455	160,000	0	-100%
TOTAL	2,977,881	2,178,557	2,298,884	2,168,097	-6%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Increase in personnel costs reflects the promotions of 3 Lieutenants, 3 Drivers, 1 Relief Driver and 1 Driver/Mechanic, and the increased cost of health insurance and retirement contributions. Operational costs increased due to training expenses (\$10,000) - community colleges will now be charging for training classes and equipment repairs (\$10,556). Capital Outlay decreases due to the purchase of a replacement brush truck in FY 2010-11.

BUDGET SUMMARY

FIRE PREVENTION AND SAFETY

532

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	68,109	66,281	65,241	68,409	5%
OPERATIONS	12,944	16,895	15,609	17,654	13%
CAPITAL OUTLAY	-	26,025	-	-	0%
TOTAL	81,053	109,201	80,850	86,063	6%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Personnel costs increased due to rising costs of health insurance and retirement contributions. Operations costs increase with the purchase of new code books that are purchased every three years. Capital Outlay decreased with the purchase of a replacement vehicle the previous year.

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PLANNING DEPARTMENT

PURPOSE

The Planning Department's mission is to help the Town define and carry out its vision for sustaining existing and future populations. The department will do this by monitoring the availability and use of resources needed to maintain a balance desired by the community as a whole. The department intends to fulfill its mission by offering a palette of professional planning, zoning, building code, and engineering and geographic information services.

GOALS

- Deliver community planning, development review, inspections, and engineering and geographic information services.
- Administer departmental policies and procedures to ensure effective and efficient use of financial, human and physical resources.
- Develop innovative approaches to support the community particularly with regard to housing, transportation, energy production and consumption, and ecological restoration and protection.
- Help citizens develop a human environment that promotes trust, mutual respect, acceptance, happiness and well being.
- Achieve a well balanced public infrastructure, including green infrastructure.

SERVICES PROVIDED & ACTIVITIES

- Development Review and Permitting
- Minimum Housing Code Enforcement
- Building Inspections and Code Enforcement
- Intergovernmental Relations
- Geographic Information Services
- Land Use Planning
- Transportation Planning
- Environmental Planning
- Engineering Review Services
- Storm Water, Floodplain, and Watershed Management
- Energy Planning and climate protection/resiliency
- Staff Support for Advisory Boards

UPCOMING FISCAL YEAR OBJECTIVES

- Administer and/or participate in the management/implementation of greenway planning or construction projects, ARRA and 319 stream restoration projects and Physical Activity Action Plan.
- Use, as appropriate, findings and recommendations from DAD Design Workshop to refine approaches needed by the town for the implementation of the Northern Small Area Plan.
- Evaluate and support commercial/ office/business/residential mixed use developments in new or redeveloping areas through Land Use Ordinance implementation and development review processes.
- Continue effort to remove Bolin Creek from 303D list through Bolin Creek Watershed Restoration Team, NPDES and Jordan Lake rules-related initiatives.
- Evaluate and schedule completion of Comprehensive LUO review/update.
- Establish greenhouse gas emissions reduction targets and plan implementation measures.

- Assist with completion of MPO's 2040 Comprehensive Long Range Transportation Plan, including Community Viz-based scenario building and visioning.
- Assist the Greenways Commission implement a system of greenways, including construction planning/design and flood studies for the Bolin Creek Phase 1B and Morgan Creek greenways.
- Assess traffic patterns during Weaver Street closure and work with MPO to complete data collection and pavement marking study for W. Main Street; work with community members to complete downtown neighborhood traffic plan.
- Advance GIS functionality by updating ArcGIS and Pictometry imagery for all staff, automate data downloads, and improve functionality of webpages for internal and external users.

PREVIOUS YEAR ACCOMPLISHMENTS

- Successful administration of Safe Routes to Schools Action Planning and non-infrastructure grant activities.
- Completion of UNC Capstone Greenhouse Gas Emissions 2009 Baseline Update and Reduction Target Estimation.
- Processed five LUO text amendments and administered three LUO map amendments.
- Successful administration of EPA 319 Bolin Creek BMP grants activities including McDougle rain garden installation, Baldwin Park stream restoration.
- Successful application for grant funds to support Physical Activity Action Plan development (\$24,000)
- Staff support and reporting on Long Range Transit Plan
- Administration of grant-funding and coordination with consultants to complete construction planning/design of the Wilson Park Multi-use Path.
- Launch and progress on records retention and management of inspections files and archived zoning site plans.

BUDGET SUMMARY

PLANNING - DEPARTMENTAL TOTAL

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
SUMMARY					
PERSONNEL	967,266	974,869	993,263	991,699	0%
OPERATIONS	143,531	123,322	165,935	172,321	4%
CAPITAL OUTLAY	-	26,922	-	28,000	0%
TOTAL	1,110,796	1,125,113	1,159,198	1,192,020	3%

	FY2008-09	FY2009-10	FY2010-11	FY2011-12
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	14	14	14	14
PART-TIME POSITIONS				
TOTAL	14	14	14	14

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The change in personnel reflects a decrease in salary due to not budgeting one vacant position which had been budgeted for only one quarter the previous year which offset to a degree the increase in health insurance and retirement costs. Operations increased with additional contract services and Capital Outlay increased with the replacement of one vehicle included in the FY11-12 CIP.

PERFORMANCE MEASURES	FY2008-09 ACTUAL	FY2009-10 ACTUAL	FY2010-11 ESTIMATED	FY2011-12 PROJECTED
# of Land Use Ordinance Revision	7	5	5	4
# of Conditional Use Permits	4	1	1	1
# Special Use Permits	1	1	2	1
# Zoning Permits	77	91	70	80
# Bldg. Permits for New Residential Units in Town	53	130	50	65
Estimated Building Permit Construction Value for New Residential in Town	\$15.1 million	\$21.6 million	\$12 million	\$15.6 million
Estimated Building Permit Construction Value for New Commercial in Town	\$.03 million	\$7.1 million	\$.48 million	\$3.2 million
Inspections per day per Inspector FTE	12.26	11.23	13.57	11.5
# of CO's Issued for New Residential Units in Town	50	70	120	60
Amount New Commercial Square Footage "CO" in Town	96	2,854	46,938	12,800

Planning Department *Division Level Summaries*

BUDGET SUMMARY

PLANNING SUPERVISION 540

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	467,667	461,283	472,398	455,260	-4%
OPERATIONS	55,736	28,613	47,175	54,221	15%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	523,403	489,896	519,573	509,481	-2%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Supervision Division personnel costs decreased based on personnel changes as well as not budgeting a vacant position that had been budgeted for one quarter in FY 2011-12. Operations increased due to the additional contract services.

BUDGET SUMMARY

PLANNING ZONING 541

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	263,798	272,277	281,590	294,072	4%
OPERATIONS	75,013	82,722	101,265	101,478	0%
CAPITAL OUTLAY	-	-	-	28,000	0%
TOTAL	338,810	354,999	382,855	423,550	11%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Zoning Division personnel increased with the increased cost of health insurance and retirement contribution costs. Capital Outlay includes the replacement of a vehicle included in the FY11-12 CIP.

BUDGET SUMMARY
PLANNING INSPECTIONS
542

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	235,801	241,309	239,275	242,367	1%
OPERATIONS	12,782	11,987	17,495	16,622	-5%
CAPITAL OUTLAY	-	26,922	-	-	0%
TOTAL	248,583	280,218	256,770	258,989	1%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Personnel increases are due to health insurance and retirement contribution increases. Operations decreased due to adjustment in fuel usage.

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TRANSPORTATION

PURPOSE

The Town of Carrboro is a financial partner with the Town of Chapel Hill and the University of North Carolina for the provision of public transportation services throughout the Chapel Hill, Carrboro, and UNC community. Carrboro contracts for transportation services through an annual contract with Chapel Hill Transit, which is a municipal department within the Town of Chapel Hill. Carrboro's annual expenditures are determined through a locally developed formula which allocates system expenses based upon population. FY2010-2011 annual budget for Chapel Hill Transit was \$17.6 million.

GOALS

- Improve quality, level and access of Public Transportation Service.

SERVICES PROVIDED & ACTIVITIES

- Fixed route transit encompasses all regular bus service to Carrboro residents.
- Shared Ride service is an extension of transit services to areas not receiving regular bus service.
- EZ Rider is a special service using lift-equipped vehicles to transport individuals with mobility limitations that prevent them from using regular fixed route buses.
- Bike-on-bus allows transit riders to put their bicycle on the front of any bus.
- Tar Heel Express is a special service for UNC home basketball and football games.

UPCOMING FISCAL YEAR OBJECTIVES

- Work with Chapel Hill Transit to more effectively manage current level of public transportation service in Carrboro.
- Work with Chapel Hill Transit to extend service into areas of Carrboro that are currently not served by fixed route service.
- Evaluate shared-ride service in Carrboro (number of participants).

PREVIOUS YEAR ACCOMPLISHMENTS

- Provided assistance to Chapel Hill Transit and consultants in completing a Comprehensive Operations Analysis of the efficiency and effectiveness of transit routes.

Chapel Hill Transit operations:

- Service area of approximately 25 square miles.
- Over 163,171 annual hours of service scheduled.
- In the 2009-2010 fiscal year, fixed route ridership was over 6.8 million, almost a 2% decrease from the previous year.

BUDGET SUMMARY

TRANSPORTATION- DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	1,033,837	1,032,835	1,064,150	1,064,150	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	1,033,837	1,032,835	1,064,150	1,064,150	0%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The transportation budget will remain unchanged.

PERFORMANCE MEASURES	FY2008-09 ACTUAL	FY2009-10 ACTUAL	FY2010-11 ESTIMATED	FY2011-12 PROJECTED
Average Daily Ridership (Boarding)	3,670	3,656	3,700	3,700
Average Daily Ridership (Alighting)	3,464	3,217	3,300	3,300

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PUBLIC WORKS DEPARTMENT

PURPOSE

The Public Works Department provides basic municipal services that promote a healthy and safe environment for the residents of Carrboro and the general public.

GOALS

- Provide timely, cost effective maintenance of public streets, bike paths, storm drainage system and right-of-way.
- Provide cost effective, reliable solid waste collection and disposal.
- Maintain public buildings and grounds in an environmentally friendly manner so they are pleasant and safe gathering spaces.
- Provide cost effective maintenance of the town's motor vehicle fleet and equipment.
- Implement the town's Capital Improvement projects.

SERVICES PROVIDED & ACTIVITIES

- Provide administration and general support for service delivery and construction projects.
- Provide general street and right-of-way maintenance services which include street repair, street sweeping, sign installations, pavement markings, mowing, and litter control.
- Responsible for inclement weather street maintenance, e.g. ice and snow removal, hurricane and other types of storm clean-up.
- Provide municipal solid waste collection to single family residences and multi-family units. Solid Waste collection is also provided to commercial users who elect to use the town's service. Yard waste collection and bulky waste collection is provided to single family residences.
- Provide building maintenance and repair for Town Hall, Century Center complex, Fire Stations #1 and #2, Public Works facility, bus shelters, and park facilities.
- Manage cemetery operations which include selling and marking plots at the town's two cemeteries.
- Maintain and repair town vehicles and equipment. Maintenance activities include preventative maintenance and inspections.
- Beautify the town's parks and planting areas with landscaping and ornamental design.
- Provide annual leaf collection program.
- Provide park facility and ball field maintenance at the town's parks, and assist the Recreation and Parks Department with special annual events such as Carrboro and Independence Day celebrations, Halloween, and the Carrboro Music Festival.

UPCOMING FISCAL YEAR OBJECTIVES

- Continue to reduce water consumption at Town facilities using rain barrels and using OWASA recycled water for plant irrigation.
- Administer construction of Elm Street sidewalk project (Phase 1B bond project Safe Routes to School funding).
- Administer construction for the Weaver Street Reconstruction project.
- Administer construction of Wilson Park Multi-Use Path project.
- Continue implementation of the next Phase 1B sidewalk bond projects - 4 projects.

PREVIOUS YEAR ACCOMPLISHMENTS

- Provided closeout construction admin. on ARRA funded projects. (Ashe & Bim St, bus shelters)
- Design of Weaver St. reconstruction completed, held public information meetings, and began construction.

- Design of Elm St. sidewalk project completed.
- Finished bi-annual street resurfacing program.
- Continued Town wide effort for fuel conservation.
- Conducted annual Arbor Day Observance.
- Completed annual purchase of new vehicles and equipment.
- Fire Station #2 brought on line - new fuel tracking system.
- Continued water conservation efforts with installation of demo rain garden at Town Hall.
- Contracted for refinishing of Century Hall wooden floor.
- Finished stairwell modifications at Town Hall (fire rated doors/windows, improved lighting)
- Helped to facilitate annual town auction of vehicles and equipment.
- Contracted for basement improvements at Town Hall - under drain installation, HVAC duct repair/cleaning, carpet removal in conference room, carpet cleaning.

BUDGET SUMMARY

PUBLIC WORKS - DEPARTMENTAL TOTAL

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
SUMMARY					
PERSONNEL	1,774,097	1,725,324	1,839,740	1,839,580	0%
OPERATIONS	1,296,971	1,233,362	1,446,031	1,503,811	4%
CAPITAL OUTLAY	686,141	360,104	322,260	451,490	40%
TOTAL	3,757,210	3,318,790	3,608,031	3,794,881	5%

	FY2008-09	FY2009-10	FY2010-11	FY2011-12
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	36	36	36	36
PART-TIME POSITIONS				
TOTAL	36	36	36	36

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Operating costs increased due to fuel costs, landfill fees, contract services, and building maintenance and repair. Details of the changes are highlighted in the division descriptions. Capital Outlay costs increase due to the cost of street resurfacing which is done every other year.

PERFORMANCE MEASURES	FY2008-09 ACTUAL	FY2009-10 ACTUAL	FY2010-11 ESTIMATED	FY2011-12 PROJECTED
Workload:				
# of construction contracts administered	2	4	3	5
# of maintenance contracts administered	3	3	3	3
Miles of road maintained	38.79	38.79	39.35	46.35
Miles of bike path maintained	3.41	3.41	3.41	3.41
# rollout containers	3901	3930	4014	4092
# multi-family and commercial dumpsters	187	187	189	189
Sq. ft. of building space maintained	55,900	61,317	61,317	61,317
# of burials	9	13	11	11
Total # vehicles maintained	96	96	96	96
Total # additional rolling stock maintained	27	27	27	27
Acres of park maintained	96	96	96	97
# of play fields maintained	7	7	7	7
Efficiency:				
Cost of asphalt maintenance per lane mile	\$525	\$530	\$530	\$530
Cost of centerline mile resurfaced (every 2 yrs)	\$0	\$109,000	\$0	\$120,260
Refuse Tons per 1,000 population (all sources)	413	400	403	403
Cost per ton collected (all tons)	\$126	\$129	\$131	\$133
# work orders per fleet technician FTE per year	549	597	592	579
Effectiveness:				
% of construction contracts completed	100%	100%	100%	100%
% of maintenance contracts completed	100%	100%	100%	100%
Street segments rated 85% or better	73%	79%	80%	80%

Public Works Department *Division Level Summaries*

BUDGET SUMMARY

PUBLIC WORKS SUPERVISION 550

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	295,125	304,190	296,900	312,223	5%
OPERATIONS	17,590	12,659	30,546	29,479	-3%
CAPITAL OUTLAY	-	-	33,500	-	0%
TOTAL	312,716	316,848	360,946	341,702	-5%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Supervision Division personnel increases are associated with the increased costs for health insurance and retirement contributions. The decrease in the operating expense is due to vehicle supply costs associated with the vehicle that was purchased in the previous year. Capital Outlay decreased due to the vehicle purchased in the previous year.

BUDGET SUMMARY

PUBLIC WORKS STREET MAINTENANCE 560

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	511,508	480,833	539,145	545,439	1%
OPERATIONS	408,794	350,785	404,921	400,852	-1%
CAPITAL OUTLAY	366,221	36,818	87,630	451,490	415%
TOTAL	1,286,523	868,436	1,031,696	1,397,781	35%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Street Maintenance Division budget shows an increase in personnel associated with the increased costs for health insurance and retirement contributions. The operating costs show a small decrease in vehicle repair and vehicle supply costs. Capital Outlay costs increase due to the cost of street resurfacing which is done every other year.

BUDGET SUMMARY

PUBLIC WORKS SOLID WASTE MANAGEMENT 580

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	305,348	314,146	317,549	335,869	6%
OPERATIONS	482,363	438,656	493,793	528,261	7%
CAPITAL OUTLAY	233,371	238,698	154,000	-	-100%
TOTAL	1,021,082	991,499	965,342	864,130	-10%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Solid Waste Division budget shows an increase in personnel associated with the increased costs for health insurance and retirement contributions. Operating costs are increasing due to fuel (\$6,584) and landfill fees (\$25,784). Capital Outlay reflects a decrease based on the purchase of a replacement boom truck in FY 2010-11.

BUDGET SUMMARY

PUBLIC WORKS CENTRAL SERVICES 590

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	150,076	152,428	156,290	156,290	0%
OPERATIONS	205,560	252,301	276,259	297,967	8%
CAPITAL OUTLAY	85,949	60,629	-	-	0%
TOTAL	441,585	465,358	432,549	454,257	5%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Operating costs increased due to maintenance and building repairs (\$19,325), utilities (\$3,280), and contract services (\$6,620).

BUDGET SUMMARY

PUBLIC WORKS FLEET MAINTENANCE 591

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	155,681	166,210	168,035	168,061	0%
OPERATIONS	22,712	23,631	31,876	39,763	25%
CAPITAL OUTLAY	-	23,959	-	0	0%
TOTAL	178,392	213,800	199,911	207,824	4%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Operating costs are increasing due to the purchase of a pressure washer.

BUDGET SUMMARY

PUBLIC WORKS LANDSCAPING 592

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	356,360	307,518	361,821	321,697	-11%
OPERATIONS	159,953	155,330	208,636	207,489	-1%
CAPITAL OUTLAY	600	-	47,130	-	-100%
TOTAL	516,913	462,848	617,587	529,186	-14%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The personnel decrease is associated with not budgeting vacant positions which had been budgeted for only one quarter in FY 2010-11 which offset to a degree the increase in health insurance and retirement costs. Operating costs decreased mainly due to vehicle supplies associated with the vehicle purchase in FY 2010-11. Capital Outlay decreases due to the purchase of a lawnmower and vehicle in FY 2010-11 and no planned purchases in FY2011-12.

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RECREATION AND PARKS DEPARTMENT

PURPOSE

Enrich the leisure needs and quality of life for citizens by providing accessible facilities, creative and diverse recreation opportunities and a safe public park system.

GOALS

- Continue to take an active role in the Better Together Town Initiative.
- Provide cross-training for Facilities Division staff.
- Maximize use & revenue of facilities.
- Utilize social media sources in areas to better promote programs.
- Increase the diversity of participants.
- Assist with the Arts and Economic Impact Study conducted by Orange County Arts Commission.
- Work with the Carrboro Centennial Committee, Town Officials, and other members of the community in an effort to provide a successful Carrboro Centennial Celebration.
- Complete the collection of the required material and documents to acquire the CAPRA certification.
- Create a library of power point presentations and other material that can be utilized to promote our programs, and needs (i.e., volunteers, etc.).
- Complete guidelines for the solicitation and acceptance of program sponsors and contributors.
- Expand our community based programs to other locations to better serve our diverse population.
- Expand on community workshops and seminars with a self-help style format.
- Increase the return rate of rental evaluations by event sponsors.
- Expand marketing efforts for Century Center rentals.
- Work with local citizens' group to raise money for park enhancements.
- Continue facility enhancements.

SERVICES PROVIDED & ACTIVITIES

- Develop, market, and implement recreation and leisure programs such as leagues, classes and other events that improve the quality of life for the citizens of Carrboro.
- Participants engage in activities that promote socialization, friendship, teamwork and sportsmanship. Many of these programs help to improve mental, physical, emotional and social well-being by promoting positive interactions in a well-planned, organized and safe environment.
- Oversee parks and facilities that provide space to enjoy nature, build family unity, meet friends and build strong bodies.
- Through the recruitment and hiring of staff and volunteers, we build a connection between residents in the community. We provide the opportunity for these individuals to serve in their community and build relationships with other citizens that create memories and further interactions outside our organization.
- Offer diversified programs reflective of citizen needs and promotes sensitivity to cultural diversity.
- Recognize the importance of citizen involvement and input through local citizen groups and board appointed committees.
- Demonstrate excellent customer service to citizens who register for programs and reserve or use recreation and park facilities.
- Facilitate in planning and staging community events that enhance the Paris of the Piedmont philosophy and community pride.

- Operates a variety of indoor and outdoor facilities which help bring the community together by providing space, promoting values, community activity and healthy living.

UPCOMING FISCAL YEAR OBJECTIVES

- Utilize the CAPRA accreditation process to identify areas of improvements.
- Increase cost savings practices through collaboration and using satellite facilities.
- Increase more outreach programming efforts with facilities like Covenant Place.
- Work with a UNC PR Campaigns class on a report that recommends outreach and diversity participation.
- Work with employees to address training needs and staff development & locate local venues for training and certification purposes.
- Develop a Twitter Page which will provide another way to communicate with the community.
- Develop an online survey for facility users that will provide an additional option to return usage surveys.
- Assist with upcoming Better Together Retreats such as providing teambuilding exercises, etc.
- Create centennial logo & provide designated programs to celebrate centennial anniversary.
- Identify local, state & national trends & policies in recreation programming.
- Offer a variety of musical performances that target diverse groups.

PREVIOUS YEAR ACCOMPLISHMENTS

Cost Saving Measures

- Expanded program efforts by 3% while staying within the allotted budgetary funds.
- Increased in-kind donations for support/sponsorship of ongoing programs.
- Redesigned Department Program Brochure. The design proved to be reader-friendly and more cost efficient because of the elimination of pages.
- 56% of all registrations were completed using REC CONNECT.

Administration

- Reviewed department processes and practices for CAPRA Accreditation consideration through NRPA.

Facility Improvements

- Resurfaced Century Hall's wooden floor.
- Upgraded tee pads for 18-hole Anderson Park Disc Golf Course and signage for individual holes.
- Triangle Country Dancers donated 2 fans that are used in Century Hall to circulate air flow.
- Dee Shankle provided complimentary service for the sound equipment in Century Hall.

New Community Events and Program Enhancements

- Created Interactive Healthy Eating Web Site for the public.
- Designed an Easter Egg Hunt specifically for participants with special needs.
- Developed a series of Self Help Seminars for the community – “Financial and Health Planning for Older Adults and Seniors” and an “Energy Efficiency Education” fair.
- Increased participation in various programs offered (ex. Horseshoe Tournaments, NFL Punt, Pass, and Kick, Adult Ultimate Frisbee, Hispanic Tennis Carnival, Lollipop Series, Kids-Cookies-Candy Canes).
- Provided community based programs at Abbey Court and Estes Park Apartment Complexes. Future programs are planned at these locations and potentially other sites.
- Worked with other agencies and departments to develop regional mapping of services and program opportunities available to teens. This initiative was coordinated by Piedmont Triad Workforce Development.
- Worked with Broad/Lloyd Street Community and CPP to develop a Baldwin Park Community Garden.

Participation, Revenue and Customer Satisfaction

- Staff applied and received a \$75,000 grant from the Recreational Trails Program for greenway development.
- The total number of program participants for the 2010 year increased by 3% over the 2009 year.
- 80% of the event sponsors rate overall customer service provided within the Century Center as excellent.

Marketing

- Implemented new marketing methods to enhance participation utilized. (i.e., Documentary on the history of the Carrboro Music Festival was featured on PBS' - "NC Weekend Now" and summer camps advertised on www.gomoms.com).
- Staff attended UNC Health and Recreation Fair to market department programs and facilities.
- Staff attended UNC Job Fair to market job opportunities in the Facilities Division.
- Partnered with Orange County and Chapel Hill (IPWG) to create an Interactive Parks Locator Map. This tool will allow citizens to view all park facilities in Orange County, search for park amenities, and link to department websites for more information.

Professional Development, Hiring and Training

- Staff served on Better Together Strategy groups and as Co-chair of the Leadership Team.
- A staff member completed his Master's Degree in Recreation from the University of Illinois.
- Staff attended the NC Recreation & Parks Directors Conference in Durham, NC.
- Staff presented at several Managing Local Government Service classes at UNC's School of Government.
- Staff served on the Orange County Growing Healthy Kids Project Advisory Board.
- Staff maintains the Town's Face Book (411) site.
- A First Aid Certification Program was hosted by the department which resulted in several staff members becoming certified.
- Staff was elected treasurer of the Municipal & County Administration Alumni Association.
- Staff served as "Best Practice Sessions" Program Committee Chair for the upcoming joint NC/SC Recreation & Parks Conference in Charleston, SC.
- Staff attended the 2010 NC Recreation & Parks Association Conference in Raleigh, NC.
- Staff presented a session entitled, Balancing Work and Family Life at the NC Recreation and Parks Conference in Raleigh, NC.
- Staff led a Pictometry training session for Town staff.
- Staff served as Co-chair on the counties Healthy Carolinians Committee.
- Staff served as Co-chair Elect of the NC Recreation and Parks Association Region IV.

BUDGET SUMMARY

RECREATION AND PARKS - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2010/11 FROM 2009/10
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SUMMARY

PERSONNEL	951,195	968,964	1,026,212	1,049,408	2%
OPERATIONS	256,269	274,451	346,131	346,990	0%
CAPITAL OUTLAY	27,555	39,581	-	31,800	0%
TOTAL	1,235,019	1,282,996	1,372,343	1,428,198	4%

	FY2008-09	FY2009-10	FY2010-11	FY2011-12
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	11	11	11	11
PART-TIME POSITIONS	3	3	3	3
TOTAL	14	14	14	14

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Increase in personnel costs is associated with the increased costs for health insurance and retirement contributions. Capital Outlay increased with the purchase of replacement vehicles.

PERFORMANCE MEASURES	FY2008-09 ACTUAL	FY2009-10 ACTUAL	FY2010-11 ESTIMATED	FY2011-12 PROJECTED
Total Department Revenues	\$282,516	\$271,763	\$253,739	\$256,498
% change in total department revenue	10%	-4%	-7%	1%
% change of operational budget supported by program revenue generated	14%	0%	-4%	1%
Total paid reservations	943	824	783	798
% change in paid reservations	-25%	-13%	-5%	2%
Total nonpaid reservations	25	17	15	15
% change in nonpaid facility reservations	-11%	-32%	12%	0%
% change in enrolled participants	9%	4%	2%	1%
% change in recreation programming hours	15%	7%	3%	2%
% change in volunteer hours supporting programs	3%	23%	3%	3%
% change of fees waived for low income participants	49%	-34%	6%	4%

Recreation and Parks Department *Division Level Summaries*

BUDGET SUMMARY

RECREATION SUPERVISION 620

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	105,308	107,609	109,056	109,083	0%
OPERATIONS	8,983	11,186	18,134	18,104	0%
CAPITAL OUTLAY	6,232	-	-	-	0%
TOTAL	120,523	118,795	127,190	127,187	0%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Supervision budget remains stable.

BUDGET SUMMARY

RECREATION PLAYGROUNDS AND PARKS 621

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	4,502	4,504	16,390	16,390	0%
CAPITAL OUTLAY	21,323	39,581	-	-	0%
TOTAL	25,825	44,085	16,390	16,390	0%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Operating expenses and capital outlay will remain constant in FY11-12.

BUDGET SUMMARY
RECREATION ATHLETICS
622

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	282,251	287,716	313,040	313,052	0%
OPERATIONS	76,950	90,278	98,843	99,346	1%
CAPITAL OUTLAY	-	-	-	15,800	0%
TOTAL	359,201	377,993	411,883	428,198	4%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Athletics budget increases due to the purchase of a replacement vehicle included in the FY11-12 CIP.

BUDGET SUMMARY
GENERAL PROGRAMS
623

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	260,408	264,067	277,387	284,581	3%
OPERATIONS	161,284	160,617	197,231	197,617	0%
CAPITAL OUTLAY	-	-	-	16,000	0%
TOTAL	421,692	424,684	474,618	498,198	5%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Personnel increases are due to the increased costs for health insurance and retirement contributions. Capital outlay costs increase with the purchase of a replacement vehicle.

BUDGET SUMMARY
RECREATION FACILITIES
624

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	303,228	309,572	326,729	342,692	5%
OPERATIONS	4,550	7,867	15,533	15,533	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	307,778	317,439	342,262	358,225	5%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Personnel increases are due to the increased costs for health insurance and retirement contributions.

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NONDEPARTMENTAL

PURPOSE

Non-Departmental appropriations are used to account for items not readily identified with other organizational functions.

SERVICES PROVIDED & ACTIVITIES

- Budgeted funds, when available, are set aside for:
 - Pay for Performance
 - Dependent Health Insurance
 - Service Level Benefits
 - Contingency – general
 - Contingency - fuel
 - Transfers to Other Funds

With exception of contingency, these funds are distributed later in the year to departments as needed. Contingency funds, other than fuel, are only transferred with approval of the Board of Aldermen.

BUDGET SUMMARY

NONDEPARTMENTAL - TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
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SUMMARY

PERSONNEL	-	-	441,248	459,638	4%
OPERATIONS	1,551,099	404,562	247,000	47,000	-81%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	1,551,099	404,562	688,248	506,638	-26%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The recommended budget sets aside \$196,319 for lump sum payment based on performance. Funds are also included to cover increased health insurance costs for employees and retirees (\$159,971), required increase in contributions to LGERS (\$52,348), and continuation of service benefits (\$51,000).

The operating cost represents transfer of funds from the General Fund to other funds. A transfer of \$12,000 represents an amount that must be set aside for future board room equipment. The Town, under the original Time Warner cable franchise, opted for a surcharge to pay for board room equipment upgrades in FY04-05. The equipment is fully reimbursed with this surcharge in FY08-09, with the remainder going to the capital reserve fund for future equipment purchases. This revenue will be eliminated upon expiration of the Time Warner franchise agreement in 2011. It is possible that the Town may not receive this revenue as indicated in the Executive Summary. However, if funds are received, they will be transferred.

Funds of \$35,000 are set aside for contingency, of which \$20,000 is for possible fuel increases beyond what is budgeted.

Nondepartmental *Division Level Summaries*

BUDGET SUMMARY
NON-DEPARTMENTAL
660

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
SUMMARY					
PERSONNEL	-	-	441,248	459,638	4%
OPERATIONS	-	-	35,000	35,000	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	-	-	476,248	494,638	4%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Personnel costs increased due to the lump sum payment for employees and increased health insurance and retirement costs. Operating costs for contingency remain the same.

BUDGET SUMMARY
TRANSFERS
661

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
SUMMARY					
PERSONNEL	-	-	-	-	0%
OPERATIONS	1,551,099	404,562	212,000	12,000	-94%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	1,551,099	404,562	212,000	12,000	-94%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Transfers include \$12,000 which represents an amount that must be set aside for future board room equipment.

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DEBT SERVICE

PURPOSE

The Debt Service cost center provides for the retirement of the Town’s outstanding indebtedness, accounting for expenditures used for the payment of principal and interest associated with bonds and other financing instruments.

BACKGROUND

In North Carolina, an agency known as the Local Government Commission in the State Treasurer’s Office oversees local government bonded debt and assists municipalities and counties in all areas of fiscal management. This agency conducts all bond sales, and ensures that local units have sufficient fiscal capacity to repay debt. The Town is subject to the Local Government Bond Act of North Carolina which limits the amount of net bonded debt the Town may have outstanding to 8% of the appraised value of property subject to taxation.

Like most municipalities, the Town of Carrboro uses debt as a means to finance long-term capital projects and it is the Town’s policy that the financing period shall not exceed the useful life of the project. As of June 30, 2010, the Town had approximately \$10.5 million dollars in general debt as shown in the chart:

	Long Term Debt 6/30/2009	Long Term Debt 6/30/2010
General Obligation debt	\$ 26,107	\$ -
Bond Anticipation Note	\$ 2,590,000	\$ 2,590,000
Installment purchases - improvements & equipment	\$ 4,380,835	\$ 7,060,641
Compensated absences	\$ 575,056	\$ 597,845
Other Post-employment benefits		\$ 1,234,293
Net pension obligation	\$ 293,117	\$ 322,184
Total	\$ 7,865,115	\$ 11,804,963

Of the \$10.5 million, \$7.0 million is for installment financing used by the Town to purchase major equipment and vehicles, finance land and building purchases. The NC General Statutes 160A-20 allows local governments to enter into installment contracts to finance the purchase of equipment and land, or for construction projects. Under this method of financing, the unit enters into a contract with a financial institution in which the financial institution provides funding for the purchase of equipment, land, or for construction projects. The financial institution maintains a security interest in the equipment or project until the governmental unit repays the loan over a specified loan term. For these contracts, local units pledge to pay the installments from any revenues available, but do not pledge the “full faith and credit” of the unit. Contracts under \$500,000 and less than a five-year maturity do not require approval by the Local Government Commission (LGC). Installment contracts for equipment greater than \$500,000 or maturities over five years require approval by the LGC, except the purchase of vehicles and rolling stock which may be purchased in any amount without LGC approval. Installment contracts involving improvements to land or buildings require approval by the LGC regardless of the dollar amount or maturity involved.

To a lesser extent, the Town uses general obligation debt. The bond referendum whereby residents voted to fund sidewalk construction in November 2003 will shift the balance of the

debt financing portfolio to general obligation bonds. The Town, beginning sidewalk construction in FY05-06, issued a portion of this general obligation debt in the form of a note to be payable in 9 months (Bond Anticipation Note - BAN). General obligation bonds are collateralized by the full faith, credit, and taxing power of the Town and generally allow for longer term loan terms than other types of financing (up to 20 years) and require a lower interest rate than other types of financing. The Town normally has seven years to issue general obligation debt once it is approved by the tax payers; however, this can be extended for three years up to a maximum of ten years if approved by the LGC. This allows the Town to phase in debt as it is needed and as older debt is retired and paid off.

Other long term debt includes reserves for compensated absences which is the amount the Town owes for future payments for employee vacation and net pension obligations represents the annual required contribution for retirement benefit to law enforcement officers.

CURRENT AND FUTURE DEBT

The Town of Carrboro in previous years had lower debt obligation due to expiration of some old general obligation bond and lease-purchase commitments. The long-term debt obligation projected over a ten-year period is listed below. Debt obligations for 2010 are from the June 30, 2010 audit and add the authorized but unissued debt approved for sidewalks and greenways in November 2003. Funding vehicle and equipment needs are expected to be financed over a five-seven year period.

Outstanding debt is expected to peak in 2013 when the Town plans to issue \$4,600,000 general obligations bonds approved by voters in 2003 for sidewalks and greenways. Until then the Town plans to issue bond anticipation notes (BANs) and then issue the entire \$4,600,000 by 2013. Until the bonds are actually issued, the Town’s audited records report both the BANs and the authorized but unissued debt obligations. For policy purposes in tracking outstanding debt per capita in the Town’s fiscal policy, the authorized but unissued and issued debt will be included, but not BANs since that reflects the true total debt the Town to which the Town is committed.

The Town anticipates increases in debt repayment costs in subsequent fiscal years for sidewalk construction and greenway projects (\$4.6 million dollars authorized), and for potential debt issuances in the next five years for the projects envisioned in the Town’s Capital Improvements Program (CIP).

June 30, Year Ending	Existing Long Term Installment and General Obligations Debt and Notes	Vehicle & Equipment Installment Debt	Authorized and Unissued Debt for Sidewalks and Greenways	Total Long Term Debt
2009	\$ 5,270,042	\$ 1,755,671	\$ 4,600,000	\$ 11,625,713
2010	\$ 5,515,207	\$ 1,545,434	\$ 4,600,000	\$ 11,660,641
2011	\$ 5,010,910	\$ 1,668,730	\$ 4,600,000	\$ 11,279,640
2012	\$ 4,499,126	\$ 1,857,767	\$ 4,600,000	\$ 10,956,893
2013	\$ 3,979,568	\$ 1,599,030	\$ 4,600,000	\$ 10,178,598
2014	\$ 3,451,941	\$ 1,788,067		\$ 5,240,008
2015	\$ 2,915,937	\$ 1,977,103		\$ 4,893,040
2016	\$ 2,356,155	\$ 2,042,843		\$ 4,398,998

2017	\$	1,788,349		\$	1,788,349
2018	\$	1,408,356		\$	1,408,356

BUDGET SUMMARY

DEBT SERVICE - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011-12 FROM 2010-11
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	1,427,902	1,477,718	1,548,915	1,402,111	-9%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	1,427,902	1,477,718	1,548,915	1,402,111	-9%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Debt Service costs decrease slightly in FY 2011-12 from the prior year most due to the financing of fewer vehicles. The Town also experienced lower interest costs for the bond anticipation note issued in the current year due to lower interest rates.

Below is a summary of debt service obligations for FY 2011-12.

Project	Issue \$	Principal	Interest
SIDEWALKS & GREENSWAYS BAN	\$ 2,590,000	\$ -	\$ 45,146
TOTAL GENERAL OBLIGATION BONDS			\$ 45,146
CENTURY CTR	\$ 3,080,000	\$ 182,708	\$ 47,171
MARTIN LUTHER KING PARK LAN	\$ 274,000	\$ 21,276	\$ 3,397
PUBLIC WORKS LAND	\$ 767,000	\$ 51,133	\$ 12,827
ADAMS TRACT	\$ 600,000	\$ 40,000	\$ 14,760
FIRE SUBSTATION	\$ 3,250,000	\$ 216,667	\$ 116,843
TOTAL LONG-TERM INSTALLMENT DEBT	\$ 511,784	\$ 511,784	\$ 194,998

FY 2010-11 and prior Vehicle/Equipment

EQUIPMENT/VEHICLES		\$ 595,275	\$ 25,890
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Annual vehicle and equipment debt service costs are comprised of borrowings dating to FY06-07 with annual amortization periods ranging from five to seven years.

FY 2011-12 PURCHASES TO BE FUNDED WITH INSTALLMENT DEBT:

Department	Vehicle	Cost	Debt Svc
Rec & Parks	Full SizePick up -Replace #016	\$ 16,000	3,520
Rec & Parks	Small Pick up -Replace #015	\$ 15,800	3,476
Planning	Mid size SUV - Replace #135	\$ 28,000	6,159
Police	Administration-Replace vehicle #190	\$ 28,000	6,159
Police	Patrol Vehicle-Replace vehicle #205	\$ 33,600	7,391
Police	Patrol Vehicle-Replace vehicle #206	\$ 33,600	7,391
Police	Patrol Vehicle-Replace vehicle #207	\$ 33,600	7,391
Police	Patrol Vehicle-Replace vehicle #208	\$ 33,600	7,391
Police	Patrol Vehicle-Replace vehicle #235	\$ 33,600	7,391
Police	Investigations-Replace vehicle #204	\$ 27,300	6,005
Police	Animal Control vehicle - Replace K-9	\$ 15,750	3,465
	TOTAL	\$ 298,850	\$ 65,740

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SPECIAL REVENUE FUNDS

In preparation for the implementation of GASB 54 for the year ending June 30, 2011, the Special Revenue Fund has been restructured. The Capital Reserve Fund and Payment In Lieu Fund previously presented as part of the Special Revenue Fund are now part of the Capital Projects Fund.

Affordable Housing Fund – This fund was created to advance the Town’s goal of increasing the stock of affordable, safe and decent housing within the Town and its’ planning jurisdiction. The fund was established by a resolution approved on June 26, 2007. Payments to the fund, made by developers, in lieu of providing affordable housing under the applicable provisions of the Land Use Ordinance, are deposited into the fund in addition to other revenues such as grants, donations, loans, interest payments, or other contributions that are received.

Grant Fund – This fund accounts for grant awards made to the Town that are legally restricted to expenditures for specific purposes.

Revolving Loan Fund - The Revolving Loan Fund is used to encourage economic and community development in Carrboro by offering loans to new businesses, encouraging businesses to locate in Carrboro. Annually, the fund is updated (following the audit) to reflect estimated annual interest and principal payments on loans from the various businesses.

BUDGET SUMMARY

SPECIAL REVENUE FUNDS, SUMMARY REVENUE

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
BEGINNING FUND BALANCE	416,648	101,574	130,659	N/A	N/A
INVESTMENT EARNINGS	14,017	14,896	488,865	305,000	29%
GRANT REVENUES	76,710	(5,954)	379,900	379,900	-53%
OTHER REVENUES	32,813	70,888	629,575	813,440	5258%
TRANSFERS	48,000	-	39,750	11,750	-97%
TOTAL REVENUE	171,540	79,830	1,538,090	1,510,090	0%

EXPENDITURE

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
COMMUNITY DEVELOPMENT	8,250	5,825	28,000	-	-100%
GENERAL GOVERNMENT	2,268	2,719	29,397	29,397	0%
OTHER APPROPRIATIONS	405,540	10,000	867,073	867,073	0%
TRANSFERS TO OTHER FUNDS	14,200	-	139,000	139,000	0%
GRANT EXPENDITURES	70,756	32,000	379,900	379,900	0%
RESERVES	-	-	94,720	94,720	0%
TOTAL EXPENDITURES	501,014	50,544	1,538,090	1,510,090	-2%
ENDING FUND BALANCE	\$87,174	\$130,860	N/A	N/A	N/A

AFFORDABLE HOUSING FUND

This fund was created to advance the Town’s goal of increasing the stock of affordable, safe and decent housing within the Town and its planning jurisdiction. The fund was established by a resolution approved on June 26, 2007. Payments to the fund, made by developers, in lieu of providing affordable housing under the applicable provisions of the Land Use Ordinance, are deposited into the fund in addition to other revenues such as grants, donations, loans, interest payments, or other contributions that are received.

BUDGET SUMMARY

AFFORDABLE HOUSING FUND REVENUE	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
BEGINNING FUND BALANCE	-	40,047	34,301	N/A	N/A
INVESTMENT EARNINGS	297	80	-	-	0%
OTHER				-	0%
TRANSFERS	48,000		39,750	11,750	-70%
<i>SUBTOTAL</i>	48,297	80	39,750	11,750	-70%

EXPENDITURE	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
105 COBB ST.	8,250				0%
109 JONES FERRY ROAD	-	5,825	28,000		-100%
UNEXPENDED RESERVES		-	11,750	11,750	0%
<i>SUBTOTAL</i>	8,250	5,825	39,750	11,750	-70%

ENDING FUND BALANCE	40,047	34,301	N/A	N/A	N/A
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GRANT FUND

Below is a summary of the grants currently accounted for in the Grant Fund.

- Paul Coverdell Forensic Science Improvements Grant was used to create and finance a fingerprint identification network in and around Orange County. The grant was completed in FY09-10.
- Clean Water Act Grant issued by the NC Department of Environmental and Natural Resources is for continuing watershed restoration work in the Bolin Creek watershed. Activities will include installation of a demonstration cistern and rain garden at McDougle School, stream stabilization and restoration at a site on Dry Gulch Creek, and continued monitoring of stormwater at the Pacifica neighborhood.
- Southeast Energy Efficiency Alliance (SEEA) Grant funded by the US Department of Energy is a collaborative effort with Chapel Hill and SEEA to undertake community scale energy efficient retrofits. Fifty five thousand dollars (\$55,000) of the \$75,000 grant award will be used to create an Energy Efficiency Revolving Loan Fund.
- Physical Activity ARRA Grant awarded by North Carolina Department of Health and Human Services (NCDHHS) is for planning activities to encourage physical activities and active lifestyles. This grant is part of NCDHHS's "Physical Activity in the Built Environment" initiative and will be used to provide training, hire an internship and acquire traffic analysis software to evaluate traffic conditions that may discourage walking and cycling.
- Recreational Trails Program Grant awarded by North Carolina Department of Environmental and Natural Resources (NCDENR) is to help support the construction of the Wilson Park Multi-Use Path. The Wilson Park Multi-Use Path from Wilson Park to Estes Drive.

Additionally, the Safe Route to School Non-Infrastructure Grant Ordinance #17/2010-11 governs the prior year's award from the North Carolina Department of Transportation (NCDOT). This grant is to support two Walk and Roll events at Carrboro Elementary School, including education materials for students and parents during the month prior to the event; safe walking and biking skills workshop; and two designated "park and walk/bike" locations for the day of events for families too far to walk or bike directly from their homes.

BUDGET SUMMARY

GRANT FUND REVENUE

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
BEGINNING FUND BALANCE	-	6,054	(32,000)	N/A	N/A
INTEREST EARNED	100	(100)			0%
COVERDELL	76,710	(5,954)			0%
SEEA			75,000	75,000	0%
NC DHHS			24,900	24,900	0%
NC DENR - RECREATIONAL TRAILS			75,000	75,000	0%
NC DENR - CLEAN WATER			205,000	205,000	0%
SUBTOTAL	76,810	-	379,900	379,900	0%

EXPENDITURE

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
TRANSFERS	14,200		-		0%
WATER RESTORATION		32,000	205,000	205,000	0%
ENERGY EFFICIENCY			75,000	75,000	0%
PHYSICAL ACTIVITY GRANT			24,900	24,900	0%
RECREATIONAL TRAILS			75,000	75,000	0%
OTHER	56,556	-	-	-	0%
SUBTOTAL	70,756	32,000	379,900	379,900	0%

ENDING FUND BALANCE

	6,054	(32,000)	N/A	N/A	N/A
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REVOLVING LOAN FUND

The Revolving Loan Fund sustains itself with the interest earned on loans provided to businesses. With this interest, a reserve is created that enables the Town to continue loaning funds to businesses. When a loan is made, the Board amends the Revolving Loan Fund to acknowledge the loan of funds and decrease the available reserves to reflect the outflow of cash. The Fund is updated annually to reflect total interest and principal repayments that will accrue to the Town for that year. As loans are paid off, the Town closes the loans and removes them from financial records.

The Revolving Loan Fund contains the following active loans to businesses:

Loan	Amount Borrowed	Date of Original Loan
Alphabet Soup	\$48,000	2001
Science Learning Resources	\$75,000	2004
Bryan's Guitar and Music, Inc	\$90,000	2004
Blue Icon Hair Stylists	\$18,000	2005
Cycling Specifics	\$45,000	2006
Art in a Pickle	\$105,000	2007
Carrboro Co-Working	\$90,000	2008
Beehive	\$56,000	2009
Cycle 9	\$68,540	2009
Original Ornament	\$70,000	2009
Carrboro Citizen	\$50,000	2009
The Kind Coffee	\$57,000	2009

BUDGET SUMMARY

REVOLVING LOAN FUND

REVENUE	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
BEGINNING FUND BALANCE	416,648	55,473	128,358	N/A	N/A
INVESTMENT EARNINGS	13,820	14,716	488,865	305,000	-38%
OTHER REVENUE(LOAN REPAYMENTS)	32,813	70,888	539,575	723,440	34%
OTHER FINANCING SOURCES		-	90,000	90,000	0%
SUBTOTAL	46,633	85,604	1,118,440	1,118,440	0%

EXPENDITURE	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
GENERAL GOVERNMENT	2,268	2,719	29,397	29,397	0%
OTHER APPROPRIATIONS	405,540	10,000	867,073	867,073	0%
OTHER FINANCING SOURCES		-	139,000	139,000	0%
RESERVES	-	-	82,970	82,970	0%
SUBTOTAL	407,808	12,719	1,118,440	1,118,440	0%

ENDING FUND BALANCE	55,473	128,358	N/A	N/A	N/A
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CAPITAL PROJECTS FUND

The Town has restructured the Capital Projects Fund in preparation for the implementation of GASB 54 for the year ending June 30, 2011. The Capital Projects Fund is comprised of the following:

- Capital Projects
- GO Bonds, Sidewalks and Greenways
- Capital Reserve
- Payment In Lieu

The capital projects fund tracks all capital projects. Capital projects are projects financed in whole or in part by the proceeds of bonds or notes or debt instruments or a project involving the construction or acquisition of a capital asset. Capital projects are approved via a balanced project ordinance as required by the North Carolina General Statutes (GS 159-13.2) whereby the Town budgets for the life of the capital project. A project ordinance is balanced when revenues estimated to be available for the project equal appropriations for the project. Projects that show a zero balance are no longer active and have been completed and are removed from the general ledger one year following completion.

Current Active Projects Include:

Weaver Street Reconstruction – The Weaver Street Reconstruction project includes the removal and reconstruction of the existing road, removal and replacement of curb and gutter, the installation of additional storm inlets and piping to improve storm drainage in the block of W. Main Street to N. Greensboro, and the replacement of an existing 12-inch water main in both blocks. Design of the project is underway.

Land Purchase for future Public Works Facility –The Board approved, in FY02-03, the purchase of land for a future public works facility. There is \$5,000 set aside within this budget to design and implement a landscape buffer for the property. Design and construction of the Public Works Facility are scheduled into the future.

Bond-Funded Sidewalks and Greenways Capital Projects Fund

The Town, as documented in its Capital Improvement Program document (CIP), is pursuing sidewalk and greenways construction to increase the safety and convenience of walking through the Town's neighborhoods and to major facilities such as schools, bus stops, shopping areas and recreational facilities. A separate bond fund, created in FY04-05, tracks the various phases of sidewalk and greenways construction.

Capital Improvement Project Ordinances have been authorized for the following projects:

- Recreational Trails Program, Total appropriation \$93,751
- Rogers Road Sidewalk, Total appropriation \$536,200
- Bolin Creek Greenway Phase 1-B, Total appropriation \$737,500

CAPITAL PROJECTS FUND, SUMMARY

REVENUE

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
BEGINNING FUND BALANCE	(256,135)	590,908	N/A	N/A	N/A
INVESTMENT EARNINGS	36,295	10,025	177,989	179,507	1%
OTHER FINANCING SOURCES	1,552,099	3,401,883	8,197,551	8,173,228	0%
RESTRICTED INTERGOVTL REV	15,960	58,547	1,043,804	1,617,804	55%
OTHER	15,012	1,797	98,607	286,606	191%
FUND BALANCE APPROPRIATED	0	279,234	176,945	176,945	0%
<i>SUBTOTAL</i>	1,363,231	4,342,394	9,694,896	10,434,090	8%

EXPENDITURES

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2010/11 FROM 2009/10
CAPITAL PROJECTS	104,465	1,631,969	5,442,851	5,569,546	2%
GO SIDEWALK & GREENWAYS	667,858	196,746	4,075,100	4,687,599	15%
CAPITAL RESERVES	-	544,806	176,945	176,945	0%
PAYMENT IN-LIEU	-	-	-	-	0%
<i>SUBTOTAL</i>	772,323	2,373,521	9,694,896	10,434,090	8%

ENDING FUND BALANCE	590,908	1,897,790	N/A	N/A	N/A
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CAPITAL PROJECTS

REVENUE

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2010/11 FROM 2009/10
BEGINNING FUND BALANCE	422,411	756,438	2,464,956	N/A	N/A
INVESTMENT EARNINGS	8,492	4,887	22,232	-	-100%
FUND BALANCE APPROPR	-	-	-	-	0%
OTHER FINANCING SOURCES	430,000	3,401,883	5,344,323	5,320,000	0%
RESTRICTED INTERGOVTL REV	-	4,800	76,296	76,296	0%
OTHER	-	-	-	173,250	0%
<i>SUBTOTAL</i>	438,492	3,411,570	5,442,851	5,569,546	2%

EXPENDITURES

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2010/11 FROM 2009/10
LAND - PUBLIC WORKS	0	0	767,000	767,000	0%
BUS SHELTERS	0	0	76,296	76,296	0%
TRANSFERS	20,000	26,555.00	46,555	0	-100%
WEA VER ST. RECONSTRUCTION	15,103	31,904	1,303,000	1,476,250	13%
FIRE STATION #2	69,362	1,573,510	3,250,000	3,250,000	0%
<i>SUBTOTAL</i>	104,465	1,631,969	5,442,851	5,569,546	2%
ENDING FUND BALANCE	756,438	2,464,956	N/A	N/A	N/A

GO BOND, SIDEWALK AND GREENWAYS

<i>REVENUE</i>	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2010/11 FROM 2009/10
BEGINNING FUND BALANCE	(1,353,291)	(1,985,170)	(2,127,006)	N/A	N/A
INTEREST EARNINGS	11,157	1,163	155,757	179,507	15%
OTHER FINANCING SOURCES	1,000	-	2,853,228	2,853,228	0%
RESTRICTED INTERGOVTL REV	15,960	53,747	967,508	1,541,508	59%
OTHER	7,862	-	98,607	113,356	15%
<i>SUBTOTAL</i>	35,979	54,910	4,075,100	4,687,599	15%

EXPENDITURES

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2010/11 FROM 2009/10
MORGAN CREEK/BOLIN CREEK GREENWAY	67,094	55,285	125,000	737,500	490%
QUAIL ROOST SIDEWALK			145,999	145,999	0%
LISA DRIVE SIDEWALK			127,800	127,800	0%
BOLIN FOREST SIDEWALK			54,901	54,901	0%
HANNAH ST SIDEWALK			210,867	210,867	0%
N. GREENSBORO ST SIDEWALK			348,864	348,864	0%
WILLIAMS ST SIDEWALK			31,555	31,555	0%
LLOYD ST SIDEWALK			10,855	10,855	0%
JONES FERRY RD SIDEWALK			15,918	15,918	0%
FOWLER ST. SIDEWALK			16,535	16,535	0%
S GREENSBORO ST SIDEWALK			43,153	43,153	0%
ASHE/BIM SIDEWALKS		112,321	327,300	327,300	0%
ELM ST. SIDEWALK		35	316,000	316,000	0%
PHASE IB SIDEWALK PROJECTS	579,961	18,103	1,590,571	1,590,571	0%
NCDOT ENHANCEMENT PROJECTS			126,849	126,848	0%
WILSON PARK MULTIUSE PATH			266,000	266,000	0%
PROFESSIONAL SVCS	20,803	11,002	73,000	73,000	0%
MISCELLANEOUS			2,000	2,000	0%
DESIGN			1,945	1,945	0%
TRANSFER TO CAP RES FD			239,988	239,988	0%
<i>SUBTOTAL</i>	667,858	196,746	4,075,100	4,687,599	15%
ENDING FUND BALANCE	(1,985,170)	(2,127,006)	N/A	N/A	N/A

CAPITAL RESERVE

By North Carolina General Statutes (GS159-18), local governments may establish and maintain a capital reserve fund for any purposes for which it may issue bonds. A capital reserve fund is established via an ordinance of the board, where funds are accumulated for each purpose. The Town has set aside funds for specific purposes.

Teal Place Sidewalk Installation - *The Town of Carrboro received \$2,000 from the Teal Place Townhouse Association towards construction of the sidewalk.*

Brewer Lane Signal Crossings – *The Town has been advised to setup signal crossings on Brewer Lane.*

Streets – *The Town sets aside reserves annually for street resurfacing.*

Debt Service- *funds set aside for future debt related to the Town's Capital Plan.*

PEG Funds – *These are revenues transferred from the General Fund that are collected through the Time Warner Franchise. These funds support boardroom technology improvements.*

Weaver St. Reconstruction –*Allocated reserves to support this project.*

Rogers Road and Smith Level sidewalk projects – *In FY09-10, following review of the annual CIP, the Board allocated additional reserves to support these sidewalk projects planned with the bond-funded sidewalk program.*

Undesignated – *Reserves generated from unexpended project funds and interest earnings within the fund that are not currently designated by the Board.*

CAPITAL RESERVE FUND					
<i>REVENUE</i>	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
BEGINNING FUND BALANCE	539,105	1,676,662	1,416,570	N/A	N/A
INVESTMENT EARNINGS	14,737	3,683	-	-	0%
OTHER	1,721	1,797	-	-	0%
OTHER FINANCING SOURCES	1,121,099		-	-	0%
RESTRICTED INTERGOVTL REV					
FUND BAL APPROP	-	279,234	176,945	176,945	0%
<i>SUBTOTAL</i>	1,137,557	284,714	176,945	176,945	0%

<i>EXPENDITURE</i>	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
OTHER FINANCING SOURCES		544,806	176,945	176,945	0%
<i>SUBTOTAL</i>	-	544,806	176,945	176,945	0%

ENDING FUND BALANCE	1,676,662	1,416,570	N/A	N/A	N/A
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RESERVES AVL FOR:	6/30/2009	6/30/2010	6/30/2011	6/30/2012
TEAL PLACE SIDEWALK INSTALLATION	2,000	2,000	2,000	2,000
BREWER LANE SIGNAL CROSSINGS STREETS	15,000	15,000	15,000	15,000
WEAVER ST RECONSTRUCTION	453,531	150,510	451,190	451,190
PEG FUNDS FOR BOARD ROOM EQUIPMENT	-	370,117	370,117	196,867
	6,099	18,099	30,099	42,099
SMITH LEVEL ROAD SIDEWALKS, LOCAL MATCH		-	207,000	207,000
ROGERS ROAD SIDEWALK	-	-	143,823	143,823
DEBT SERVICE	50,868	50,868	-	-
MISC CAPITAL PROJECTS	19,776	5,742	-	-
UNDESIGNATED	1,129,388	804,234	172,894	172,894
TOTAL RESERVES	1,676,662	1,416,570	1,392,123	1,230,873

PAYMENT IN LIEU RESERVE

The Payment-in-Lieu Reserve Fund was established in 1985. Developers whose residential developments are required to provide on-site active recreational areas and open space areas may choose to make a payment-in-lieu of providing such facilities with Town approval.

These funds are held in reserve for one of four geographically defined quadrants of the town (where the residential development is located) for use in acquisition and development of recreational facilities, present or future. A requisite of the payment use is that the improvement be reasonably expected to serve the subdivision from which the payment was made.

To date, the payment-in-lieu fund has supported two major recreational efforts. Within the Central quadrant, the Town has used payment-in-lieu funds to purchase land on Hillsborough Road for a neighborhood park. Funds in the North quadrant subsidized the cost of designing soccer fields at the Smith Middle School – a collaborative intergovernmental effort with the Chapel Hill-Carrboro School System.

The project budget for these projects is located in the Capital Projects Fund.

**PAYMENT IN LIEU RESERVE
REVENUE**

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
BEGINNING BALANCE	135,640	142,978	143,270	N/A	N/A
INVESTMENT EARNINGS	1,909	292	-	-	0%
OTHER FINANCING SOURCES					0%
RESTRICTED INTERGOVTL REV					0%
OTHER	5,429		-	-	0%
TRANSFERS			-	-	0%
FUND BAL APPROP			-	-	0%
<i>SUBTOTAL</i>	7,338	292	-	-	0%

EXPENDITURE

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
TRANSFERS			-	-	0%
UNEXPENDED RESERVES		-	-	-	0%
<i>SUBTOTAL</i>	-	-	-	-	0%

ENDING BALANCE

142,978	143,270	N/A	N/A	N/A
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RESERVES AVL FOR:	6/30/2009	6/30/2010	6/30/2011	6/30/2012
SIDEWALK: HARLAN GROUP	3,062	3,062	3,062	3,062
SIDEWALK: WILSON PARK DEV	5,180	5,180	5,180	5,180
SOUTH SECTOR	16,530	16,530	16,530	16,530
CENTRAL SECTOR	6,729	6,729	6,729	6,729
DOWNTOWN- UNDESIGNATED	83,522	83,522	83,522	83,522
NORTH SECTOR	2,442	2,442	2,442	2,442
UNRESERVED	25,513	25,805	25,805	25,805
TOTAL RESERVES	142,978	143,270	143,270	143,270

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FINANCIAL TRENDS

PAST, PRESENT AND FUTURE

The Town monitors its financial condition in various ways, from forecasting future revenue and expenditure trends to aggregating financial information into ratios that provide meaningful data about the Town's fiscal health. The Town is considered to be on solid economic footing. The Town currently holds a credit rating of A+ with Standard and Poor's and a grade of 83 with the North Carolina Municipal Council. These are considered very favorable ratings, particularly for municipalities similar to Carrboro.

The Town's financial condition through the last audited year is evaluated using methodology recommended by the International City/County Management Association (ICMA). This analysis, formally known as FTMS (Financial Trends Monitoring System), offers governments a systematic way to monitor changes and to anticipate future problems.

The town also projects future financial activity based on the most current budget. In forecasting the future, the five-year plan is designed to show the tax rate impact of town services over the long-term if growth continues at the current rates assumed in the model. The five-year plan provides information about underlying trends in the Town's fiscal position and budgetary trends monitoring key revenue and expenditures, debt and debt ratios, and the impact of capital investments and improvements on the Town's budget. It is best used as a tool for reflecting trends rather than actual revenues, expenditures, and tax rates.

Historical Financial Trends

Incorporated in the FTMS analysis are indicators used by credit rating firms that analyze major components of governmental operations (revenue, expenditures, operating position, and debt) to quantify changes or trends in financial condition. Minimum standards are not declared for most indicators. Instead, potential "warning trends" are identified and suggestions for analysis are offered. In a few cases, however, relevant credit industry benchmarks are noted by the FTMS authors. These benchmarks are identified for each indicator, where relevant, within the report. When analyzing financial conditions, we are attempting to:

- ☆ Maintain existing service levels,
- ☆ Withstand local and regional economic disruption,
- ☆ Meet demands of natural growth, decline, and change,
- ☆ Maintain facilities to protect investment and keep in usable condition,
- ☆ Meet future obligations (debt, leases, etc), and
- ☆ Take advantage of cost-effective opportunities that may arise.

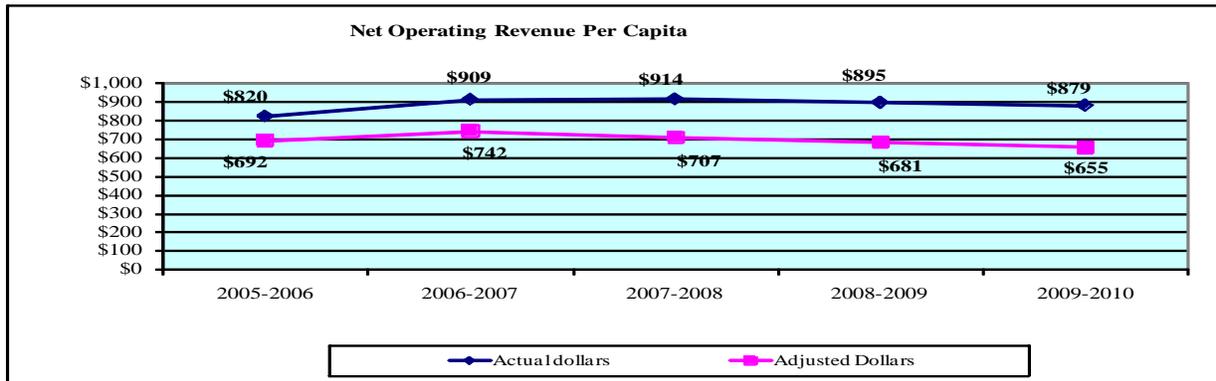
Included with every indicator is a description of the indicator, a table and graphical representation of the trend over the fiscal years for which we have audited budget reports, and an explanation of the implications of that trend for the government and residents of the Town of Carrboro. All the financial figures in the report are taken from the approved annual town audit reports and other official town records.

Several indicators used throughout the report present dollar figures that have been adjusted for inflation using the Consumer Price Index (CPI) provided by the Bureau of Labor Statistics. By illustrating figures in constant dollars the effects of inflation are removed. The analyses illustrate historical trends for the General Fund and Special Revenue Funds (Capital Reserve Funds, Grant Funds and Revolving Loan Fund). All per capita figures were calculated using population figures used by the North Carolina Department of Revenue to distribute sales tax revenue. They, in turn, rely on Census and state demographics information.

Revenue Indicators

Revenues can be analyzed to determine the local government’s capacity to provide services. Important issues to consider in revenue analysis are growth, flexibility, elasticity, dependability, diversity, and administration. Under ideal situations revenues grow at a rate equal to or greater than the combined effects of inflation and expenditures. Revenues should be sufficiently flexible to allow adjustments to changing conditions.

Operating Revenue Per Capita



Year	2005-06	2006-07	2007-08	2008-09	2009-10
Net Operating Revenue (adjusted)	\$12,213,171	\$13,672,741	\$13,154,204	\$13,270,130	\$13,027,292
Population	17,648	18,423	18,611	19,479	19,891
Net Operating Revenue Per Capita (adjusted)	\$692	\$742	\$707	\$681	\$655

Warning Trend: Decreasing operating revenues per capita (constant dollars).

Formula: Operating Revenues per Capita (adjusted dollars)/Population

Description

Examining per capita revenues shows changes in revenues relative to changes in population size. As population increases, it might be expected that revenues and the need for services would increase proportionally, and therefore the level of per capita revenues would remain at least constant in real terms. If per capita revenues are decreasing, the government may be unable to maintain existing service levels unless it finds new revenue sources or ways to provide existing

services more efficiently. The reasoning in both cases assumes that the cost of services is directly related to population size.

Operating revenues, as defined in this chart, are that portion of gross revenues collected by the Town that is available for general municipal operations. Thus, revenues legally restricted to capital improvements or other special purposes are excluded. The only legally restricted revenue deducted to calculate operating revenue is Powell Bill revenue that is used for street resurfacing.

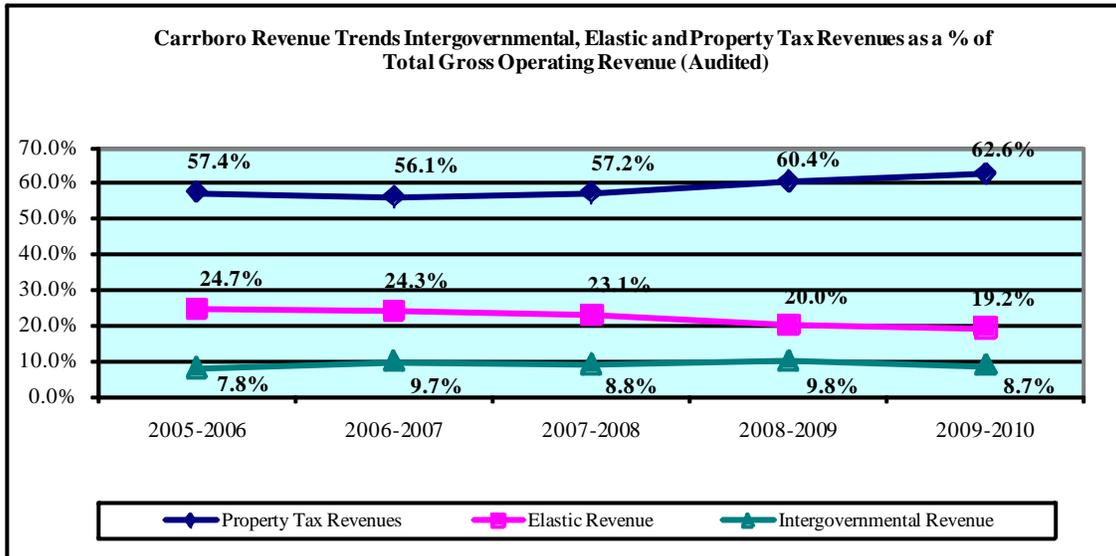
Discussion

In real terms (adjusted for inflation), revenues per capita in Carrboro have experienced a 5.4 percent decrease in the past 5 fiscal years. In actual dollars collected (adjusted for inflation), the increase is 6.7 percent. Ad valorem tax revenues, intergovernmental revenues, and permit and fees are the only revenue sources that have increased in the past 5 years. The following chart shows distinct revenue trends as reflected in the Town’s audit reports.

Revenue Source	2010 Revenue Adjusted for Inflation	2006 Revenue Adjusted for Inflation	% Change Since 2006	2010 per capita	2006 per capita	% Change Since 2006 (per capita)
Ad valorem taxes	\$ 8,359,053	\$ 7,238,871	15.5%	\$ 420	\$ 410	2.5%
Local option sales taxes	\$ 2,266,069	\$ 2,607,118	-13.1%	\$ 114	\$ 148	-22.9%
Other taxes and licenses	\$ 378,937	\$ 388,475	-2.5%	\$ 19	\$ 22	-13.5%
Intergovernmental revenues	\$ 828,839	\$ 587,440	41.1%	\$ 42	\$ 33	25.2%
Permits and fees	\$ 876,119	\$ 805,784	8.7%	\$ 44	\$ 46	-3.5%
Sales and services	\$ 191,307	\$ 218,398	-12.4%	\$ 10	\$ 12	-22.3%
Investment earnings	\$ 35,789	\$ 235,906	-84.8%	\$ 2	\$ 13	-86.5%
Other	\$ 91,179	\$ 131,178	-30.5%	\$ 5	\$ 7	-38.3%
Total revenues by source	\$ 13,027,292	\$ 12,213,171	6.7%	\$ 655	\$ 692	-5.4%

Having a significant impact on the revenue stream is the property tax and sales taxes revenue per capita, representing 82% of the total revenue per capita in 2010. The significant impact of property taxes as a source of revenue is largely a reflection of the state restrictions on the ability of local government to use other types of revenues to support community needs. Sales tax per capita, as well as other taxes and licenses, permits and fees, investment earnings, sales and services and other revenue sources have decreased due to the current economic conditions.

Major Revenue Sources



% of Total Gross Operating Revenues	2005-06	2006-07	2007-08	2008-09	2009-10
Property Tax	57.40%	56.10%	57.20%	60.4%	62.60%
Elastic Revenue	24.70%	24.30%	23.10%	20.0%	19.20%
Intergovernmental Revenue	7.80%	9.70%	8.80%	9.8%	8.70%
% of Total Revenue Reflected:	89.90%	90.10%	89.10%	90.20%	90.50%

Description

This graph reflects the Town's revenue base composition by property tax, elastic (economically responsive) revenue, and intergovernmental revenue. An increasing reliance on federal and state revenues may signal a warning trend. A balance between property tax and more elastic revenue sources such as sales tax is desirable and considered healthy.

Discussion

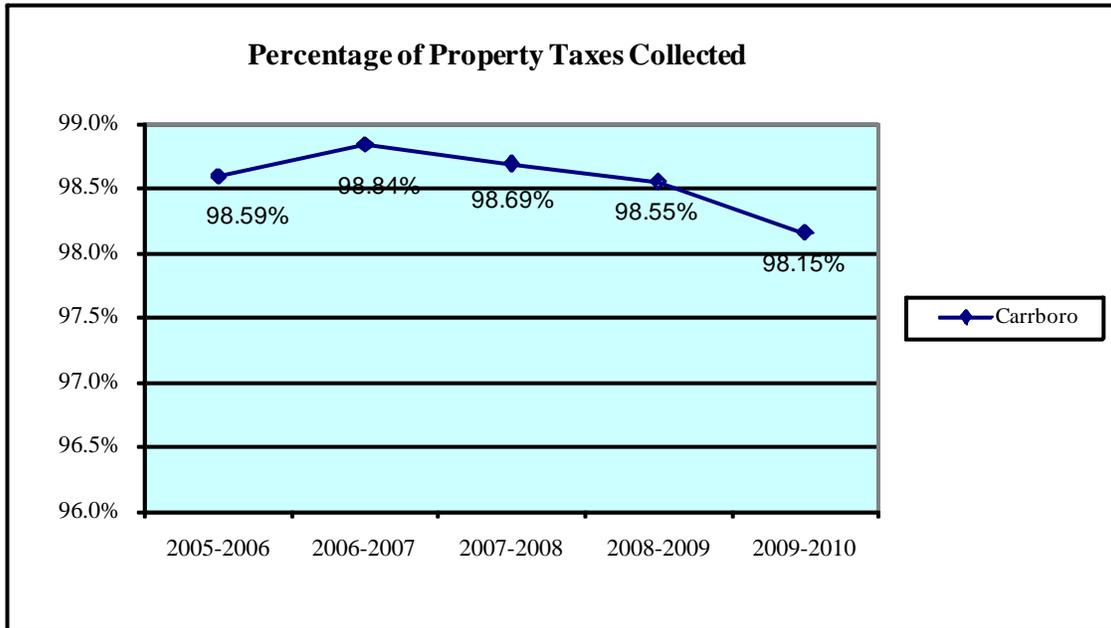
Permitting activity (building, electrical, development review, etc) for the year ended June 30, 2010 has decreased since FY 2005-06 due to little or no growth. FY 2011-12 permitting activity is expected to remain flat.

Intergovernmental revenue, as a share of the revenue stream in FY09-10 decreased 1.1% from FY08-09, primarily due to the increase in the local match of a SAFER grant for the hiring of three new firefighters. The largest sources of grant funding on an annual basis include Powell Bill for street resurfacing and the utility franchise and the telecommunications sales tax, all of which have remained relatively stable over time. Another observation regarding intergovernmental revenue is that the grants received by the Police Department have dwindled over the past few years. Currently, the Town does not have an active COPs (Community-Oriented Policing) grant. COPs grants, are one-time, three-year grants that were instrumental in enabling Carrboro to add and fully fund the goal of having school resource officers in Carrboro. Other smaller grants (Crime Commission and the Local Law Enforcement Block Grants) as sources of funding have been dwindling over time due to competition and less funding overall.

Intergovernmental revenues have remained fairly stable with continued Powell Bill funds, the telecommunications tax, and other small miscellaneous ongoing grants.

The chart also shows that property tax revenue is important in meeting community needs despite economic strains. In FY2009-10, even in difficult economic times, the property tax as a percentage of the revenue stream peaked at 62.6 percent.

Property Tax Collection Rate



Warning Trend: Decreasing amount of collected property taxes as a percentage of net property tax levy.

Formula: Collected property taxes/Net property tax levy

Description

Every year, some residents are unable to pay property taxes. If the percentage of property tax collected decreases over time, it may indicate overall decline in the local government’s economic health. Additionally, as uncollected property taxes rise, liquidity is decreased, and there is less cash on hand to pay bills or to invest. Credit-rating firms assume that a local government normally will be unable to collect from 2 to 3 percent of its property taxes within the year that taxes are due. If uncollected property taxes rise to more than 5 to 8 percent, rating firms consider this a negative factor because it signals potential instability in the property tax base. An increase in the rate of delinquency for two consecutive years is also considered a negative factor.

Discussion

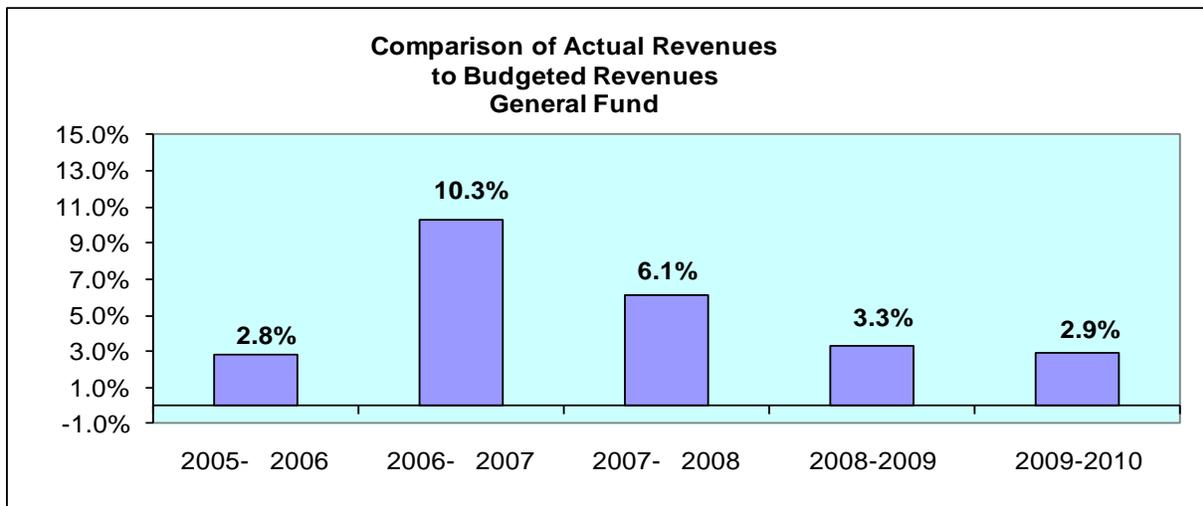
The graph above shows that Orange County, which provides continuous assessment services, annual tax collections, and in-house revaluations every four years to both Carrboro and Chapel Hill, shows a positive collection rate for the Town’s property tax base; that is generally above 98 percent which is within the ranges acceptable to credit-rating firms. Collections for FY 2011-

12 are expected to remain stable given that Orange County has remained economically stable in spite of the economy.

Tax Collection Rates in Carrboro and Neighboring Cities

	2005-06	2006-07	2007-08	2008-09	2009-10
Carrboro	98.59%	98.84%	98.69%	98.55%	98.15%
Chapel Hill	99.49%	99.48%	99.44%	99.43%	99.20%
City of Durham	98.36%	98.60%	98.70%	98.19%	96.90%
Hillsborough	98.23%	98.47%	94.89%	98.50%	98.80%

Comparison of Actual Revenues to Budgeted Revenues



	2005-06	2006-07	2007-08	2008-09	2009-10
Budgeted Operating Revenue	\$14,533,843	\$15,631,027	\$16,540,942	\$17,351,816	\$17,411,883
Actual Operating Revenue	\$14,945,970	\$17,235,388	\$17,556,752	\$17,921,040	\$17,917,191
Revenue Variance	\$412,127	\$1,604,361	\$1,015,810	\$569,224	\$505,308
Revenue Variance as % of Budgeted Operating Revenues	2.8%	10.3%	6.1%	3.3%	2.9%

Warning Trend: Increase in revenue shortfalls or surpluses as a percentage of budgeted revenues.

Formula: Revenue Variance/Budgeted Operating Revenues

Description

This indicator examines the differences between revenue estimates and revenues actually received during the fiscal year. Major discrepancies that continue year after year can indicate a declining economy, inefficient collection procedures, changes in the law, or inaccurate estimating techniques. One of the criteria reviewed by Standard and Poor's for the quality of financial management in a local government is financial results compared against original

expectations. Variances between budget and actual results are indicative of management’s financial planning capabilities over time. The Town aims to have variances exceeding budgeted estimates no larger than 3-5 percent and seeks to avoid shortfalls to maintain the town’s fiscal health as surplus is one critical component of maintaining or improving fund balance levels.

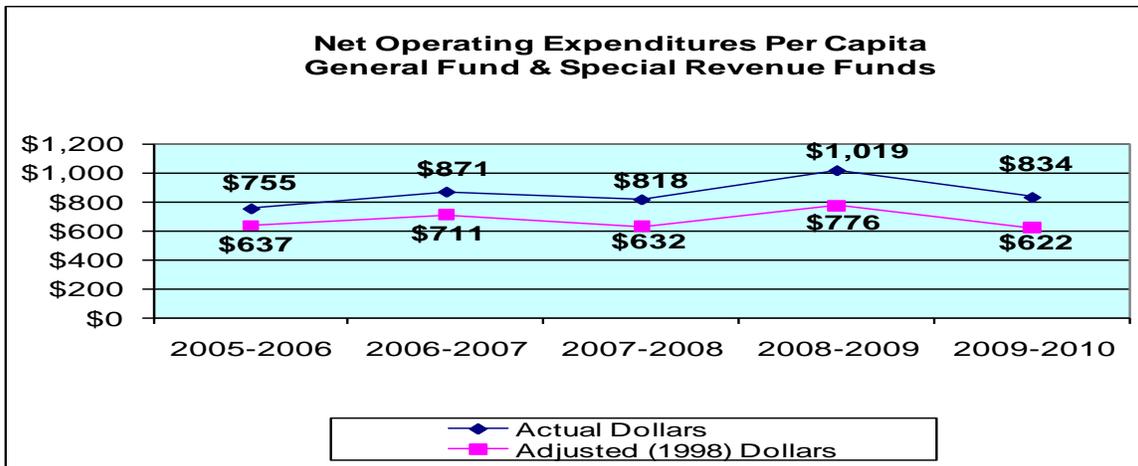
Discussion

The variances in the graph indicate the Town’s conservative approach to estimating revenues. In FY05-06, the primary contributing reason for the small revenue variance is due to the narrow margin between the property tax levy estimate and what was received. It is more difficult to estimate property tax levy in a year where properties are being revalued countywide. FY06-07 variance jumped largely to a surprisingly strong showing across all categories of revenue. In FY 08-09, only three categories showed an increase from FY07-08. Those categories were: property tax revenue (\$782,578), other taxes and licenses (\$73,359), and grants and other revenues (\$339,264). The small variance in FY08-09 and FY09-10 is due to the slow economic growth.

Expenditure Indicators

Expenditures are a rough measure of a local government’s service output. Generally, the more a government spends in constant dollars (adjusted for inflation), the more services it is providing. This formula does not take into account how effective the services are or how efficiently they are delivered.

Expenditures per Capita



	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Net Operating Expenditures (Adjusted dollars)	\$11,248,645	\$13,098,397	\$11,771,356	\$15,111,872	\$12,364,201
Population	17,648	18,423	18,611	19,479	19,891
Net Operating Expenditures Per Capita (Adjusted dollars)	\$637	\$711	\$632	\$776	\$622

Warning Trend: Increasing net operating expenditures per capita (constant dollars).

Formula: Net Operating Expenditures/Population

Description

Changes in per capita expenditures reflect changes in expenditures relative to changes in population. Increasing per capita expenditures can indicate the provision of new services, rising costs of providing services (or supporting the personnel who provide them), or changes in accounting practices (see next section). If expenditures are greater than can be accounted for by inflation or the addition of new services, it may indicate declining productivity – that is, the government is spending more real dollars to support the same level of services.

Expenditures per Capita in Carrboro

Net operating expenditures, adjusted for inflation, show an increase in expenditures made by the Town since FY05-06, from \$11,248,645 to \$12,364,201 in FY09-10, an increase of roughly 10 percent. When adjusted for the combined impact of inflation and population, per capita spending decreased from \$637 in FY05-06 to \$622 in FY 09-10, a decrease of 2.4 percent.

Over the past five years, expenditures per capita have risen incrementally, with FY2008-09 showing the biggest jump in per capita expenditures. The following highlights variations in fiscal years presented in the graph:

FY2005-06 - Carrboro maintained its tax rate at the same level and leveraged organizational spending to save or avoid future costs. Moving to a new phone contract, the Town saved phone costs; identified new fees, reorganized departmental activities to save on staffing costs, and transferred the cost of providing school resource officers to the Chapel Hill Carrboro School System. Actual savings in the budget approximated \$66,000. Cost avoidance measures saved another \$69,500, that if alternatives were not considered, the adopted budget would have been higher by that amount. In addition, the Town budget provided funds to prepare for serving the northern area of town that was to be annexed in January 2006. The drop in per capita shows the effort made by the Town to monitor its spending and services, given the population grew by a small amount – 63 people. This population count does not include the annexed area, which increased the Town's population by an estimated 775 people.

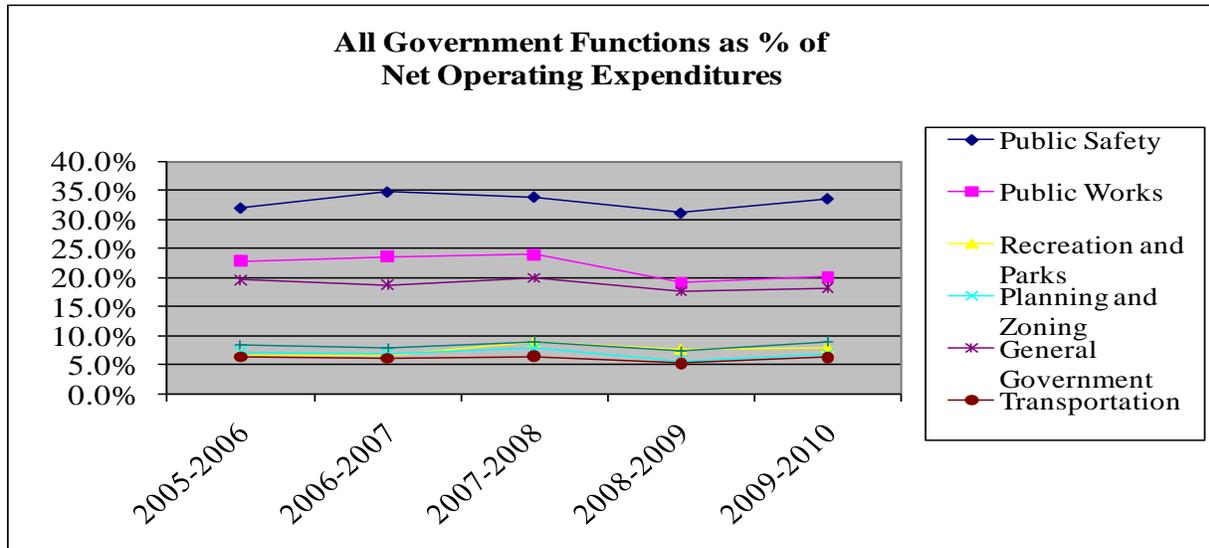
FY 2006-07 - Per capita expenditures increased significantly primarily due to the increased capital investments including construction of the Roberson Bike Path and purchase of the records management software for the Police Department; and costs incurred for the new fire station.

FY 2007-08 - Per capita expenditures dropped due to several capital improvement projects that had been budgeted but were not completed until FY 08-09, including street resurfacing, northern area sewer outfall, etc.

FY 2008-09 – Per capita expenditures increased with an increase in the Town's share of public transportation and the purchase of a ladder truck for the Fire Department plus an increase in loans to local businesses through the Revolving Loan Fund.

FY 2009-10 – Per capita expenditures decreased due to a reduction in capital expenditures and a decrease in debt service costs.

Decreases in net operating per capita expenditures can be explained by highlighting events that have contributed to changes in expenditure levels. The following section spends considerable time looking at the various components of expenditures and service levels.

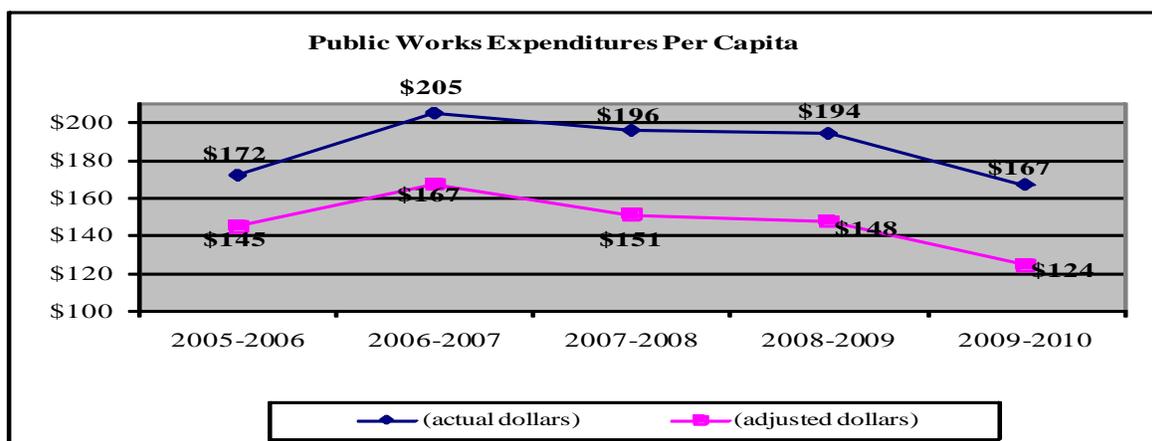


The chart above represents the allocation of funding for the various services provided by the Town. Approximately 53 percent of the Town’s spending is dedicated to public safety (fire protection and law enforcement services) and public works (street and sidewalk maintenance; solid waste collections; building, grounds, and parks maintenance; and fleet maintenance).

General government, which largely represents support services (finance, technology, personnel, town manager), and Board functions (town clerk, board, and nonprofit and advisory board budgets), represents approximately 18 percent of total spending. The remainder of programs (debt service, transportation, planning and recreation programs) combined represent approximately 29 percent of the net operating expenses.

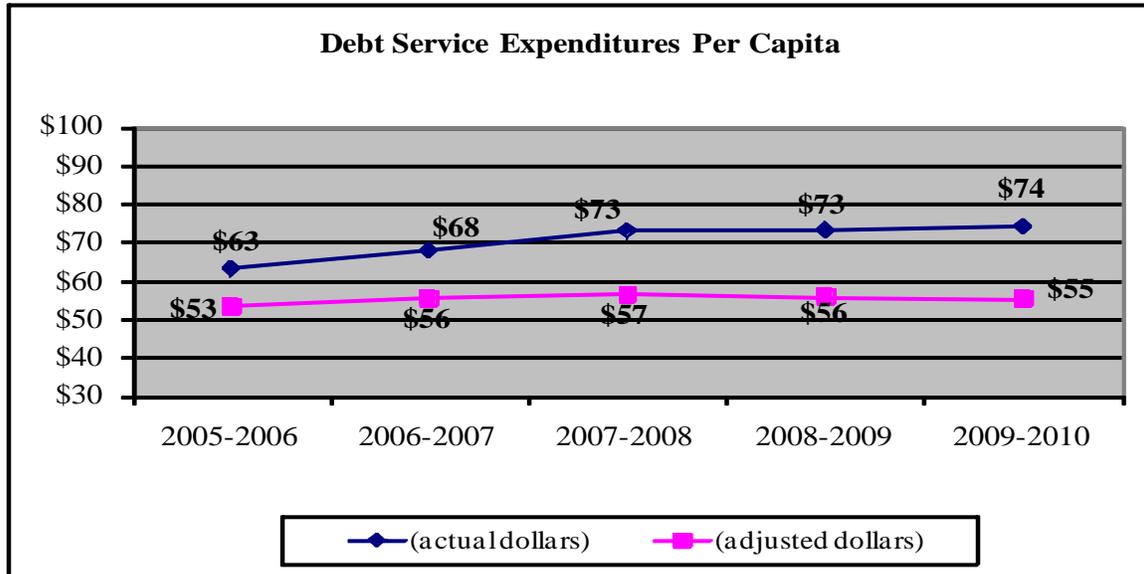
Public Works Expenditures per Capita

In inflation-adjusted dollars, Carrboro’s per capita expenditures on public works have varied.



The variability of public works spending is related to ongoing capital and maintenance needs including street maintenance, addressing storm water system repairs, and responding to major natural disasters. The significant increase in FY06-07 is attributable to the hiring of an Engineering Technician, purchase of a solid waste vehicle, and engineering and construction costs for Roberson Bike Path. The decrease in FY07-08 is primarily due to the decrease in capital outlay expenditures. Even though expenditures increased in FY08-09, per capita costs decreased with a greater increase in population. Expenses in FY09-10 decreased substantially based on fewer vehicle purchases and street resurfacing costs from the prior year.

Debt Service Expenditures Per Capita

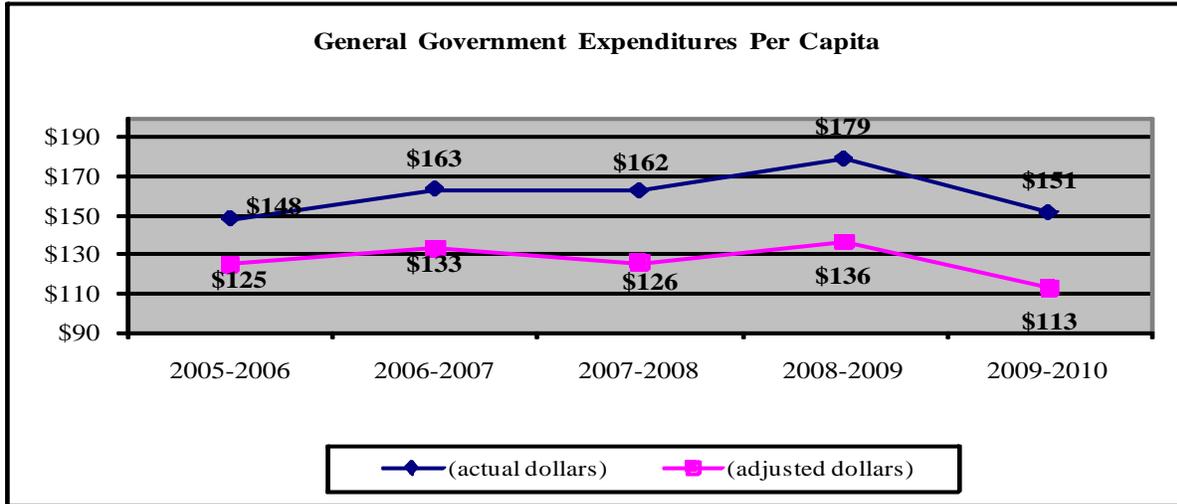


Debt costs include debt paid on general obligation bonds, installment financing for property and town infrastructure as well as equipment and vehicles. The Town has been able to take advantage of retiring debt and low interest rates to borrow for major infrastructure needs and maintain debt service at a relatively constant level. In FY06-07, the increase in debt service is due to the bond funded sidewalk construction program and financing of vehicles and equipment. Debt service expenditures continue to increase in FY07-08 with the financing of larger equipment such as the Solid Waste rear loader and for the aerial truck for the Fire Department. Costs for FY08-09 remained level because there was no financing for equipment or vehicles, interest rates were low on sidewalk BANS and the maturity of long-term debt. The slight increase is costs in FY09-10 with financing for the new fire station.

General Government Expenditures per Capita

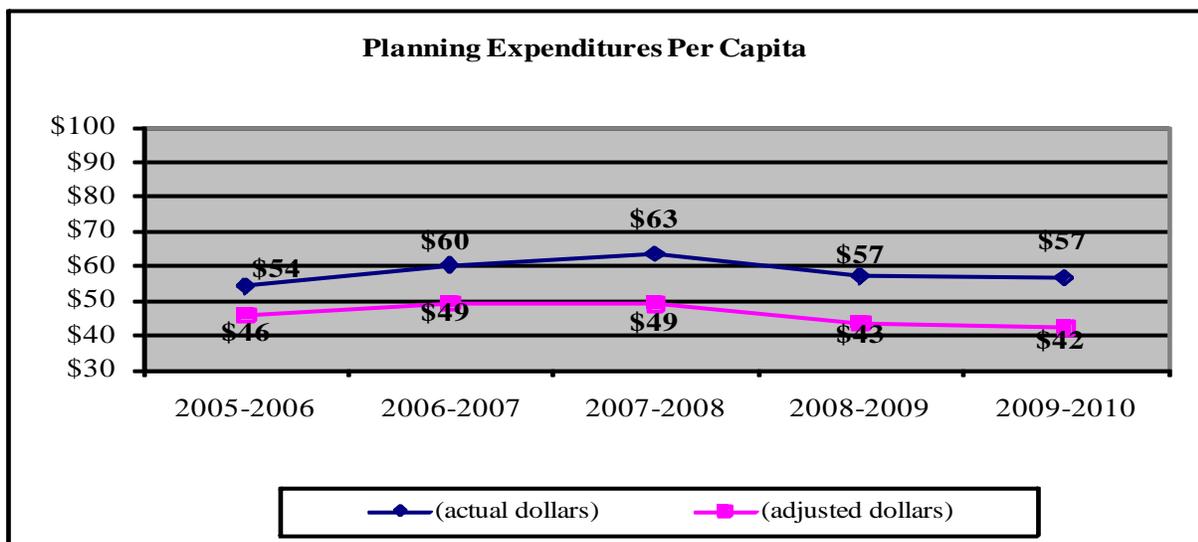
Adjusted for inflation, general government expenditures per capita have decreased about 10 percent for the five year period. The Town continues to maintain regular replacement of technology infrastructure, support wireless technology, implement mobile laptop technology in police cars, and more recently, purchased an automated record management system for the Police Department. In FY07-08, the Town added an online system for recreation registration and a cost accounting system for the Public Works Department. Per capita costs increased in FY08-09 due to an increase in loans to local businesses through the Revolving Loan Fund. FY09-10

costs decreased in organizational development and contract services in the HR Department and the IT Department replaced fewer servers and computers.



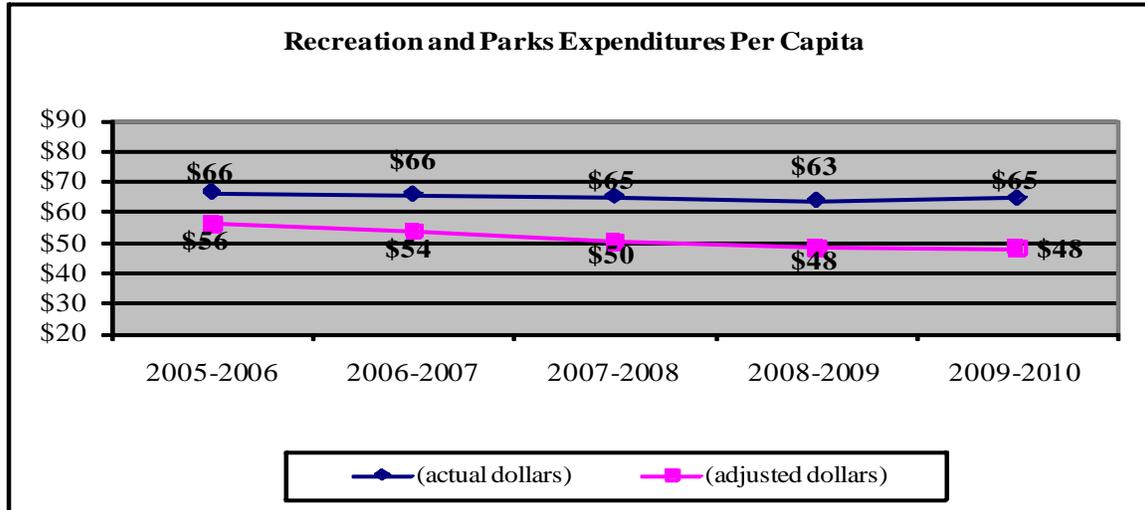
Planning Expenditures Per Capita

Adjusted for inflation, planning expenditures on a per capita basis have decreased 9 percent over the past five years. The slight variations in the Planning Department highlight two key dynamics that affect the departmental budget: permitting activity and personnel turnover. FY06-07 is marked by vacancies in planning positions (transportation and environmental planners, which are now currently filled). However, land use applications have been in process that will result in construction activity and improvements in the downtown and northern areas of town. Expenses for 07-08 increased slightly with the filling of the Transportation and Environmental Planner positions. Contracted services and engineering costs decreased in FY08-09 due to the slow economy. Costs remained stable in FY09-10.



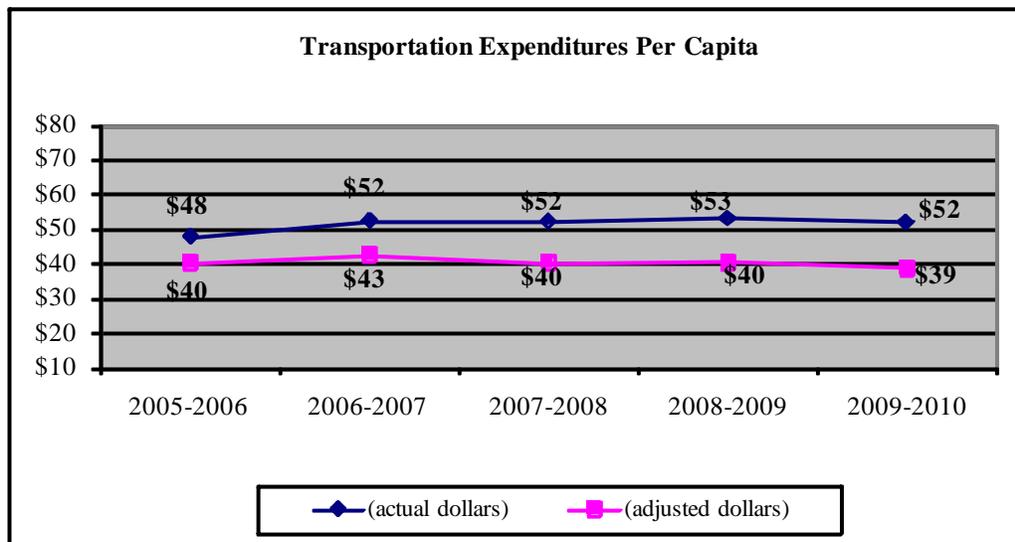
Recreation and Parks Expenditures per Capita

Per capita expenditures in the Recreation and Parks department, adjusted for inflation, have continued to decrease over the past 5 years due several capital projects put on hold (Wilson Park playground equipment replacement, dog park fence renovation, Anderson Park field #4 renovation, and Anderson multi-use field renovation). The delay in construction of the Wilson Park Bathroom resulted in the decrease in adjusted dollars for FY07-08. Even though expenditures increased in FY08-09, per capita costs decreased with a greater increase in population. Per capita costs remained stable in FY09-10.



Transportation Expenditures Per Capita

The Town and UNC-Chapel Hill are partners in the transit system administered by the Town of Chapel Hill. Carrboro’s contribution into this partnership, adjusted for inflation has remained



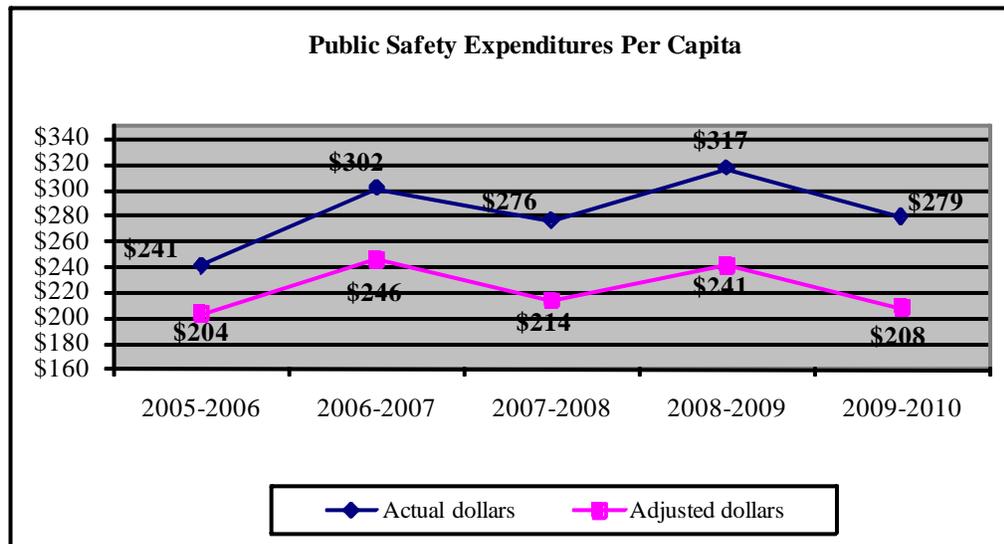
fairly stable since 2005-2006. The transit contract remained unchanged in FY05-06, in spite of increased fuel costs and other ongoing operational costs. This is primarily due to increased state and

federal pass-through funds that supported the transit operations and thus mitigated the local match required. With a grant and local funds, Shared Ride Feeder services were enabled in areas

of Carrboro that do not have regular bus service. Trips are provided between designated bus stops in the “feeder” zones and the nearest bus routes or to another “feeder” service. This service extends largely to the northern areas of town. The transit budget has remained stable due to continued federal and state grant funding.

Public Safety Expenditures per Capita

Public safety expenditures per capita, adjusted for inflation experienced an increase of \$4 per capita total or an increase of 2 percent in the past five years. Over time, adding the firefighters has moved the department forward to meeting the intent of the recommended standards for the necessary number of personnel to combat single-family, full alarm dwelling fires. Six fire

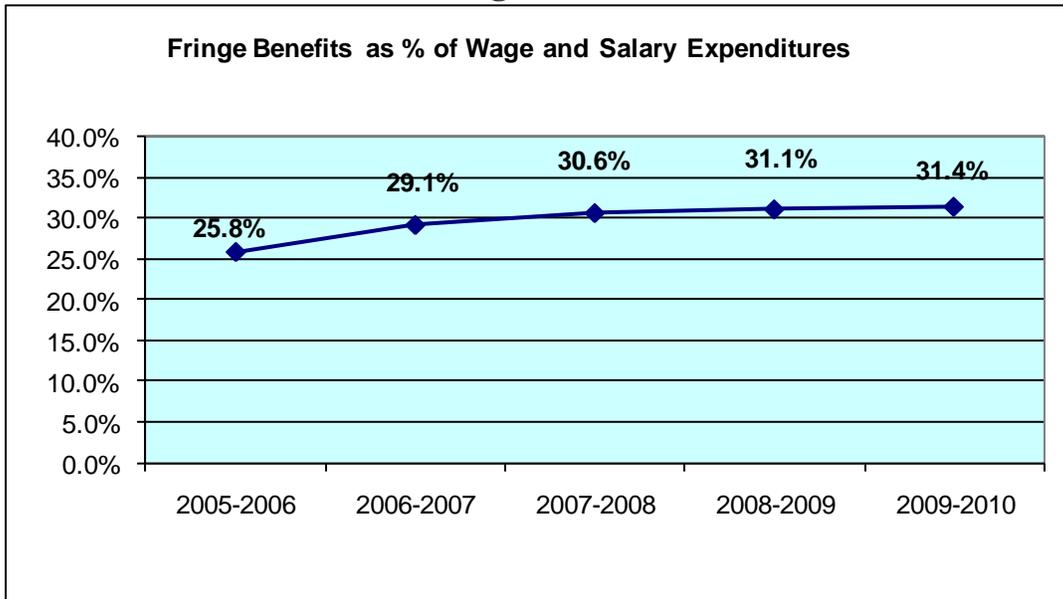


fighters have been added due to the opening of the new fire substation in the northern area. The police personnel have been added primarily due to increases in the population, calls for services, and heavy caseloads in the

Investigations division.

FY 06-07 per capita costs increased based on staffing for the new northern area fire substation and the purchase of a fire truck. The decrease in expenditures in FY 07-08 is due to the one time capital outlay cost for the fire truck in FY 06-07. FY08-09 costs increased with the purchase of a ladder truck for the Fire Department. Per capita costs decreased in FY09-10 primarily due to the one time capital outlay cost for the ladder truck in the previous year.

Fringe Benefits



	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Expenditures for fringe benefits	\$1,626,443	\$1,939,339	\$2,200,596	\$2,320,487	\$2,373,906
Salaries/Wages (FT,PT,OT, Temp)	\$6,309,042	\$6,660,107	\$7,191,755	\$7,471,114	\$7,563,563
Fringe benefits as % of overall wage and salary expenditures	25.8%	29.1%	30.6%	31.1%	31.4%

Warning Trend: Unexplained, uncontrolled, or unanticipated increases in fringe benefit costs may signal a warning trend to credit rating industries.

Formula: Expenditures for Fringe Benefits/Salaries & Wages (including benefits)

Description

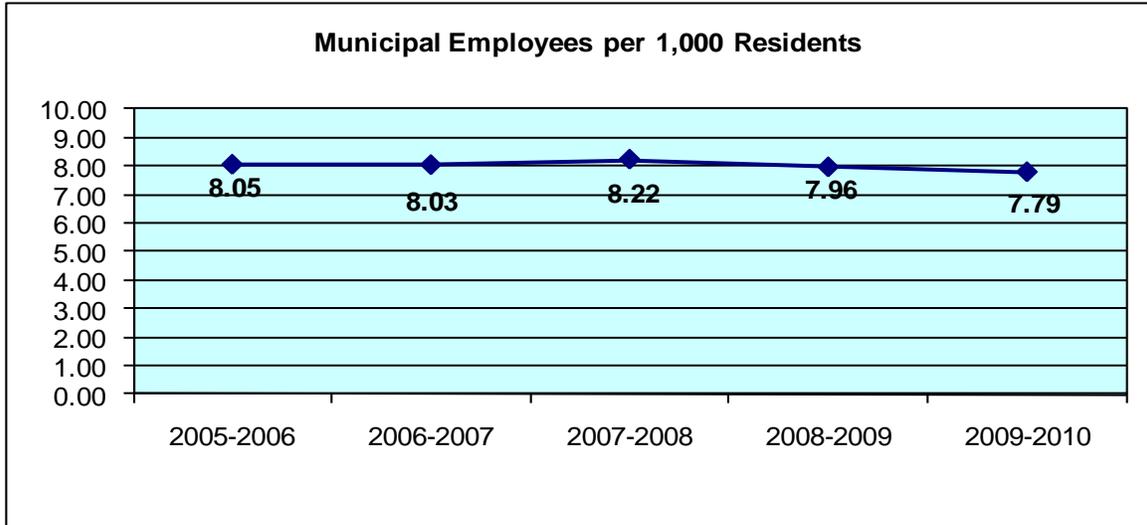
Fringe benefits represent the costs, in addition to salaries and wages, incurred by a jurisdiction to support the personnel it employs. The calculation in this indicator includes FICA payments, health insurance payments, retiree insurance payments, separation allowance payments for retired police officers, retirement payments, and supplemental retirement insurance payments. FICA, retirement, and supplemental retirement benefits are fixed as a certain percentage of salaries and will rise accordingly. Vacation pay and sick leave programs are not considered fringe benefits since both are usually paid out of regular salary expense line items.

Discussion

Fringe benefits, as a percentage of the overall wages and salaries paid in Carrboro, have continued to rise since FY05-06. The increase in fringe benefits over the entire period of time is largely due to double-digit increases in the cost of health insurance costs for employees and retirees. Other factors include an increase in the number of retirees benefiting from the Town's insurance coverage subsidy therefore increasing retiree insurance costs and an increase in retiring police officers who are eligible for a separation allowance benefit. The Town, through its broker continues to monitor and negotiate for good benefit rates. Costs have increased steadily since

FY05-06 due to increases in insurance premiums, additional positions in departments, and an increase in the Town's contribution to the State Retirement Fund.

Municipal Employees per 1,000 Residents



	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Population	17,648	18,423	18,611	19,479	19,891
Number of municipal employees approved	142	148	153	155	155
Municipal Employees per 1,000 reside	8.05	8.03	8.22	7.96	7.79

Warning Trend: Increasing number of full-time municipal employees per (1,000) capita.

Formula: Number of Municipal Employees (approved)/Population/1000

Description

Because personnel costs are a major portion of a local government's operating budget, plotting changes in the number of employees per capita (or per thousand residents) is a good way to measure changes in expenditures. An increase in employees per capita might indicate that expenditures are rising faster than revenues that the government is becoming more labor intensive, or that personnel productivity is declining.

Discussion

The number of municipal employees per capita has remained relatively stable over the past five years. The increase in positions in FY07-08 (one police officer and four firefighters) has largely been for the public safety function to meet OSHA ground fire operations requirements and to manage the increased calls for service due to increased population. In FY 2008-09 two police officer positions were approved – one in Community Services and one in Criminal Investigations. Due to the current economic conditions no positions have been added, therefore decreasing the number of employees per 1,000 residents based on an increase in population.

Work Force Totals Permanent Full-time

FY	Attrny	Mayor & Board	Mngr	Econ Dev.	Clerk	Mgmt Svcs	Personnel	Police	Fire	Planning	Public Works	Parks & Rec	TOTAL
2005-06	0	0	2	1	1	8	2	41	28	14	35	10	142
2006-07	0	0	2	1	1	8	2	41	33	14	36	10	148
2007-08	0	0	2	1	1	8	2	42	36	14	36	11	153
2008-09	0	0	2	1	1	8	2	44	36	14	36	11	155
2009-10	0	0	2	1	1	8	2	44	36	14	36	11	155
2010-11	0	0	4	1	1	6	2	44	36	14	36	11	155
2011-12	0	0	4	1	1	6	2	44	36	14	36	11	155

Note: All positions are budgeted within the General Fund

Description of Position Changes

FY05-06 – Add 2 Police Officer I positions for annexation coverage; eliminate 1 Police Officer I to acknowledge discontinuation of School Resource Officer at Carrboro Elementary School.

FY06-07 - Increase of 5 firefighters (3 effective in April 2007) and 1 Engineering Technician in Public Works (effective October 2006).

FY07-08 – Increase one Police Officer I, four firefighters (3 beginning May 2008), one recreation supervisor (from part-time), and eliminate safety officer position in Fire Department.

FY08-09 – Add one Police Officer I in Community Services and one Police Officer II in Criminal Investigations, (effective January 2009).

FY09-10 – No position changes.

FY 2011-12 – IT division has been reorganized to report to the Town Manager instead of Management Services.

FY11-12 – No planned position changes.

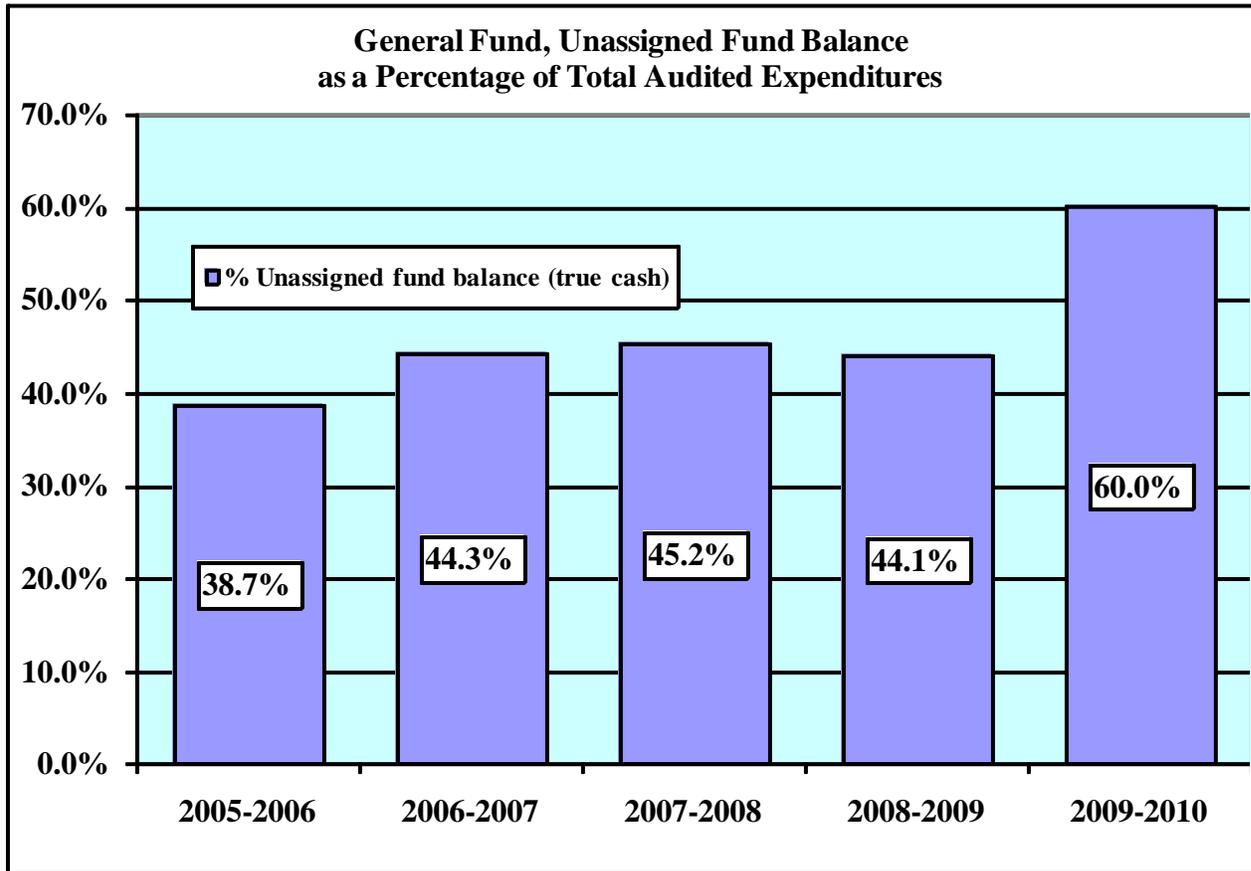
Operating Position Indicators

Revenues and Expenditures have a direct impact on a town's operating position. The term "operating position" refers to a local government's ability to: (1) balance its budget on a current basis, (2) maintain reserves for emergencies, and (3) have sufficient liquidity to pay its bills on time. The primary indicator that is tracked by the Town is fund balance.

Fund Balance

As an accounting calculation, fund balance is the difference between current assets and current liabilities. Unreserved fund balance, also called "*fund balance available for appropriation*," is the maximum amount that can be used to finance expenditures in next year's budget. Available fund balance is also considered a non-recurring financial resource that provides a local government with flexibility. Once used, it is difficult to replace. As a result, it should be protected and maintained at a reasonable level to provide for emergencies, unforeseen shortfalls in revenue, or to take advantage of unforeseen opportunities.

The Local Government Commission (LGC) considers the amount of unreserved fund balance to be one of the key indicators of the financial condition of a town. LGC, as part of the process of reviewing audited financial statements each year, calculates the amount of fund balance available for appropriation in the general fund and the amount of reserves in other funds. The Local Government Commission's (LGC) has an 8 percent minimum as a guideline for fund balance but this is not applicable to all governments, especially smaller governments like the Town of Carrboro. The 8 percent ratio is intended to represent 1/12th of a government's operating expenditures. However, 1/12th of a small government's budget is not considered an adequate reserve level due to the sheer small dollar amount that it reflects. The LGC uses, as its guideline for Carrboro, the average unreserved fund balance (commonly referred to as "fund balance available for appropriation (FBAA)" for units with similar populations. If a jurisdiction's unreserved fund balance falls to half of the group average, the LGC will write a letter to alert the Board of Aldermen and town administration and to advise them that the municipality review the current level of fund balance and determine what fund balance level the municipality should have. Using the latest year available from LGC (year ending June 30, 2010), unreserved fund balance that includes designated and undesignated reserves is at 65.67% in Carrboro. This ratio is higher than the 44.39% average for municipalities with populations of 10,000-49,999.



Carrboro, for its own accounting purposes, however, uses “undesigned fund balance” as a true measure of reserves available for emergency appropriation. This portion of fund balance represents true cash. Fund balance as defined by the Local Government Commission is considered “unreserved” fund balance, or fund balance available for appropriation, a much more liberal definition of fund balance than defined by the current Town policy. The graph above illustrates the five-year undesigned fund balance trends. The Town budgets this fund balance or “surplus” with the anticipation of maintaining undesigned reserves within a range of 22.5% to 35% as in its financial policy on fund balance.

Debt / Liability Indicators

Another large expenditure that credit rating industries monitor is the debt load. Debt is an obligation resulting from the borrowing of money. The Town’s debt structure primarily consists of installment financings and some bonded debt to support its capital improvements. Under favorable conditions, debt:

- ☆ Is proportionate in size and growth to the government’s tax base,
- ☆ Does not extend past the facilities useful life which it finances,
- ☆ Is not used to balance the operating budget,
- ☆ Does not put excessive burdens on operating expenditures, and
- ☆ Is not so high as to jeopardize the credit rating.

The Board has approved a debt policy that addresses guidelines and restrictions affecting the amount, issuance, process, and type of debt issued by a governmental entity. The policy also requires Town staff to monitor various debt ratios that are used to evaluate ability to repay as

well as the government’s capacity to incur debt (see Town’s fiscal policies within the Community and Organizational Profile section).

Debt ratios are considered by the Local Government Commission and by credit rating agencies to ascertain the fiscal health of a municipality. High debt ratios may adversely affect the ability of the Town to obtain the lowest possible interest rate when borrowing funds. Debt is an obligation resulting from the borrowing of money. The Town’s debt structure primarily consists of installment financing and GO bond debt to support its capital improvements and equipment and vehicle replacements. Debt load is a large expenditure that credit rating industries monitor.

One measure of a unit’s debt capacity is debt expressed in terms of assessed or market valuation.

It is important to note, however, the Town’s

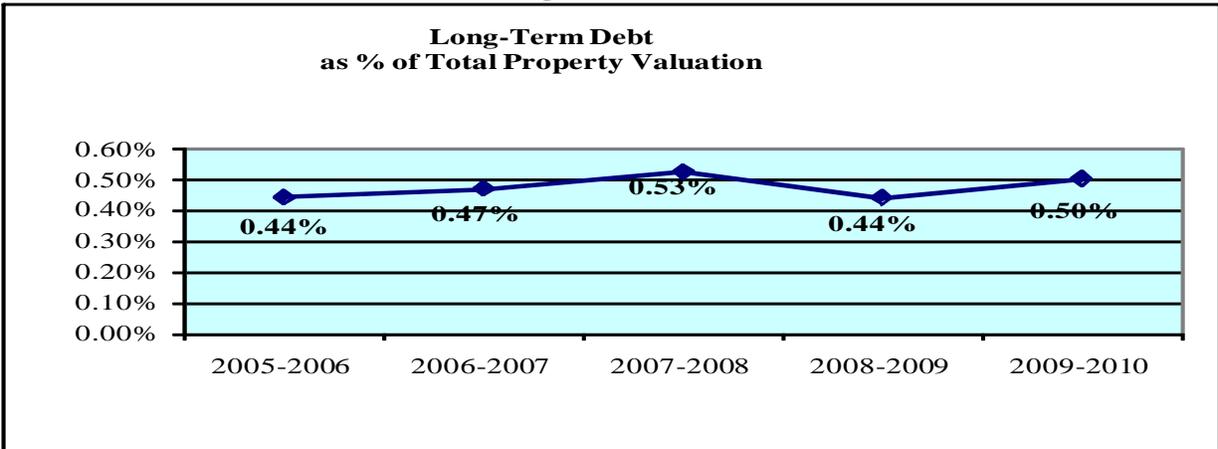
Town of Carrboro, North Carolina Computation of Legal Debt Margin June 30, 2010	
Total assessed valuation at June 30, 2010	\$1,915,872,793
Debt limit – eight percent (8%) of assessed value	\$ 153,269,823
Amount of debt applicable to debt limit	
General Obligation bonds	\$ 0
Legal Debt Margin	\$ 153,269,823

debt is far below the legal limit in the NC General Statutes (GS 159-55) that limits net debt to eight percent (8%) or less of a local government’s total property valuation. Outstanding debt in most governmental units falls well below this limit, and typically ranges from about 1% to 4% for most governments. Based on the most recent year end of June 30, 2010, the Town’s outstanding debt that applied to this limit is 1% as evidenced in the table. The legal margin or the maximum amount of outstanding debt allowable by law, based on the June 30, 2010 audited valuation is \$153,269,823.

Debt service, annual interest and principal payments, can be a major part of a government’s fixed costs, and its increase may indicate excessive debt and fiscal strain; credit firms consider debt exceeding 20% of operating revenues as a potential problem. Ten percent is considered acceptable (footnote1). The North Carolina Local Government Commission (LGC) advises that a heavy debt burden may be evidenced by a ratio of General Fund Debt Service to General Fund Expenditures exceeding 15%. The Town will maintain this ratio at or below 12%, considering this to be a moderate level of debt. In the last audited year, the Town shows that debt expenditures are approximately 8.8% of the total audited expenditures for the year ending June 30, 2010. The Five-Year Plan shows the percentage of debt service expenditures peaking at 11.7% in FY13-14 almost reaching the 12% debt policy goal.

¹ “Evaluating Financial Condition, A Handbook for Local Government,” ICMA, Sanford M. Groves and Maureen Godsey Valente, pp 83

Long-Term Debt



	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Long-Term Debt	\$6,082,837	\$7,530,559	\$8,098,535	\$6,996,943	\$9,650,641
Property Valuation	\$1,372,401,330	\$1,596,838,299	\$1,538,585,984	\$1,581,966,677	\$1,915,872,793
Long-term Debt as % of Property Valuation	0.44%	0.47%	0.53%	0.44%	0.50%

Warning Trend: Increasing ratio of long-term debt to total property valuation.

Formula: Long-term Debt/Total Property Valuation.

Description

The definition of debt considered by rating agencies is generally limited to bonded debt because of the fact that this debt is backed by the full faith and credit of the town which is represented by the Town's property valuation. However, given that all debt by the Town is considered a fixed cost and property taxes are the primary revenue source for the Town, the analysis of debt above includes long-term installment financing for infrastructure and land as well as equipment and vehicle debt. An increase in total long-term debt as a percentage of taxable assessed valuation can mean that the government's ability to repay debt is diminishing - assuming that the government depends on the property tax to repay its debts.

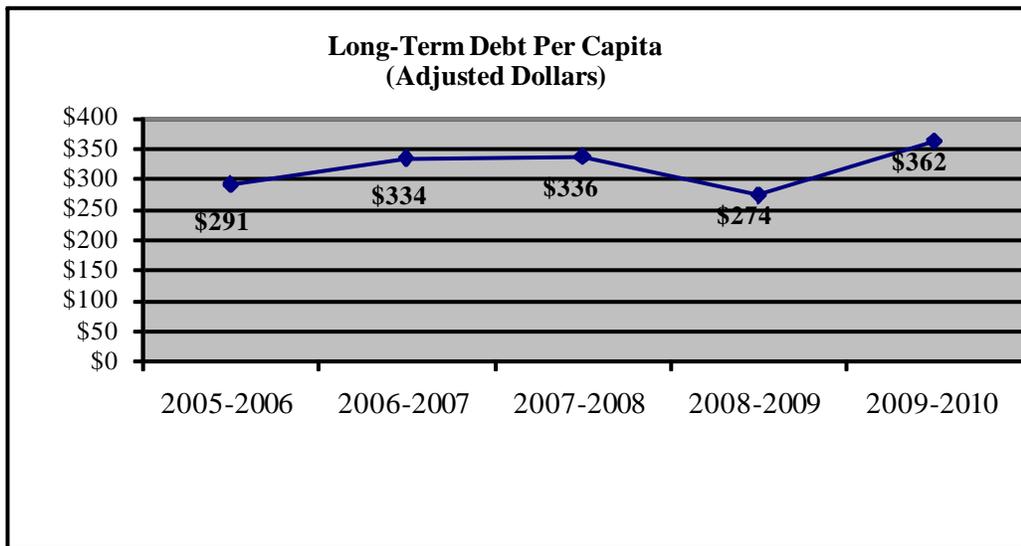
Standard and Poor's (S&P) reviews the level of long-term debt, recognizing that accelerated debt issuance can overburden a municipality. However, S&P also recognizes that a low debt profile may not be a positive credit factor since it may indicate underinvestment in capital facilities. Investment in public infrastructure is believed to enhance the growth prospects of the private sector.

Discussion

For municipalities comparable to Carrboro (populations ranging from 10,000 to 24,999), the average debt-to-assessed valuation ratio (computed by the Local Government Commission) in FY09-10 was .313 percent; a high level is considered 3.684 percent. The debt-to-assessed valuation ratio for Carrboro in the last audited year was .522 percent, which is a little higher than the average valuation for jurisdictions of similar size but well below the high valuation. The Local Government Commission (LGC) includes authorized but unissued debt in its debt ratio formula. For Carrboro, the LGC included the \$4.6 million dollar bond referendum for sidewalks and greenways that has not yet been issued. The graph above reflects the historical perspective that credit-rating agencies and audit reports consider; only issued debt is calculated in the debt ratio and thus our debt ratios in the presented graphs are slightly different.

Debt per Capita

Debt can also be monitored on a per capita basis. It is especially useful for communities that do not rely heavily on property taxes and that cannot easily compute a substitute revenue base for comparison (footnote2). This is an indicator that is monitored by the Local Government Commission, and is useful for comparison with other similar jurisdictions. The average for comparable jurisdictions in FY09-10 was \$294 per capita; \$1,605 per capita is considered a high ratio. According to the Local Government Commission, the Town’s ratio of outstanding general obligation bond debt which includes authorized and unissued general obligation bond debt and installment purchase debt is \$503 per capita. The graph above shows a lower per capita figure that is based on different assumptions than LGC. This figure is adjusted for inflation, relies on actual audited valuation, and does not include authorized but unissued debt. However, the message is the same as the LGC; the outstanding debt owed (principal) is increasing. The Town is in the midst of embarking on a capital plan that moves beyond land purchases to construction which requires financing. In FY05-06, the Town witnessed the first full debt service payment on the Adams Tract for recreational use. Since FY05-06, the Town has been implementing the bond

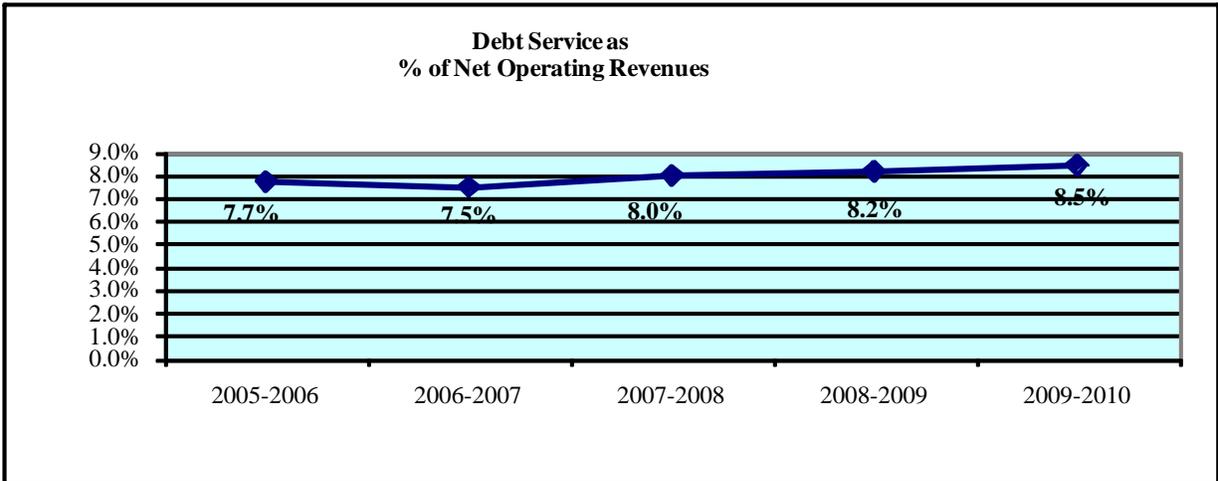


funded sidewalk and greenways plan. In FY08-09 debt obligation is lower than in previous years due to the expiration of some old general obligation bond and lease-purchase commitments.

In FY09-10, the Town financed the construction of the northern area fire substation, adding to outstanding debt.

² Evaluating Financial Condition, A Handbook for Local Government,” ICMA, Sanford M. Groves and Maureen Godsey Valente, pp 81

Debt Service



	2005-06	2006-07	2007-08	2008-2009	2009-2010
Debt Service	\$1,116,743	\$1,252,941	\$1,360,897	\$1,427,902	\$1,477,718
Net Operating Revenue	\$14,472,877	\$16,753,209	\$17,016,278	\$17,427,662	\$17,476,112
Debt Service as % of Net Operating Revenue	7.70%	7.50%	8.00%	8.20%	8.46%

Warning Trend: Increasing debt service as a percentage of operating revenue.

Formula: Debt Service/Operating Revenue

Description

Debt service is defined here as the amount of principal and interest that a local government must pay each year on its long-term debt plus the interest it must pay on short-term debt. Increasing debt service reduces expenditure flexibility by adding to the government's obligations. According to the ICMA, debt service under 10 percent of net operating revenue is considered acceptable while anything approaching 20 percent is considered excessive. Debt service can be a major part of a government's fixed costs, and increases may indicate excessive debt and fiscal strain.

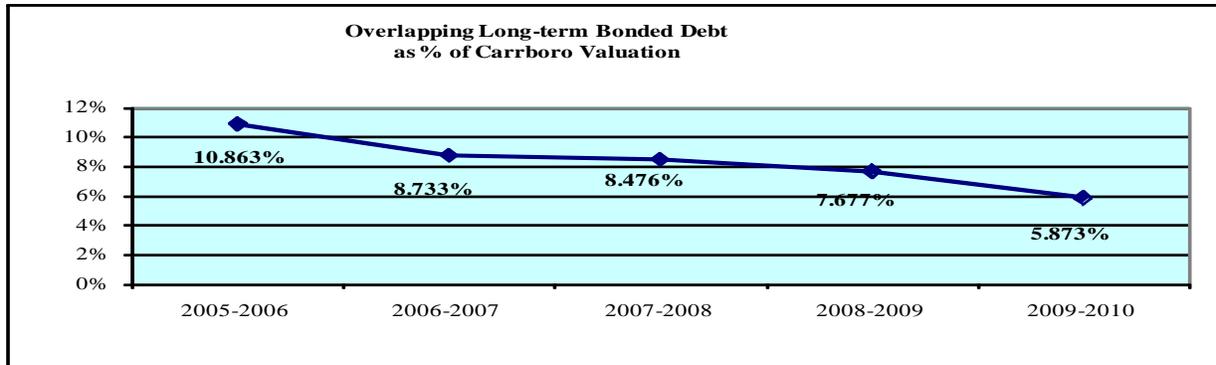
Discussion

Debt service as a percentage of operating revenue has risen over the past four years due to increased financing of vehicles, equipment, the new fire station, and bond funded sidewalk and greenways construction.

The graph shows that debt expenditures are approximately 8.46 percent of net operating revenues in FY09-10. This ratio, while different in focus than the Town's debt policy which monitors debt service as a percentage of expenditures, tells a similar story of relatively stable debt service that is below the stated ceiling of 12%. The Town plans on issuing BANS until the entire amount of authorized bonds are spent, at which time the Town will issue the bonds requiring full

debt service payments that include both principal and interest costs. This level of debt service will likely appear in or after FY11-12.

Overlapping Debt



	2005-06	2006-07	2007-08	2008-09	2009-10
Carrboro Debt	\$331,679	\$229,822	\$127,964	\$26,107	\$0
Orange County Debt	\$148,750,000	\$139,215,000	\$130,290,000	\$121,415,000	\$112,520,000
Total Overlapping Debt	\$149,081,679	\$139,444,822	\$130,417,964	\$121,441,107	\$112,520,000

Warning Trend: Increasing overlapping debt as a percentage of total assessed property valuation.

Formula: Carrboro Long-Term Debt Plus Orange County Long-Term Debt/Carrboro Assessed Property Valuation

Description

Overlapping debt is the net direct bonded debt of another jurisdiction that is issued against a tax base within part or all of the boundaries of the community. The level of overlapping debt is only that debt which is applicable to the property shared by the two jurisdictions. The overlapping debt indicator measures the ability of the community's tax base to repay the debt obligations issued by all of its governmental and quasi-governmental jurisdictions.

Discussion

The overlapping debt ratio does not present any warning signs. Since FY2005-06, debt has decreased. The changes in the debt ratio are primarily affected by debt incurred by Orange County.

Current Town Financial Condition

Overall, the indicators highlight the growth in the Town's population, the conscious decisions by the Board to add services needed and requested by the community and to maintain a solid financial position even through difficulties experienced over the years. The Executive Summary identifies the specific revenue and expenditure trends affecting the Town board and service delivery choices in the upcoming year. Notably, the Town has been able to maintain tax rates in four of the last six years through FY 2011-12 recommended budget.

Future Trends

The Town also makes projections about future costs based on the most recent adopted budget. The projections contained in the plan are our best estimates based upon current information and the assumptions outlined within this section. It is best used as a tool for reflecting trends rather than actual revenues, expenditures, and tax rates. This plan is based on the Recommended Budget for 2011-12 and the recently Adopted FY 2011-12 Capital Improvements Plan (CIP). The five-year plan is designed to show the tax rate impact of town services over the long-term if growth continues at the current rates assumed in the model. It is the Town Manager's goal to take action to keep tax rates at the lowest possible level while continuing to provide a high level of services.

The five-year plan model provides information about underlying trends in the Town's fiscal position and budgetary trends monitoring key revenue and expenditures, debt and debt ratios, and the impact of capital investments and improvements on the Town's budget.

Personnel services represent the largest component of the Town's general fund budget. Consequently, the five-year plan is impacted by assumptions regarding employee salaries and related expenses. The only additional positions projected in the model are associated with the opening of the northern fire substation.

The model is built with two fund balance objectives in mind: (1) maintaining undesignated fund balance levels at a minimum of twenty-two and one-half percent (22.5%) of budgeted expenditures; and (2) appropriating no more than three percent (3%) of budget from General Fund balance.

Undesignated fund balance increased to 59.3% on June 30, 2010, reflecting a healthy fund balance level that may provide some options to offset some committed capital costs in future years.

The assumptions built into this model are very conservative, projecting slow growth in the revenue base while continuing to fund expenditures at historical levels or higher, creating a budgetary gap that in the model, is filled by anticipated tax rate increases.

The five-year projected tax rates in previous models have been significant but have not generally materialized at projected levels. For example, in the FY05-06 adopted budget document, the five-year plan forecast a tax increase of six cents in FY06-07 that did not materialize. The primary factor in avoiding a tax increase in FY06-07 is attributable to lower overall spending. The bulk of the savings is where the Town incurred lower debt service costs associated with

various capital projects due to lower projected interest rates for vehicle installment debt and changes in timing of capital projects such as the fire substation, and parking lot purchases. In addition, the Town made a decision to issue bond anticipation notes (BANS) which only requires interest costs until all the authorized debt is expended, at which time a bond issue will occur and debt payments will include not only interest, but principal payments as well.

Nevertheless, the model serves a useful purpose: looking into the future and thinking about ways to mitigate and plan for budgetary gaps while achieving specific initiatives. Opportunities or strategies to improve the Town's expenditure and revenue stream continue to be explored by Town staff.

Assumptions about specific revenue and expenditures in the five- year model are identified on the following pages.

Revenues

The five-year plan, due to added legal protection granted by the General Assembly for state-collected local revenue, budgets for utility franchise, telecommunications sales tax, and natural piped gas taxes. In addition, the Town does receive occasional funding for bikeway or sidewalk improvements. Fund balance is used to balance the budget and to minimize tax increases. Budgets are balanced with the goal of maintaining the undesignated fund balance within the range of 22.5% to 35% of total expenditures.

Expenditures

Personnel costs, representing over half of the budget, underscore the nature of government as a service industry; the primary asset of such an industry is the people who work for it. For future years, the assumptions within the plan assume an average 3% increase in salaries. In FY 2012-13 the assumption is that positions currently frozen will be filled. No other new positions are projected. In addition, the plan accounts for annual significant increases in health insurance that have been a trend over time. In all of the fiscal years, it is important to note that salaries, being the largest component of general fund spending, significantly affect the total general fund budget.

The five-year plan generally shows operating expenditures at rates that mirror historical trends and commitments of the Town for specific policy or capital initiatives.

The Board adopts a Capital Improvements Plan (CIP) annually. It should be noted that the five-year plan assumptions consider the capital needs identified in the CIP. The Town, due to limited resources, will continue to prioritize capital needs as opportunities and funding arises. The Town is underway with the construction sidewalks, road and storm water repairs, and will develop greenway and park facilities and pay debt service costs for these various projects. The timelines and associated cost and tax impacts generally reflect numbers last considered in the FY 2012-17 CIP.

Capital Investments

The Board regularly allocates funding for street resurfacing and other Public Works construction projects. The amount needed to cover street resurfacing costs is anticipated to increase over the next five years. Also important in the Town’s Capital Improvement Program is the purchase of vehicles and equipment to maintain day-to-day services.

A significant force creating pressure on the tax rate over the next five years is the cost of the construction of sidewalks and greenways and the eventual construction of the Martin Luther King, Jr. Park and Public Works Facility. In this model, an assumption has been made that the Town will issue the entire \$4.6 million dollars approved by the voters for sidewalks and greenways in FY12-13. Meanwhile, the Town continues its sidewalk construction program issuing bond anticipation notes that require annual interest payments. In FY12-13, upon issuance of bonds, both interest and principal payments will begin. Debt service expenditures and operating impact of the fire substation will likely create pressure to increase the tax rate. These efforts, however, are only one of many capital needs faced by the Town as indicated in the chart below.

FISCAL YEAR	2009-2010	2010-2011	2011-2012	2012-2013	2013-14	2014-15	2015-16
CONSTRUCTION - STREET RESUFACING, BIKE PATHS, SIDEWALKS, ETC	393,579	200,000	440,490	473,510	331,700	365,750	365,750
TRANSFER TO CAP RESERVE FUND FOR FUTURE CAPITAL PROJECTS	12,000	12,000	12,000	12,000	12,000	12,000	12,000
PARK MAINTENANCE AND REPAIR	39,581	0	0	307,257	286,000	129,880	129,880
INFO TECHNOLOGY	17,463	22,750	28,750	15,500	55,000	0	0
EQUIPMENT & VEHICLES	544,442	604,260	297,850	1,219,480	973,248	1,543,795	566,443
CAPITAL INVESTMENTS	1,007,065	839,010	779,090	2,027,747	1,657,948	2,051,425	1,074,073

LEASE-PURCHASE DEBT SERVICE - EQP/VEHICLES	856,684	797,049	621,165	872,803	1,029,310	821,169	821,169
DEBT SERVICE	601,753	386,965	377,617	382,090	390,908	399,726	399,726
DEBT SERVICE - FIRE SUBSTATION CONSTRUCTION @ \$3,250,000	174,471	342,328	333,510	324,691	315,873	307,055	307,055
SIDEWALKS & GREENWAYS - BAN/BOND ISSUE	19,281	22,573	45,146	555,163	538,488	521,813	521,813
DEBT SERVICE - MARTIN LUTHER KING, JR. PARK	24,673	24,673	24,673	253,483	245,982	238,481	238,481
DEBT PAYMENTS	1,676,862	1,573,588	1,402,111	2,388,230	2,520,561	2,288,244	2,288,244

In monitoring the Town’s operating position via fund balance ratios, it is clear that there are limited resources and that the capital improvement and operating plans must be prioritized to meet the Town’s most pressing needs as determined by the Board.

Projected Expenditures

	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
GENERAL FUND	Actual	Adopted Budget	Adopted Budget	Projected			
SALARY/WAGES	7,562,545	7,877,663	7,828,099	8,300,153	8,549,158	8,805,632	9,069,801
FRINGE BENEFITS	2,375,413	2,793,500	2,872,286	3,464,539	3,793,258	4,165,591	4,214,462
TOTAL PERSONAL SVCS	9,937,958	10,671,163	10,700,385	11,764,692	12,342,416	12,971,223	13,284,263
GEN OPERATING COSTS	2,504,387	3,722,784	3,833,899	3,948,916	4,067,384	4,189,405	4,315,087
AFFORDABLE HOUSING	86,623	86,465	88,103	90,746	93,468	96,273	99,161
GOV'NANCE SUPPORT	54,946	58,183	36,139	37,223	38,340	39,490	40,675
LANDFILL FEES	345,572	366,046	391,830	431,013	474,114	521,526	573,678
TRANSPORTATION COSTS	1,032,835	1,064,150	1,064,150	1,117,358	1,173,225	1,231,887	1,293,481
HUMAN SERVICES	141,002	144,296	145,883	153,177	160,836	168,878	177,322
TRANSFERS TO OTHER FUNDS, MISC.	404,562	0	0	0	0	0	0
OPERATING COSTS	4,569,927	5,441,924	5,608,354	5,778,433	6,007,368	6,247,458	6,499,404
FISCAL YEAR	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
CONSTRUCTION - STREET RESURFACING, BIKE PATHS, SIDEWALKS, ETC	393,579	200,000	440,490	473,510	331,700	365,750	365,750
TRANSFER TO CAP RESERVE FUND FOR FUTURE CAPITAL PROJECTS	12,000	12,000	12,000	12,000	12,000	12,000	12,000
PARK MAINTENANCE AND REPAIR	39,581	0	0	307,257	286,000	129,880	129,880
INFO TECHNOLOGY	17,463	22,750	28,750	15,500	55,000	0	0
EQUIPMENT & VEHICLES	544,442	604,260	297,850	1,219,480	973,248	1,543,795	566,443
CAPITAL INVESTMENTS	1,007,065	839,010	779,090	2,027,747	1,657,948	2,051,425	1,074,073
LEASE-PURCHASE DEBT SERVICE - EQP/VEHICLES	856,684	797,049	621,165	872,803	1,029,310	821,169	821,169
DEBT SERVICE	601,753	386,965	377,617	382,090	390,908	399,726	399,726
DEBT SERVICE - FIRE SUBSTATION CONSTRUCTION @\$3,250,000	174,471	342,328	333,510	324,691	315,873	307,055	307,055
SIDEWALKS & GREENWAYS - BAN/BOND ISSUE	19,281	22,573	45,146	555,163	538,488	521,813	521,813
DEBT SERVICE - MARTIN LUTHER KING, JR. PARK	24,673	24,673	24,673	253,483	245,982	238,481	238,481
DEBT PAYMENTS	1,676,862	1,573,588	1,402,111	2,388,230	2,520,561	2,288,244	2,288,244
GENERAL FUND TOTAL	17,191,813	18,525,685	18,489,939	21,959,103	22,528,293	23,558,351	23,145,985
<i>Operational Impact of CIP Projects Included in Operating Budget Above</i>							
N. AREA FIRE STATION	405,911	246,389	395,128	414,884	435,628	457,410	480,280
INFO. TECHNOLOGY	0	500	0	0	0	0	0
CIP PROJECTS (OPERATING IMPACT)	405,911	246,889	395,128	414,884	435,628	457,410	480,280

Projected Revenues

	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
	Actual	Adopted Budget	Adopted Budget	Projected			
ESTIMATED VALUE PER ONE CENT LEVY	184,320	185,277	188,947	194,815	200,659	206,679	212,879
REQUIRED RATE PER \$100 VALUATION	58.94	58.94	58.94	68.25	70.25	70.25	70.25
GENERAL FUND							
AD VALOREM TAXES	10,956,318	11,021,222	11,246,033	13,406,730	14,210,250	14,636,557	15,075,654
LOCAL SALES TAX	3,039,932	3,062,136	2,966,053	3,055,035	3,146,686	3,241,086	3,338,319
OTHER TAXES/LICENSES	511,052	402,750	406,076	414,198	422,481	430,931	439,550
UNRESTRICTED INTERGOVERNMENTAL	870,613	860,018	849,531	875,017	901,267	928,305	956,155
RESTRICTED INTERGOVERNMENTAL	678,992	553,981	509,765	522,509	535,572	548,961	562,685
FEES AND PERMITS	1,175,314	1,022,867	1,015,238	1,035,543	1,056,254	1,077,379	1,098,926
SALES AND SERVICES	256,639	244,606	229,846	241,338	253,405	266,075	279,379
INTEREST EARNINGS	24,253	50,000	25,000	25,000	25,000	25,000	25,000
OTHER REVENUES	76,240	44,069	54,439	57,339	57,426	57,515	57,607
LEASE PURCHASE PROCEEDS	617,955	560,500	298,850	1,219,480	973,248	1,543,795	566,443
OTHER TRANSFERS	544,806	176,945	176,945	0	0	0	0
FUND BAL APPROP - CEMETERY FUND		0	0	0	0	0	0
FUND BAL APPROP	0	526,591	712,163	1,106,915	946,704	802,745	746,267
GENERAL FUND TOTAL	18,752,115	18,525,685	18,489,939	21,959,103	22,528,293	23,558,351	23,145,985
FUND BALANCE APPROP AS A % OF TOTAL REVENUE	0.00%	2.84%	3.85%	5.04%	4.31%	3.56%	3.17%
PROJECTED UNDESIGNATED FUND BALANCE 6/30/XX	12,947,041	12,752,754	12,375,240	11,638,551	11,079,820	10,679,691	10,347,821
FUND BALANCE AS % PROJECTED EXPENDITURES	75.3%	68.8%	66.9%	53.0%	50.5%	47.4%	43.9%
OUTSTANDING DEBT							
GO BOND	\$ -						
MARTIN LUTHER KING, JR. PARK LAND (\$274,000)	\$ 110,842	\$ 90,389	\$ 69,113	\$ 46,979	\$ 23,954	\$ -	\$ -
CENTURY CENTER & PUBLIC WORKS LAND	\$ 1,862,676	\$ 1,635,498	\$ 1,341,656	\$ 1,160,899	\$ 912,965	\$ 657,581	\$ 402,197
ADAMS TRACT (\$600,000)	\$ 400,000	\$ 360,000	\$ 320,000	\$ 280,000	\$ 240,000	\$ 200,000	\$ 160,000
CONSTRUCTION - FIRE SUBSTATION (\$3,250,000)	\$ 3,141,667	\$ 2,925,000	\$ 2,708,333	\$ 2,491,667	\$ 2,275,000	\$ 2,058,333	\$ 1,841,666
CAPITAL LEASE (PROJECTED)	\$ 2,153,357	\$ 1,394,655	\$ 1,458,218	\$ 1,708,531	\$ 1,221,632	\$ 1,814,713	\$ 2,407,794
GO SIDEWALKS & GREENWAYS	\$ 4,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,370,000	\$ 4,140,000	\$ 3,910,000	\$ 3,680,000
MARTIN LUTHER KING, JR. PARK - CONSTRUCTION (\$2,069,246)	\$ -			\$ -	\$ 1,965,784	\$ 1,862,322	\$ 1,758,860
ADDITIONAL/FUTURE LT DEBT	\$ 4,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,370,000	\$ 6,105,784	\$ 5,772,322	\$ 5,438,860
TOTAL OUTSTANDING DEBT	\$ 12,268,542	\$ 11,005,542	\$ 10,497,320	\$ 10,058,076	\$ 10,779,335	\$ 10,502,949	\$ 10,250,517
2009-2010 2010-2011 2011-2012 2012-2013 2013-14 2014-15 2015-16							
% DEBT TO ASSESSED VALUATION	0.65%	0.58%	0.54%	0.51%	0.53%	0.50%	0.47%
DEBT PER CAPITA	\$514	\$479	\$458	\$416	\$468	\$418	\$370
% DEBT SVC TO TOTAL BUDGET	9.25%	8.76%	7.71%	11.52%	11.69%	10.39%	10.13%
POPULATION	19,479	19,891	19,582	19,974	20,373	20,781	21,196
ASSESSED VALUATION	\$ 1,890,550,409	\$ 1,900,491,499	\$ 1,930,004,544	\$ 1,987,904,680	\$ 2,047,541,821	\$ 2,108,968,075	\$ 2,172,237,118

Assumptions Used in Five-Year Plan

EXPENDITURES	
Salary & Wages:	
<i>Fulltime, Overtime, Part-time, & Temporary Salaries:</i>	3% per year beginning FY12-13; fill all frozen positions (except 3 firefighters) in FY12-13.
Fringe Benefits:	
<i>Fica (7.65%) Retirement (7.35% for police officers; 6.88% for all others), Supplemental Retirement (5% - Police Officers; 3% - all other employees)</i>	20% of salaries for LEO; 17% non-LEO
<i>Health Insurance</i>	15% per year beginning FY12-13
<i>Dependent Health/Retiree Insurance Subsidies</i>	15% per year beginning FY12-13
<i>Service Level Benefits</i>	2.5% per year beginning FY12-13
<i>LEO Early Separation Allowance</i>	5.0% per year beginning FY12-13
Operating Costs:	
<i>General Operating Costs</i>	3% per year beginning FY 12-13
<i>Computers & Peripherals</i>	PCs – GOAL: 4 yr replacement cycle; servers – 3 yr replacement cycle
<i>Affordable Housing</i>	3% per year
<i>Governance Support</i>	3% per year plus Greene Tract payment of \$29,524
<i>Landfill Fees</i>	5% per year
<i>Transportation Costs</i>	5% per year following recommended budget
<i>Human Services</i>	5% per year
<i>Transfers To Other Funds</i>	franchise surcharge \$6K in FY08-09; franchise surcharge FY09-10 & FY 2011-12- \$12K; reimburse Revolving Loan Fund for Gen Fund Loans \$24K in FY 2011-12
Capital Investments:	
<i>Street Resurfacing & Construction Reserves</i>	Annual Street Resurfacing Allocation based on CIP; Weaver St. Reconstruction
<i>Park Maintenance</i>	Based on CIP
<i>Computers & Peripherals</i>	Based on CIP
<i>Equipment</i>	Lease-Purchase CIP+ \$100,000/YR
CIP Projects – Operating Impact:	
<i>N. Area Fire Substation</i>	3 additional Firefighters are on hold pending SAFER grant application
<i>IT Technology</i>	Per CIP projections
Debt Payments:	
<i>Lease-Purchase Payments/Debt Svc</i>	Projected per CIP projections
REVENUES	
<i>Ad Valorem Tax Base</i>	3% per year thereafter
<i>Local Sales Tax</i>	3 % per year
<i>Other Taxes and Licenses</i>	2% per year
<i>Unrestricted Intergovernmental</i>	3% per year
<i>Restricted Intergovernmental</i>	2.5% per year
<i>Fees and Permits</i>	2% per year
<i>Sales and Services</i>	5% per year
<i>Interest Earnings/Other Revenue</i>	No change
<i>Lease Purchase Proceeds</i>	Lease-purchase CIP
<i>Other Transfers</i>	Funds are transferred from other funds as needed
<i>Fund Bal Appropriated</i>	All other Fund Balance appropriated per financial policy.

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LINE-ITEM BUDGET DETAIL...

Mayor and Board of Aldermen

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2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	110,828	110,914	119,086	119,086	0%
OPERATIONS	141,254	143,545	162,650	179,150	10%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	252,082	254,459	281,736	298,236	6%

DETAIL

500300	PART-TIME SALARIES	87,626	84,969	86,814	86,814	0%
500500	FICA	6,338	6,141	6,641	6,641	0%
500600	INSURANCE	15,831	18,842	24,484	24,484	0%
500700	RETIREMENT	1,032	962	1,147	1,147	0%
500800	TRAINING	-	1,406	2,000	2,000	0%
500900	PROF SERVICES	129,303	117,816	130,000	130,000	0%
501000	CONFERENCES	201	3,205	3,500	3,500	0%
501100	POSTAGE	114	356	850	850	0%
501400	TRAVEL	1,205	1,475	8,500	8,500	0%
502500	PRINTING	59	45	1,000	1,000	0%
503200	OFFICE SUPPLIES	31	87	300	300	0%
503300	DEPT SUPPLIES	3,282	3,141	3,000	3,000	0%
504500	CONTRACT SERVICES	5,627	4,980	11,500	11,500	0%
504700	ELECTIONS	-	9,545	0	16,500	0%
505300	DUES/SUBSCRIPTIONS	1,432	1,489	2,000	2,000	0%
507400	EQUIPMENT			0	-	0%
	SUBTOTAL	252,082	254,459	281,736	298,236	6%

Advisory Boards

415

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	7,791	8,892	12,750	11,800	-7%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	7,791	8,892	12,750	11,800	-7%

DETAIL

ADVISORY BOARD					
500800 TRAINING	-	-	500	500	0%
505701 APPEARANCE COMM	5	325	400	400	0%
505702 PLANNING BOARD	141	117	700	500	-29%
505703 BD OF ADJUSTMENT	42	60	350	300	-14%
505704 PARKS & RECREATION	2,319	2,229	2,400	2,400	0%
TRANSPORTATION					
505705 ADVISORY BOARD	206	225	700	500	-29%
505707 HUMAN SERVICES	263	300	300	300	0%
N. TRANSITION AREA					
505708 ADVISORY COMM	14	25	400	300	-25%
505710 RECOGNITION BANQUET	3,461	2,857	3,500	3,500	0%
ECONOMIC					
SUSTAINABILITY					
505711 COMMISSION	24	-	500	500	0%
505712 GREENWAY COMM	298	1,110	1,000	800	-20%
505718 ARTS COMMITTEE	927	1,579	1,000	1,000	0%
ENVIRONMENTAL					
505719 ADVISORY BOARD	92	64	1,000	800	-20%
SUBTOTAL	7,791	8,892	12,750	11,800	-7%

Governance Support

418

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	250,696	259,472	266,003	268,541	1%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL

250,696	259,472	266,003	268,541	1%
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DETAIL

501602 M&R PARKS - GREEN AWAKENING	1,400	-	-	-	0%
502600 ADVERTISING	6,536	-	-	-	0%
504501 TRIANGLE J COG	7,258	7,105	7,597	7,757	2%
504502 NC LEAGUE OF MUNIC.	11,886	12,180	13,180	13,971	6%
504503 ECON. DEV. COM.	6,000	6,000	6,000	6,000	0%
504504 SCHOOL OF GOVERNMENT	2,021	2,021	2,021	2,021	0%
504505 ARTS CENTER	15,000	15,000	15,000	15,000	0%
504506 HUMAN SERVICES GRANT	130,502	141,002	144,296	145,883	1%
504508 LEAGUE WOMEN VOTERS	-	-	250	250	0%
504510 COMMUNITY DINNER	500	500	500	500	0%
504512 THE COMMUNITY HOME TRUST	34,000	34,000	34,000	34,000	0%
504513 ORANGE COUNTY	29,524	29,524	29,524	29,524	0%
504516 DOWNTOWN BUS ASSOC	7	-	500	500	0%
504517 LIBRARY PROJECT	4,000	4,000	4,000	4,000	0%
504518 MEDIATION	-	-	500	500	0%
504519 CABLE TV CONSULTATION	5,000	3,750	5,000	5,000	0%
504533 METROPOLITAN COALITION	2,435	2,435	2,435	2,435	0%
504548 CD & MEMORABILIA SHOW	2,564	1,955	1,200	1,200	0%
SUBTOTAL	250,696	259,472	266,003	268,541	1%

Town Manager

420

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	234,252	250,954	252,538	252,434	0%
OPERATIONS	14,332	15,285	24,450	23,553	-4%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL

248,584	266,239	276,988	275,987	-4%
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DETAIL

500200 SALARIES	191,951	205,939	203,645	203,645	0%
500500 FICA	11,609	12,938	12,884	12,884	0%
500600 INSURANCE	10,757	10,968	12,242	12,138	-1%
500601 DISABILITY INSURANCE	200	209	208	208	0%
500700 RETIREMENT	9,386	10,086	12,931	12,931	0%
500701 SUPPL RETIREMENT	5,797	6,218	6,109	6,109	0%
500704 ICMA RETIREMENT	4,551	4,596	4,519	4,519	0%
500800 TRAINING	131	103	1,200	1,200	0%
501000 CONFERENCES	3,393	2,429	4,200	4,200	0%
501100 POSTAGE	11	29	300	300	0%
501400 TRAVEL	999	312	1,900	1,900	0%
501600 M & R EQUIP	-	-	250	250	0%
501700 MOTOR VEHICLE REPAIR	29	113	900	900	0%
502100 RENT	6,626	7,749	7,500	7,500	0%
502500 PRINTING	47	33	250	250	0%
502600 ADVERTISING	-	-	100	100	0%
503100 FUEL	1,038	684	2,000	1,103	-45%
503200 OFFICE SUPPLIES	104	253	450	450	0%
503300 DEPT SUPPLIES	262	999	1,000	1,000	0%
504500 CONTRACT SERVICES	665	512	1,000	1,000	0%
505300 DUES/SUBS	1,027	2,070	3,400	3,400	0%
SUBTOTAL	248,584	266,239	276,988	275,987	0%

Economic and Community Development

421

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	119,286	120,220	118,614	109,625	-8%
OPERATIONS	6,997	30,084	34,341	40,979	19%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	126,283	150,303	152,955	150,604	-2%

DETAIL

500200 SALARIES	77,958	80,815	79,728	72,000	-10%
500300 PARTTIME SALARIES	16,797	16,808	16,766	16,766	0%
500500 FICA	6,886	7,300	7,399	6,808	-8%
500600 INSURANCE	10,507	7,928	6,121	6,173	1%
500601 DISABILITY INSURANCE	181	181	180	180	0%
500700 RETIREMENT	4,614	4,759	6,028	5,538	-8%
500701 SUPPL RETIREMENT	2,345	2,429	2,392	2,160	-10%
500800 TRAINING	-	-	500	500	0%
501000 CONFERENCES	50	515	1,000	1,000	0%
501100 POSTAGE	129	161	600	600	0%
501400 TRAVEL	114	464	1,500	1,500	0%
502500 PRINTING	1,478	40	600	600	0%
502600 ADVERTISING	2,039	3,500	3,000	3,000	0%
503200 OFFICE SUPPLIES	216	127	600	600	0%
503300 DEPT SUPPLIES	1,138	1,213	1,800	1,800	0%
504511 HOLIDAY EVENTS	1,000	500	1,000	1,000	0%
HOME CONSORTIUM					
504546 MATCH	-	23,099	22,941	24,579	7%
504549 LOCAL LIVING ECONOMY	-	-	-	5,000	0%
505300 DUES/SUBS	833	466	800	800	0%
SUBTOTAL	126,283	150,303	152,955	150,604	-2%

Town Clerk

426

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	101,702	108,132	99,570	71,670	-28%
OPERATIONS	9,246	8,287	15,300	16,450	8%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	110,947	116,419	114,870	88,120	-23%

DETAIL

500200 SALARIES	79,038	85,091	79,712	56,000	-30%
500500 FICA	5,669	6,142	6,104	4,284	-30%
500600 INSURANCE	10,598	10,021	6,121	6,121	0%
500601 DISABILITY INSURANCE	181	181	180	29	-84%
500700 RETIREMENT	3,842	4,142	5,062	3,556	-30%
500701 SUPPL RETIREMENT	2,374	2,555	2,391	1,680	-30%
500800 TRAINING	-	-	200	200	0%
501000 CONFERENCES	-	-	100	300	200%
501100 POSTAGE	152	190	500	500	0%
501400 TRAVEL	-	-	100	300	200%
501600 M & R EQUIP	-	-	350	350	0%
502500 PRINTING	2,050	868	2,000	2,000	0%
502600 ADVERTISING	5,491	5,236	10,000	10,000	0%
503200 OFFICE SUPPLIES	790	1,360	750	750	0%
503300 DEPT SUPPLIES	507	382	1,000	1,750	75%
505300 DUES/SUBSCRIPTIONS	255	250	300	300	0%
SUBTOTAL	110,947	116,419	114,870	88,120	-23%

Management Services

445

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	433,169	447,289	467,863	464,367	-1%
OPERATIONS	473,687	475,443	544,879	537,234	-1%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL

906,855	922,732	1,012,742	1,001,601	-1%
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DETAIL

500200	SALARIES	313,159	331,127	342,259	332,792	-3%
500300	PART-TIME SALARIES	28,664	22,565	26,522	26,522	0%
500500	FICA	24,598	25,885	28,260	27,538	-3%
500600	INSURANCE	40,259	39,285	36,726	44,304	21%
500601	DISABILITY INSURANCE	450	491	510	510	0%
500700	RETIREMENT	16,630	17,375	23,318	22,717	-3%
500701	SUPL RETIREMENT	9,409	10,560	10,268	9,984	-3%
500800	TRAINING	1,780	2,545	8,145	8,145	0%
501000	CONFERENCES	465	312	816	900	10%
501100	POSTAGE	2,306	2,926	2,400	2,700	13%
501400	TRAVEL	254	145	1,176	1,177	0%
502100	RENT	9,586	9,818	10,000	10,000	0%
502500	PRINTING	330	1,049	2,000	2,200	10%
502600	ADVERTISING	636	1,615	2,000	2,000	0%
503200	OFFICE SUPPLIES	1,166	529	2,000	2,000	0%
503300	DEPT SUPPLIES	5,968	5,559	5,700	6,700	18%
504500	CONTRACT SERVICES	136,590	143,116	154,272	144,342	-6%
504705	PENALTIES & INTEREST	597	657	-	-	0%
505300	DUES/SUBS	1,791	1,321	2,100	2,100	0%
505600	CASH OVER/SHORT	(12)	6	-	-	0%
505700	MISCELLANEOUS	3,438	(1,436)	-	700	0%
506000	INSUR-GENERAL	271,670	268,861	313,437	313,437	0%
506001	PUBLIC OFFICIALS	37,122	38,422	40,833	40,833	0%
507400	FURNITURE/EQPMT	-	-	-	-	0%

SUBTOTAL

906,855	922,732	1,012,742	1,001,601	-1%
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Human Resources

446

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
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SUMMARY

PERSONNEL	273,821	286,713	311,207	313,061	1%
OPERATIONS	72,621	47,408	63,170	63,670	1%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL	346,442	334,121	374,377	376,731	1%
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DETAIL

500200 SALARIES	135,564	139,418	137,716	137,716	0%
500400 TEMPORARY SALARIES	4,308	-	8,612	-	-100%
500500 FICA	10,124	9,846	11,203	10,545	-6%
500600 INSURANCE	16,128	18,664	12,242	23,366	91%
500601 DISABILITY INS	102	103	102	102	0%
500602 RETIREE INSURANCE	94,116	95,865	123,456	123,456	0%
500604 UNEMPLOYMENT INS	2,807	11,835	5,000	5,000	0%
500700 RETIREMENT	6,598	6,793	8,745	8,745	0%
500701 SUPPL RETIREMENT	4,073	4,188	4,131	4,131	0%
500800 TRAINING	2,293	1,103	2,500	2,500	0%
500801 TUITION ASSISTANCE	552	-	600	600	0%
500810 ORG DEV	17,141	3,629	15,000	15,000	0%
501000 CONFERENCES	272	1,131	425	425	0%
501100 POSTAGE	383	99	525	525	0%
501400 TRAVEL	695	115	550	550	0%
501600 M&R EQPMT	-	-	450	450	0%
502100 RENT	2,785	1,261	1,500	1,500	0%
502500 PRINTING	19	(46)	750	750	0%
502600 ADVERTISING	4,868	7,035	7,500	7,500	0%
503200 OFFICE SUPPLIES	513	135	700	700	0%
503300 DEPT SUPPLIES	1,208	1,262	1,650	1,650	0%
504500 CONTRACT SERVICES	34,448	24,242	23,200	23,200	0%
505300 DUES/SUBSCRIPTIONS	1,050	568	820	820	0%
EMPLOYEE					
505710 RECOGNITION	6,393	6,875	7,000	7,500	7%
507400 EQUIPMENT	-	-	-	-	0%
SUBTOTAL	346,442	334,121	374,377	376,731	1%

Information Technology

447

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	160,174	170,341	170,233	172,965	2%
OPERATIONS	609,325	494,438	662,950	667,070	1%
CAPITAL OUTLAY	49,459	17,463	22,750	28,750	26%

TOTAL	818,957	682,242	855,933	868,785	2%
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DETAIL

500200	SALARIES	125,526	135,879	134,805	134,805	0%
500500	FICA	9,180	10,094	10,329	10,330	0%
500600	INSURANCE	15,305	13,412	12,242	14,973	22%
500601	DISABILITY INSURANCE	224	256	253	253	0%
500700	RETIREMENT	6,144	6,618	8,560	8,560	0%
500701	SUPL RETIREMENT	3,796	4,082	4,044	4,044	0%
500800	TRAINING	4,778	125	4,800	4,800	0%
501000	CONFERENCES	50	-	750	750	0%
501100	POSTAGE	-	-	-	-	0%
501200	TELEPHONE	51,901	44,917	75,380	75,380	0%
501400	TRAVEL	-	-	500	500	0%
501600	M & R EQUIP	18,938	41,698	32,050	32,050	0%
501700	M & R VEH REPAIR	33	16	350	350	0%
503100	FUEL	664	284	605	725	20%
503200	OFFICE SUPPLIES	1,177	1,097	1,000	1,000	0%
503300	DEPT SUPPLIES	3,555	2,836	3,125	3,125	0%
	COMPUTERS &					
503305	PERIPHERALS	310,602	175,490	217,000	221,000	2%
503307	VEHICLE SUPPLIES	-	-	-	-	0%
504500	CONTRACT SERVICES	217,131	227,975	323,290	323,290	0%
505300	DUES/SUBS	495	-	4,100	4,100	0%
507400	EQUIPMENT	49,459	17,463	22,750	28,750	26%
	SUBTOTAL	818,957	682,242	855,933	868,785	2%

Police Department

POLICE - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	2,652,819	2,714,734	2,749,381	2,770,125	1%
OPERATIONS	263,530	298,555	341,657	350,726	3%
CAPITAL OUTLAY	37,980	112,936	122,000	239,050	96%
TOTAL	2,954,329	3,126,224	3,213,038	3,359,901	5%

Police- Administrative Support

510

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	414,978	448,928	445,807	452,785	2%
OPERATIONS	18,795	21,104	27,523	32,625	19%
CAPITAL OUTLAY	-	-	-	28,000	0%
TOTAL	433,772	470,033	473,330	513,410	8%

DETAIL

500200 SALARIES	310,202	325,640	321,242	321,242	0%
500400 TEMPORARY SALARY	11,487	9,093	12,480	12,480	0%
500500 FICA	24,970	26,395	25,565	24,610	-4%
500600 INSURANCE	29,034	37,318	30,605	38,538	26%
500601 DISABILITY INSURANCE	413	517	491	491	0%
500700 RETIREMENT	15,118	15,664	21,329	21,329	0%
500701 SUPPL RETIREMENT	13,826	14,446	14,240	14,240	0%
500703 EARLY SEPARATION	9,927	19,854	19,855	19,855	0%
500800 TRAINING	4,330	2,278	5,804	5,804	0%
501000 CONFERENCES	47	398	600	600	0%
501100 POSTAGE	354	445	650	650	0%
501200 TELEPHONE	2,684	2,209	2,892	2,892	0%
501600 M&R EQUIPMENT	-	89	800	800	0%
501700 VEHICLE REPAIR	650	867	1,119	1,192	7%
502100 RENT	1,853	1,708	1,680	1,680	0%
502500 PRINTING	407	1,067	1,300	1,300	0%
503100 FUEL	1,341	2,918	1,457	5,640	287%
503200 OFFICE SUPPLIES	1,900	2,554	2,000	2,000	0%
503300 DEPT SUPPLIES	4,793	5,209	5,136	5,136	0%
503307 VEHICLE SUPPLIES	-	-	-	846	0%
503600 UNIFORMS	-	773	2,596	2,596	0%
504500 CONTRACT SERVICES	40	-	1,077	1,077	0%
505300 DUES & SUBSCRIPTIONS	395	590	412	412	0%
507401 VEHICLES	-	-	-	28,000	0%
SUBTOTAL	433,772	470,033	473,330	513,410	8%

Police – Patrol

511

2008-09 ACTUAL	2009-10 ACTUAL	2009-10 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	1,561,914	1,546,029	1,493,605	1,517,970	2%
OPERATIONS	173,444	179,943	228,243	225,436	-1%
CAPITAL OUTLAY	37,980	84,977	32,000	168,000	425%
TOTAL	1,773,338	1,810,950	1,753,848	1,911,406	9%

DETAIL

500200 SALARIES	1,127,948	1,135,377	1,080,196	1,083,096	0%
500201 OVERTIME	31,431	18,336	21,970	21,970	0%
500500 FICA	88,619	87,014	84,406	82,947	-2%
500600 INSURANCE	161,924	163,165	153,024	178,126	16%
500601 DISABILITY INSURANCE	1,205	1,213	1,190	1,190	0%
500700 RETIREMENT	56,448	56,119	70,650	69,426	-2%
500701 SUPPL RETIREMENT	58,095	57,748	55,109	54,155	-2%
500703 EARLY SEPARATION	36,246	27,059	27,060	27,060	0%
500800 TRAINING	15,483	23,793	28,527	28,527	0%
501200 TELEPHONE	2,877	3,755	3,840	3,840	0%
501600 M & R EQUIP	778	5,303	3,802	3,802	0%
501700 VEHICLE REPAIR	22,637	29,273	12,000	12,000	0%
503100 FUEL	60,392	52,864	86,109	85,235	-1%
503200 OFFICE SUPPLIES	1,022	2,295	585	585	0%
503300 DEPT SUPPLIES	28,939	25,496	29,010	29,010	0%
503307 VEHICLE SUPPLIES	7,987	6,596	16,060	14,127	-12%
503600 UNIFORMS	23,979	21,046	26,526	26,526	0%
504500 CONTRACT SERVICES	9,156	9,433	21,620	21,620	0%
505300 DUES/SUBSCRIPTIONS	195	90	164	164	0%
507400 EQUIPMENT	37,980	-	-	-	0%
507401 VEHICLES	-	52,090	32,000	168,000	425%
507402-	-	-	-	-	-
51100 OTHER CAPITAL ASSETS	-	32,887	-	-	0%
SUBTOTAL	1,773,338	1,810,950	1,753,848	1,911,406	9%

Police – Community Services

512

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	285,616	321,071	387,414	380,630	-2%
OPERATIONS	35,361	54,058	39,796	46,198	16%
CAPITAL OUTLAY	-	-	64,000	-	-100%
TOTAL	320,977	375,129	491,210	426,828	-13%

DETAIL

500200 SALARIES	219,684	245,308	289,925	281,695	-3%
500201 OVERTIME	-	991	3,030	3,030	0%
500500 FICA	16,488	18,342	22,435	21,566	-4%
500600 INSURANCE	27,492	31,818	38,256	41,876	9%
500601 DISABILITY	261	304	341	333	-2%
500700 RETIREMENT	10,689	11,979	18,779	18,050	-4%
500701 SUPPL RETIREMENT	11,003	12,329	14,648	14,080	-4%
500800 TRAINING	5,311	4,131	3,780	3,780	0%
501000 CONFERENCES	-	-	1,700	1,700	0%
501200 TELEPHONE	2,300	2,911	3,000	3,000	0%
501600 M & R EQUIP	20	18	1,140	1,140	0%
501700 VEHICLE REPAIR	2,765	4,338	1,384	1,384	0%
503100 FUEL	5,786	7,761	7,260	15,582	115%
503200 OFFICE SUPPLIES	257	272	316	316	0%
503300 DEPT SUPPLIES	6,298	10,452	9,061	9,061	0%
503307 VEHICLE SUPPLIES	-	-	1,920	-	-100%
503600 UNIFORMS	500	10,687	9,493	9,493	0%
504200 SEIZURES EXPENSE	12,003	12,976	-	-	0%
504500 CONTRACT SERVICES	-	391	500	500	0%
505300 DUES/SUBSCRIPTIONS	120	120	242	242	0%
507401 VEHICLES	-	-	64,000	-	-100%
SUBTOTAL	320,977	375,129	491,210	426,828	-13%

Police – Investigations

515

2008-09 ACTUAL	2009-10 ACTUAL	2009-10 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	339,528	347,000	374,252	364,323	-3%
OPERATIONS	27,514	35,634	36,835	36,118	-2%
CAPITAL OUTLAY	-	27,958	26,000	27,300	5%

TOTAL	367,041	410,592	437,087	427,741	-2%
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DETAIL

500200 SALARIES	248,228	261,598	274,261	259,573	-5%
500201 OVERTIME	9,330	2,204	13,125	13,125	0%
500500 FICA	18,610	19,344	22,017	19,882	-10%
500600 INSURANCE	37,587	37,383	32,135	42,180	31%
500601 DISABILITY INSURANCE	253	203	235	207	-12%
500700 RETIREMENT	12,575	12,946	18,246	16,492	-10%
500701 SUPPL RETIREMENT	12,944	13,323	14,233	12,864	-10%
500800 TRAINING	814	1,420	4,400	4,400	0%
501200 TELEPHONE	1,388	1,270	1,320	1,320	0%
501400 TRAVEL	-	62	250	250	0%
501600 M & R EQUIP	438	174	1,230	1,230	0%
501700 VEHICLE REPAIR	2,114	4,678	3,000	3,000	0%
503100 FUEL	7,063	7,432	10,966	10,249	-7%
503200 OFFICE SUPPLIES	231	590	1,000	1,000	0%
503300 DEPT SUPPLIES	2,512	7,284	8,389	8,389	0%
503307 VEHICLE SUPPLIES	1,218	998	780	780	0%
503600 UNIFORMS	1,065	2,394	-	-	0%
504200 SEIZURES EXPENSE	2,723	66	-	-	0%
505700 MISCELLANEOUS	7,949	9,266	5,500	5,500	0%
507401 VEHICLES	-	27,958	26,000	27,300	5%
SUBTOTAL	367,041	410,592	437,087	427,741	-2%

Police – Animal Control

518

2008-09 ACTUAL	2009-10 ACTUAL	2009-10 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	50,784	51,705	48,303	54,417	13%
OPERATIONS	8,417	7,815	9,260	10,349	12%
CAPITAL OUTLAY	-	-	-	15,750	0%
TOTAL	59,201	59,520	57,563	80,516	40%

DETAIL

500200 SALARIES	35,061	35,929	35,831	35,831	0%
500500 FICA	2,296	2,365	2,741	2,741	0%
500600 INSURANCE	10,598	10,508	6,121	11,683	91%
500601 DISABILITY INSURANCE	74	76	73	73	0%
500700 RETIREMENT	1,704	1,749	1,745	2,297	32%
500701 SUPPL RETIREMENT	1,052	1,078	1,792	1,792	0%
500800 TRAINING	-	355	400	400	0%
501200 TELEPHONE	265	246	-	-	0%
501600 M & R EQUIP	-	-	83	83	0%
501700 VEHICLE REPAIR	1,032	121	300	300	0%
503100 FUEL	1,053	968	1,377	1,987	44%
503200 OFFICE SUPPLIES	-	-	100	100	0%
503300 DEPT SUPPLIES	67	125	600	600	0%
503307 VEHICLE SUPPLIES	-	-	-	479	0%
503600 UNIFORMS	-	-	300	300	0%
504500 CONTRACT SVCS	6,000	6,000	6,000	6,000	0%
505300 DUES & SUBSCRIPTIONS	-	-	100	100	0%
507401 VEHICLE	-	-	-	15,750	0%
SUBTOTAL	59,201	59,520	57,563	80,516	40%

Fire and Rescue

FIRE - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	2,026,911	2,060,523	2,082,208	2,139,075	3%
OPERATIONS	279,229	323,692	281,127	262,560	-7%
CAPITAL OUTLAY	912,656	44,480	160,000	-	-100%
TOTAL	3,218,797	2,428,694	2,523,335	2,401,635	-5%

Fire and Rescue - Supervision

530

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	116,304	115,795	118,257	118,257	0%
OPERATIONS	43,559	25,142	25,344	29,218	15%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	159,863	140,937	143,601	147,475	3%

DETAIL

500200 SALARIES	78,560	79,298	79,081	79,081	0%
500300 PART-TIME SALARY	17,719	16,547	17,254	17,254	0%
500500 FICA	7,298	7,267	7,382	7,382	0%
500600 INSURANCE	5,530	5,484	6,121	6,121	0%
500601 DISABILITY INSURANCE	29	29	29	29	0%
500700 RETIREMENT	4,688	4,692	6,018	6,018	0%
500701 SUPPL RETIREMENT	2,360	2,382	2,372	2,372	0%
FIREFIGHTER'S PENSION					
500705 FUNDS	121	96	-	-	0%
500800 TRAINING	262	-	-	-	0%
501000 CONFERENCES	564	997	1,000	1,000	0%
501100 POSTAGE	533	251	300	300	0%
501200 TELEPHONE	4,898	4,431	5,250	5,250	0%
501600 M & R EQUIP	-	-	250	250	0%
501700 VEHICLE REPAIR	99	372	950	300	-68%
502500 PRINTING	352	105	400	400	0%
503000 UTILITIES	16,777	-	-	-	0%
503100 FUEL	2,191	1,829	4,730	3,541	-25%
503200 OFFICE SUPPLIES	2,354	2,619	1,750	2,750	57%
503300 DEPT SUPPLIES	206	-	-	-	0%
503307 VEHICLE SUPPLIES	-	-	-	-	0%
504500 CONTRACT SVCS	12,545	11,971	8,397	12,397	48%
505300 DUES & SUBSCRIPTIONS	2,511	2,569	2,317	3,030	31%
505700 MISCELLANEOUS	265	-	-	-	0%
SUBTOTAL	159,863	140,937	143,601	147,475	3%

Fire-Rescue – Fire Suppression

531

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	1,842,499	1,878,447	1,898,710	1,952,409	3%
OPERATIONS	222,727	281,655	240,174	215,688	-10%
CAPITAL OUTLAY	912,656	18,455	160,000	0	-100%
TOTAL	2,977,881	2,178,557	2,298,884	2,168,097	-6%

DETAIL

500200 SALARIES	1,378,290	1,401,850	1,408,941	1,420,642	1%
500201 OVERTIME	21,682	25,199	32,000	32,000	0%
500500 FICA	102,158	104,001	110,402	108,856	-1%
500600 INSURANCE	226,320	231,126	207,516	253,079	22%
500601 DISABILITY INSURANCE	1,346	1,368	1,392	1,392	0%
500700 RETIREMENT	68,086	69,618	91,500	90,211	-1%
500701 SUPPL RETIREMENT	42,019	42,916	43,229	42,619	-1%
FIREFIGHTER'S PENSION					
500705 FUNDS	2,598	2,369	3,730	3,610	-3%
500800 TRAINING	24,326	20,522	23,040	33,040	43%
501100 POSTAGE	-	-	-	-	0%
501200 TELEPHONE	58	-	-	-	0%
501600 M & R EQUIP	14,036	13,251	16,080	26,636	66%
501700 VEHICLE REPAIR	22,900	25,611	26,625	23,325	-12%
502500 PRINTING	24	-	-	-	0%
503100 FUEL	15,531	14,012	24,713	25,567	3%
503300 DEPT SUPPLIES	68,393	123,436	49,426	49,426	0%
503300-					
53001 CAR SEAT PROGRAM	2,420	2,065	2,500	2,500	0%
503307 VEHICLE SUPPLIES	1,006	1,063	1,006	1,006	0%
503600 UNIFORMS	30,583	30,769	41,188	41,188	0%
504500 CONTRACT SVCS	31,818	39,134	42,796	-	-100%
505800 MEDICAL EXAMS	8,942	9,114	9,756	9,956	2%
506002 PROGRAM INSURANCE	2,689	2,679	3,044	3,044	0%
507400 EQUIPMENT	-	9,200	-	-	0%
507401 VEHICLES	912,656	9,255	160,000	-	-100%
SUBTOTAL	2,977,881	2,178,557	2,298,884	2,168,097	-6%

Fire-Rescue – *Fire Prevention and Safety*

532

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	68,109	66,281	65,241	68,409	5%
OPERATIONS	12,944	16,895	15,609	17,654	13%
CAPITAL OUTLAY	-	26,025	-	-	0%
TOTAL	81,053	109,201	80,850	86,063	6%

DETAIL

500200 SALARIES	54,814	50,639	50,500	50,918	1%
500500 FICA	3,798	3,694	3,869	3,901	1%
500600 INSURANCE	5,158	7,928	6,121	8,800	44%
500601 DISABILITY INSURANCE	23	30	29	29	0%
500700 RETIREMENT	2,669	2,468	3,207	3,233	1%
500701 SUPPL RETIREMENT	1,647	1,522	1,515	1,528	1%
500800 TRAINING	99	412	2,500	2,500	0%
501700 VEHICLE REPAIR	1,726	4,567	2,500	1,000	-60%
502500 PRINTING	85	372	450	450	0%
503100 FUEL	2,671	3,951	3,659	3,734	2%
503200 OFFICE SUPPLIES	1,519	1,210	1,500	1,500	0%
503300 DEPT SUPPLIES	6,343	5,595	5,000	8,470	69%
503307 VEHICLE SUPPLIES	-	787	-	-	0%
503600 UNIFORMS	600	-	-	-	0%
507401 VEHICLE	-	26,025	-	-	0%
SUBTOTAL	81,152	109,201	80,850	86,063	6%

Planning

PLANNING - DEPARTMENTAL TOTAL

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
SUMMARY					
PERSONNEL	967,266	974,869	993,263	991,699	0%
OPERATIONS	143,531	123,322	165,935	172,321	4%
CAPITAL OUTLAY	-	26,922	-	28,000	0%
TOTAL	1,110,796	1,125,113	1,159,198	1,192,020	3%

Planning – Supervision

540

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
SUMMARY					
PERSONNEL	467,667	461,283	472,398	455,260	-4%
OPERATIONS	55,736	28,613	47,175	54,221	15%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	523,403	489,896	519,573	509,481	-2%

DETAIL

500200	SALARIES	367,636	364,466	371,910	347,603	-7%
500400	TEMPORARY SALARY	-	-	-	-	0%
500500	FICA	26,369	26,074	28,275	26,639	-6%
500600	INSURANCE	44,053	41,312	36,726	47,803	30%
500601	DISABILITY INSURANCE	663	714	714	714	0%
500700	RETIREMENT	17,894	17,762	23,616	22,073	-7%
500701	SUPL RETIREMENT	11,052	10,954	11,157	10,428	-7%
500800	TRAINING	165	402	4,000	4,000	0%
501000	CONFERENCES	575	261	4,500	4,500	0%
501100	POSTAGE	397	1,547	1,500	1,500	0%
501400	TRAVEL	129	1,124	700	700	0%
501600	M & R EQUIP	-	-	550	100	-82%
501700	VEHICLE REPAIR	145	15	-	-	0%
502100	RENT	3,657	3,675	4,000	4,000	0%
502500	PRINTING	1,242	901	2,250	2,050	-9%
502600	ADVERTISING	1,460	3,012	2,700	2,300	-15%
503100	FUEL	221	245	350	250	-29%
503200	OFFICE SUPPLIES	36	33	1,000	1,000	0%
503300	DEPT SUPPLIES	2,666	3,171	5,000	5,000	0%
503600	UNIFORMS	-	-	200	100	-50%
504500	CONTRACT SVCS	41,867	11,539	17,159	17,031	-1%
504500			791			
54004	RAIN DEMO GARDEN					0%
505300	DUES & SUBSCRIPTIONS	2,062	1,897	3,266	2,500	-23%
505700	MISCELLANEOUS	1,114	-	-	9,190	0%
507400	EQUIPMENT					0%
	SUBTOTAL	523,403	489,896	519,573	509,481	-2%

Planning – Zoning
541

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	263,798	272,277	281,590	294,072	4%
OPERATIONS	75,013	82,722	101,265	101,478	0%
CAPITAL OUTLAY	-	-	-	28,000	0%
TOTAL	338,810	354,999	382,855	423,550	11%

DETAIL

500200 SALARIES	202,095	208,702	218,183	218,183	0%
500500 FICA	14,515	15,014	16,708	16,708	0%
500600 INSURANCE	31,027	31,864	26,014	38,496	48%
500601 DISABILITY INSURANCE	258	258	285	285	0%
500700 RETIREMENT	9,832	10,170	13,855	13,855	0%
500701 SUPPL RETIREMENT	6,070	6,270	6,545	6,545	0%
500800 TRAINING	-	115	2,000	2,000	0%
500900 PROFESSIONAL SERV	-	-	-	-	0%
501000 CONFERENCES	390	-	3,000	3,000	0%
501100 POSTAGE	257	111	500	500	0%
501200 PHONES	-	164	250	-	-100%
501400 TRAVEL	-	6	300	300	0%
501600 M & R EQUIPMENT	-	-	630	630	0%
501700 MOTOR VEH REPAIR	210	26	600	600	0%
502500 PRINTING	1,349	693	1,500	1,500	0%
502600 ADVERTISING	447	243	500	500	0%
503100 FUEL	193	107	700	617	-12%
503200 OFFICE SUPPLIES	0	3	500	200	-60%
503300 DEPT SUPPLIES	353	245	1,400	1,400	0%
53307 VEHICLE SUPPLIES				846	0%
503600 UNIFORMS	-	-	400	400	0%
504500 CONTRACT SVCS	-	-	600	600	0%
504536 ENGINEERING	70,887	80,134	87,000	87,000	0%
505300 DUES & SUBSCRIPTIONS	927	875	1,385	1,385	0%
507401 VEHICLES	-	-	-	28,000	0%
SUBTOTAL	338,810	354,999	382,855	423,550	11%

Planning – Inspections

542

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	235,801	241,309	239,275	242,367	1%
OPERATIONS	12,782	11,987	17,495	16,622	-5%
CAPITAL OUTLAY	-	26,922	-	-	0%

TOTAL

248,583	280,218	256,770	258,989	1%
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DETAIL

500200	SALARIES	185,515	190,401	188,520	186,364	-1%
500500	FICA	13,710	14,101	14,439	14,274	-1%
500600	INSURANCE	21,659	21,476	18,363	23,978	31%
500601	DISABILITY INSURANCE	328	330	326	326	0%
500700	RETIREMENT	9,019	9,279	11,971	11,834	-1%
500701	SUPL RETIREMENT	5,571	5,723	5,656	5,591	-1%
500800	TRAINING	3,772	991	4,500	4,500	0%
501000	CONFERENCES	2,511	1,526	2,200	2,200	0%
501100	POSTAGE	80	78	100	100	0%
501200	PHONES	1,415	1,170	1,400	1,400	0%
501400	TRAVEL	-	-	500	500	0%
501700	VEHICLE REPAIR	793	3,539	1,200	1,200	0%
502500	PRINTING	723	636	730	730	0%
502600	ADVERTISING	-	-	100	100	0%
503100	FUEL	2,034	1,745	3,000	2,177	-27%
503200	OFFICE SUPPLIES	-	-	425	375	-12%
503300	DEPT SUPPLIES	639	114	1,200	1,200	0%
503307	VEHICLE SUPPLIES	-	820	-	-	0%
503600	UNIFORMS	588	1,013	1,200	1,200	0%
504500	CONTRACT SVCS	-	-	400	400	0%
505300	DUES & SUBSCRIPTIONS	227	355	540	540	0%
507401	VEHICLE	-	26,922	-	-	0%
SUBTOTAL		248,583	280,218	256,770	258,989	1%

Transportation

543

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	1,033,837	1,032,835	1,064,150	1,064,150	0%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL

1,033,837	1,032,835	1,064,150	1,064,150	0%
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DETAIL

504500	CONTRACT SERVICES	1,033,837	1,032,835	1,064,150	1,064,150	0%
SUBTOTAL		1,033,837	1,032,835	1,064,150	1,064,150	0%

Public Works

PUBLIC WORKS - DEPARTMENTAL TOTAL

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
SUMMARY					
PERSONNEL	1,774,097	1,725,324	1,839,740	1,839,580	0%
OPERATIONS	1,296,971	1,233,362	1,446,031	1,503,811	4%
CAPITAL OUTLAY	686,141	360,104	322,260	451,490	40%
TOTAL	3,757,210	3,318,790	3,608,031	3,794,881	5%

Public Works – Supervision

550

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
SUMMARY					
PERSONNEL	295,125	304,190	296,900	312,223	5%
OPERATIONS	17,590	12,659	30,546	29,479	-3%
CAPITAL OUTLAY	-	-	33,500	-	0%
TOTAL	312,716	316,848	360,946	341,702	-5%

DETAIL

500200 SALARIES	225,036	232,630	231,567	231,567	0%
500201 OVERTIME	-	1,018	1,000	1,000	0%
500500 FICA	15,827	16,461	17,792	17,791	0%
500600 INSURANCE	36,181	35,344	24,484	39,810	63%
500601 DISABILITY INSURANCE	311	311	310	310	0%
500700 RETIREMENT	10,987	11,405	14,769	14,768	0%
500701 SUPPL RETIREMENT	6,784	7,021	6,978	6,977	0%
500800 TRAINING	366	1,087	3,600	3,600	0%
500900 PROFESSIONAL SERVICE	6,290	2,025	10,000	10,000	0%
501000 CONFERENCES	903	1,764	3,000	3,000	0%
501100 POSTAGE	571	225	375	375	0%
501400 TRAVEL	-	-	-	-	0%
501600 M & R EQUIP	-	-	1,000	1,000	0%
501700 VEHICLE REPAIR	285	467	750	750	0%
502100 RENT	3,029	1,526	1,800	1,800	0%
502500 PRINTING	684	97	1,000	1,000	0%
502600 ADVERTISING	330	126	500	500	0%
503100 FUEL	2,260	1,928	2,960	2,904	-2%
503200 OFFICE SUPPLIES	1,123	1,514	1,500	1,500	0%
503300 DEPT. SUPPLIES	406	437	1,000	1,000	0%
503307 VEHICLE SUPPLIES	-	-	1,011	-	0%
503600 UNIFORMS	476	601	750	750	0%
504500 CONTRACT SVCS	26	-	-	-	0%
505300 DUES&SUBS	840	861	1,300	1,300	0%
505700 MISCELLANEOUS	50	-	-	-	0%
507400 EQUIPMENT	23,704	-	-	-	0%
507401 VEHICLE	-	-	33,500	-	0%
SUBTOTAL	336,469	316,848	360,946	341,702	-5%

Public Works – Street Maintenance

560

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	511,508	480,833	539,145	545,439	1%
OPERATIONS	408,794	350,785	404,921	400,852	-1%
CAPITAL OUTLAY	366,221	36,818	87,630	451,490	415%

TOTAL	1,286,523	868,436	1,031,696	1,397,781	35%
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DETAIL

500200 SALARIES	384,775	355,275	402,940	389,167	-3%
500201 OVERTIME	1,914	4,394	5,000	5,000	0%
500500 FICA	28,389	25,941	31,208	30,154	-3%
500600 INSURANCE	65,291	66,401	61,210	83,592	37%
500601 DISABILITY INSURANCE	643	408	643	672	0%
500700 RETIREMENT	18,855	17,577	25,905	25,030	-3%
500701 SUPPL RETIREMENT	11,641	10,837	12,239	11,825	-3%
500800 TRAINING	1,140	793	3,000	3,000	0%
500811 COMM DR LICENSE	221	110	160	200	25%
501600 M & R EQUIP	7,657	13,209	7,000	13,500	93%
501700 VEHICLE REPAIR	15,069	25,758	18,000	11,500	-36%
502100 RENT	2,492	1,725	3,500	3,500	0%
503000 UTILITIES	144,275	149,420	141,210	141,210	0%
503100 FUEL	18,543	13,980	24,360	26,576	9%
503300 DEPTL SUPPLIES	62,643	55,462	81,900	76,400	-7%
503304 TRAFFIC CALMING	-	1,041	9,800	10,800	10%
503307 VEHICLE SUPPLIES	1,006	1,029	1,812	-	-100%
503600 UNIFORMS	3,554	3,069	4,000	4,000	0%
504500 CONTRACT SVCS	85,094	84,971	109,904	109,866	0%
505300 DUES & SUBSCRIPTIONS OW ASA SEWER FEE	140	220	275	300	9%
506200 REIMBURSEMENT	-	-	-	-	0%
507300 STREET CONSTRUCTION	66,961	-	-	-	0%
507400 EQUIPMENT	-	-	21,630	-	-100%
507401 VEHICLES	106,900	36,818	66,000	-	-100%
507402 OTHER ASSETS	259,321	-	-	451,490	0%
507403 CONSTRUCTION ACTIVITY	-	-	-	-	0%
SUBTOTAL	1,286,523	868,436	1,031,696	1,397,781	35%

Public Works – Solid Waste Management

580

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	305,348	314,146	317,549	335,869	6%
OPERATIONS	482,363	438,656	493,793	528,261	7%
CAPITAL OUTLAY	233,371	238,698	154,000	-	-100%
TOTAL	1,021,082	991,499	965,342	864,130	-10%

DETAIL

500200 SALARIES	223,691	226,024	233,983	236,543	1%
500201 OVERTIME	755	1,325	500	500	0%
500500 FICA	16,101	15,969	17,938	18,134	1%
500600 INSURANCE	46,777	52,514	42,847	58,173	36%
500601 DISABILITY INSURANCE	351	398	356	356	0%
500700 RETIREMENT	10,928	11,084	14,890	15,052	1%
500701 SUPPL RETIREMENT	6,745	6,832	7,035	7,111	1%
500800 TRAINING	170	35	1,000	1,000	0%
500811 COMM DRIVERS LIC	-	176	150	150	0%
501600 M & R EQUIP	-	-	750	750	0%
501700 M&R VEHICLES	45,305	37,919	35,000	35,000	0%
502500 PRINTING	4,360	1,275	2,550	2,770	9%
503100 FUEL	49,789	41,147	68,891	75,475	10%
503300 DEPT SUPPLIES	6,096	5,587	7,600	8,380	10%
503303 PUR FOR RESALE	16,625	-	4,400	4,400	0%
503306 YARD WASTE CARTS	3,120	2,820	3,600	4,700	31%
503307 VEHICLE SUPPLIES	1,006	1,604	1,006	1,006	0%
503600 UNIFORMS	2,707	2,521	2,800	2,800	0%
504500 CONTRACT SERVICES	35	-	-	-	0%
504701 LANDFILL FEES	353,152	345,572	366,046	391,830	7%
505700 MISCELLANEOUS	197	-	-	-	0%
507401 VEHICLES	233,371	238,698	154,000	-	-100%
SUBTOTAL	1,021,279	991,499	965,342	864,130	-10%

Public Works – Central Services

590

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	150,076	152,428	156,290	156,290	0%
OPERATIONS	205,560	252,301	276,259	297,967	8%
CAPITAL OUTLAY	85,949	60,629	-	-	0%
TOTAL	441,585	465,358	432,549	454,257	5%

DETAIL

500200 SALARIES	113,917	116,211	115,516	115,516	0%
500201 OVERTIME	1,142	1,057	2,000	2,000	0%
500500 FICA	8,754	8,969	8,990	8,990	0%
500600 INSURANCE	16,749	16,452	18,363	18,364	0%
500601 DISABILITY INSURANCE	435	435	432	432	0%
500700 RETIREMENT	5,614	5,756	7,463	7,462	0%
500701 SUPPL RETIREMENT	3,465	3,549	3,526	3,525	0%
500800 TRAINING	-	-	500	500	0%
501200 TELEPHONE	5,750	5,623	6,000	6,000	0%
501600 M & R EQUIP	50	-	500	-	-100%
501601 M & R BUILDINGS	43,736	62,051	71,350	77,550	9%
501700 M VEHICLE REPAIR	446	1,979	700	700	0%
502100 RENT	-	-	500	700	40%
503000 UTILITIES	80,108	101,134	119,200	122,480	3%
503100 FUEL	2,366	2,690	3,509	4,153	18%
503101 FUEL SYSTEM	600	1,020	-	-	0%
503300 DEPARTMENTAL SUPPLIES	12,574	17,314	13,000	18,510	42%
503307 VEHICLE SUPPLIES	-	484	250	-	-100%
503600 UNIFORMS	1,299	1,272	1,400	1,404	0%
504500 CONTRACT SVCS	58,632	58,735	59,350	65,970	11%
507400 EQUIPMENT	2,034	12	-	-	0%
507401 VEHICLE	-	16,442	-	-	0%
507402 OTHER CAPITAL ASSETS	83,915	44,175	-	-	0%
SUBTOTAL	441,585	465,358	432,549	454,257	5%

Public Works – Fleet Maintenance

591

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	155,681	166,210	168,035	168,061	0%
OPERATIONS	22,712	23,631	31,876	39,763	25%
CAPITAL OUTLAY	-	23,959	-	0	0%
TOTAL	178,392	213,800	199,911	207,824	4%

DETAIL

500200 SALARIES	121,032	128,407	127,190	127,190	0%
500201 OVERTIME	138	876	500	500	0%
500500 FICA	9,312	9,960	9,769	9,768	0%
500600 INSURANCE	15,415	16,452	18,363	18,391	0%
500601 DISABILITY INSURANCE	217	275	273	273	0%
500700 RETIREMENT	5,915	6,335	8,109	8,108	0%
500701 SUPPL RETIREMENT	3,652	3,906	3,831	3,831	0%
500800 TRAINING	250	38	2,150	2,150	0%
500811 COM DRIVERS LIC	253	-	100	165	65%
501600 M & R EQUIP	2,024	1,349	2,000	2,000	0%
501700 MOTOR VEHICLE REPAIR	1,627	5,970	2,626	2,626	0%
503100 FUEL	3,676	2,323	4,025	4,447	10%
503300 DEPT SUPPLIES	6,041	7,642	6,600	13,400	103%
503307 VEHICLE SUPPLIES	-	725	-	-	0%
503600 UNIFORMS	1,481	1,248	1,400	1,400	0%
504500 CONTRACT SERVICES	7,359	4,337	12,975	13,575	5%
507400 EQUIPMENT	-	-	-	-	0%
507401 VEHICLES	-	23,959	-	-	0%
SUBTOTAL	178,392	213,800	199,911	207,824	4%

Public Works – Landscaping

592

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	356,360	307,518	361,821	321,697	-11%
OPERATIONS	159,953	155,330	208,636	207,489	-1%
CAPITAL OUTLAY	600	-	47,130	-	-100%
TOTAL	516,913	462,848	617,587	529,186	-14%

DETAIL

500200 SALARIES	255,986	223,346	262,591	224,069	-15%
500201 OVERTIME	1,331	4,071	1,500	2,200	47%
500500 FICA	18,883	16,312	20,203	17,310	-14%
500600 INSURANCE	57,573	43,574	50,498	54,683	8%
500601 DISABILITY INSURANCE	274	246	296	239	-19%
500700 RETIREMENT	12,535	11,091	16,770	14,368	-14%
500701 SUPPL RETIREMENT	7,737	6,836	7,923	6,788	-14%
500702 RETIRE SETTLEMT	2,040	2,040	2,040	2,040	0%
500800 TRAINING	305	1,692	1,500	1,500	0%
500811 COM.DRIVERS LICENSE	165	221	200	200	0%
501600 M & R EQUIP	7,074	16,262	9,000	9,000	0%
501602 M & R PARKS	1,440	-	2,500	2,500	0%
501603 M & R GROUNDS	-	-	1,500	1,000	-33%
501700 VEHICLE REPAIR	2,964	6,025	8,000	7,500	-6%
502100 RENT	-	60	1,000	1,000	0%
503000 UTILITIES	1,552	29	-	-	0%
503001 UTILITIES-PARKS	28,573	28,988	35,120	35,100	0%
503100 FUEL	14,159	10,668	19,800	19,009	-4%
503300 DEPT SUPPLIES	19,014	17,718	27,050	27,000	0%
503301 PARKS/SUPPLIES	27,773	16,444	30,230	31,000	3%
503307 VEHICLE SUPPLIES	-	-	756	-	-100%
503600 UNIFORMS	3,724	2,354	3,600	2,800	-22%
504500 CONTRACT SERVICES	53,211	54,869	68,080	69,580	2%
505300 DUES AND SUBSCRIPTIONS	-	-	300	300	0%
507400 EQUIPMENT	-	-	22,130	-	-100%
507401 VEHICLES	600	-	25,000	-	-100%
SUBTOTAL	516,913	462,848	617,587	529,186	-14%

Recreation and Parks

RECREATION AND PARKS - DEPARTMENTAL TOTAL

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2010/11 FROM 2009/10
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SUMMARY

PERSONNEL	951,195	968,964	1,026,212	1,049,408	2%
OPERATIONS	256,269	274,451	346,131	346,990	0%
CAPITAL OUTLAY	27,555	39,581	-	31,800	0%
TOTAL	1,235,019	1,282,996	1,372,343	1,428,198	4%

Recreation and Parks – Supervision

620

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	105,308	107,609	109,056	109,083	0%
OPERATIONS	8,983	11,186	18,134	18,104	0%
CAPITAL OUTLAY	6,232	-	-	-	0%
TOTAL	120,523	118,795	127,190	127,187	0%

DETAIL

500200 SALARIES	86,367	88,352	87,863	87,863	0%
500500 FICA	6,537	6,687	6,730	6,730	0%
500600 INSURANCE	5,530	5,484	6,121	6,148	0%
500601 DISABILITY INSURANCE	76	127	127	127	0%
500700 RETIREMENT	4,202	4,304	5,579	5,579	0%
500701 SUPPL RETIREMENT	2,595	2,654	2,636	2,636	0%
500800 TRAINING	1,429	472	1,330	1,300	-2%
501000 CONFERENCES	390	-	500	500	0%
501100 POSTAGE	430	300	550	550	0%
502100 RENT	5,933	6,052	6,000	6,000	0%
502500 PRINTING	-	-	865	865	0%
503200 OFFICE SUPPLIES	-	-	1,700	1,700	0%
503300 DEPT SUPPLIES	511	666	1,989	1,989	0%
504500 CONTRACT SERVICES	-	3,456	4,900	4,900	0%
505300 DUES/SUBSCRIPTIONS	300	166	300	300	0%
505600 CASH OVER/SHORT	(10)	75	-	-	0%
507400 EQUIPMENT	6,232	-	-	-	0%
SUBTOTAL	120,523	118,795	127,190	127,187	0%

Recreation and Parks – *Playgrounds and Parks*

621

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	4,502	4,504	16,390	16,390	0%
CAPITAL OUTLAY	21,323	39,581	-	-	0%
TOTAL	25,825	44,085	16,390	16,390	0%

DETAIL

500800 TRAINING	-	-	-	-	0%
500900 PROF SERVICES	-	-	7,000	7,000	0%
501200 PHONE	1,400	1,114	1,050	1,050	0%
501602 M & R PARKS	796	1,077	2,870	2,870	0%
502100 RENT	1,855	1,814	2,870	2,870	0%
502600 ADVERTISING	13	-	500	500	0%
503300 DEPT SUPPLIES	438	499	2,100	2,100	0%
507402 OTHER CAPITAL ASSETS	21,323	39,581	-	-	0%
SUBTOTAL	25,825	44,085	16,390	16,390	0%

Recreation and Parks – Athletics

622

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	282,251	287,716	313,040	313,052	0%
OPERATIONS	76,950	90,278	98,843	99,346	1%
CAPITAL OUTLAY	-	-	-	15,800	0%
TOTAL	359,201	377,993	411,883	428,198	4%

DETAIL

500200 SALARIES	165,323	167,381	165,355	165,355	0%
500400 TEMPORARY SALARIES	69,190	72,192	93,830	93,830	0%
500500 FICA	17,942	18,309	19,828	19,838	0%
500600 INSURANCE	16,591	16,452	18,363	18,364	0%
500601 DISABILITY INSURANCE	204	204	203	204	0%
500700 RETIREMENT	8,037	8,151	10,500	10,500	0%
500701 SUPPL RETIREMENT	4,963	5,026	4,961	4,961	0%
500800 TRAINING	239	-	900	900	0%
501100 POSTAGE	1,541	446	2,290	2,290	0%
501200 TELEPHONE	458	242	360	320	-11%
501600 M & R EQUIP	-	-	150	150	0%
501700 MOTOR VEH REPAIR	43	113	500	500	0%
502100 RENT	19,183	29,832	26,805	26,805	0%
502500 PRINTING	5,223	590	2,300	2,300	0%
502600 ADVERTISING	-	568	200	200	0%
503100 FUEL	445	378	550	687	25%
503200 OFFICE SUPPLIES	115	382	700	700	0%
503300 DEPT SUPPLIES	18,474	21,441	23,456	23,382	0%
503307 VEHICLE SUPPLIES				480	0%
503600 UNIFORMS	18,084	21,866	22,922	22,922	0%
504500 CONTRACTS	12,646	13,857	16,940	16,940	0%
505300 DUES/SUBSCRIPTIONS	499	561	770	770	0%
507401 VEHICLES	-	-		15,800	0%
SUBTOTAL	359,201	377,993	411,883	428,198	4%

Recreation and Parks – General Programs

623

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	260,408	264,067	277,387	284,581	3%
OPERATIONS	161,284	160,617	197,231	197,617	0%
CAPITAL OUTLAY	-	-	-	16,000	0%

TOTAL	421,692	424,684	474,618	498,198	5%
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DETAIL

500200 SALARIES	134,001	137,025	136,216	136,216	0%
500300 PARTTIME SALARIES	407	-	-	-	0%
500400 TEMPORARY SALARIES	77,958	76,959	92,430	91,347	-1%
500500 FICA	15,642	15,219	17,492	17,423	0%
500600 INSURANCE	21,745	23,920	18,363	26,709	45%
500601 DISABILITY INSURANCE	107	151	150	150	0%
500700 RETIREMENT	6,522	6,677	8,650	8,650	0%
500701 SUPPL RETIREMENT	4,026	4,117	4,086	4,086	0%
500800 TRAINING	1,013	1,083	1,600	1,600	0%
501100 POSTAGE	2,959	4,674	4,200	4,200	0%
501200 TELEPHONE	371	355	360	360	0%
501400 TRAVEL	-	-	-	-	0%
501600 M & R EQUIP	-	-	150	150	0%
501700 VEHICLE REPAIR	88	141	550	550	0%
502100 RENT	3,853	6,060	5,527	5,527	0%
502500 PRINTING	8,832	13,561	19,700	19,700	0%
502600 ADVERTISING	1,603	2,631	2,000	2,000	0%
503100 FUEL	884	654	1,132	1,059	-6%
503200 OFFICE SUPPLIES	975	301	700	700	0%
503300 DEPT SUPPLIES	19,980	20,088	20,750	20,723	0%
503307 VEHICLE SUPPLIES	-	-	-	486	0%
503600 UNIFORMS	2,180	209	2,400	2,400	0%
504500 CONTRACT SERVICES	60,122	56,062	75,844	75,844	0%
504702 SPECIAL CLASSES	-	-	-	-	0%
504703 COMMUNITY EVENTS	57,795	54,302	61,400	-	-100%
54100 Carrboro Day	-	-	-	5,700	0%
54200 Music Festival	-	-	-	25,500	0%
54300 Poetry Alive	-	-	-	3,250	0%
54400 July 4th	-	-	-	19,200	0%
54600 Film Festival	-	-	-	7,750	0%
505300 DUES/SUBSCRIPTIONS	630	495	918	918	0%
507401 VEHICLES	-	-	-	16,000	0%
SUBTOTAL	421,692	424,684	474,618	498,198	5%

Recreation and Parks – *Recreation Facilities*

624

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011/12 FROM 2010/11
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SUMMARY

PERSONNEL	303,228	309,572	326,729	342,692	5%
OPERATIONS	4,550	7,867	15,533	15,533	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	307,778	317,439	342,262	358,225	5%

DETAIL

500200 SALARIES	144,326	149,189	151,668	157,735	4%
500300 PARTTIME SALARIES	74,292	76,251	76,054	77,503	2%
500400 TEMPORARY SERVICES	29,262	27,388	35,532	35,532	0%
500500 FICA	18,785	19,148	20,139	20,250	1%
500600 INSURANCE	21,436	21,935	24,484	29,890	22%
500601 DISABILITY INSURANCE	156	196	204	248	22%
500700 RETIREMENT	10,637	10,984	14,119	14,625	4%
500701 SUPPL RETIREMENT	4,334	4,481	4,529	6,909	53%
500800 TRAINING	-	535	1,500	1,500	0%
501000 CONFERENCES	390	195	400	400	0%
501100 POSTAGE	107	198	700	700	0%
501200 TELEPHONE	204	304	510	510	0%
501400 TRAVEL	771	381	800	800	0%
501600 M & R EQUIP	190	681	1,490	1,490	0%
501601 M & R BUILDINGS	200	-	1,200	1,200	0%
502500 PRINTING	0	-	800	800	0%
502600 ADVERTISING	130	469	800	800	0%
503200 OFFICE SUPPLIES	339	282	1,000	1,000	0%
503300 DEPT SUPPLIES	455	2,971	3,796	3,796	0%
504500 CONTRACTUAL SVCS	-	-	600	600	0%
505300 DUES/SUBSCRIPTIONS	1,765	1,851	1,937	1,937	0%
SUBTOTAL	307,778	317,439	342,262	358,225	5%

Nondepartmental

NONDEPARTMENTAL - TOTAL

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
SUMMARY					
PERSONNEL	-	-	441,248	459,638	4%
OPERATIONS	1,551,099	404,562	247,000	47,000	-81%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	1,551,099	404,562	688,248	506,638	-26%

Nondepartmental – General Nondepartmental

660

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
SUMMARY					
PERSONNEL	-	-	441,248	459,638	4%
OPERATIONS	-	-	35,000	35,000	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	-	-	476,248	494,638	4%
DETAIL					
500202 SERVICE BENEFIT	-	-	51,000	51,000	0%
500203 PA Y PLAN ADJUSTMENTS	-	-	119,400	196,319	64%
500601 DISABILITY INS	-	-	-	-	0%
500603 HEALTH INSURANCE	-	-	270,848	159,971	-41%
505700 MISCELLANEOUS	-	-	-	52,348	0%
580000 CONTINGENCY	-	-	15,000	15,000	0%
581008 FUEL CONTINGENCY	-	-	20,000	20,000	0%
SUBTOTAL	-	-	476,248	494,638	4%

Nondepartmental – Transfers

661

2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2012 FROM 2011
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	1,551,099	404,562	212,000	12,000	-94%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL	1,551,099	404,562	212,000	12,000	-94%
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DETAIL

595007 TRANSFER TO REVOLVING LOAN FUND			-	-	0%
592007 TRANSFER TO CAPITAL RESERVE	1,121,099	252,679	212,000	12,000	-94%
593007 TRANSFER TO CAPITAL PROJ FUND	430,000	151,883	-	-	0%
594009 TRANSFER TO BOND FUND	1,000			-	0%
597009 TRANSFER TO AFFORDABLE HOUSING	48,000			-	0%

SUBTOTAL	1,551,099	404,562	212,000	12,000	-94%
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Debt Service

662

	2008-09 ACTUAL	2009-10 ACTUAL	2010-11 ADOPTED BUDGET	2011-12 ADOPTED BUDGET	% CHANGE 2011-12 FROM 2010-11
SUMMARY					
PERSONNEL	-	-	-	-	0%
OPERATIONS	1,427,902	1,477,718	1,548,915	1,402,111	-9%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	1,427,902	1,477,718	1,548,915	1,402,111	-9%
DETAIL					
502102 EQP/VEHICLE - PRINCIPAL	726,266	799,443	732,704	595,275	-19%
502103 EQP/VEHICLE - INTEREST	82,414	57,241	64,345	25,890	-60%
504500 CONTRACTED SERVICES	1,599	19,949	10,000	29,018	190%
505700 MISCELLANEOUS	-	-	-	-	0%
571000 FIRE&RECREATION PRINCIPAL	75,750	-	-	-	0%
571002 90 STREETS BOND PRINCIPAL	26,107	26,107	-	-	0%
571003 CENTURY CTR PRINCIPAL	163,438	169,580	176,045	182,708	4%
571004 MARTIN LUTHER KING PARK -PRINCIPAL	18,898	19,660	20,452	21,276	4%
571005 PUBLIC WORKS LAND - PRINCIPAL	51,133	51,133	51,133	51,133	0%
571007 ADAMS TRACT - PRINCIPAL	40,000	40,000	40,000	40,000	0%
571008 SIDEWALKS - PRINCIPAL	-	-	-	-	0%
571009 FIRE SUBSTATION - PRINCIPAL	-	108,333	216,667	216,667	0%
572000 FIRE&RECREATION INTEREST	2,047	-	-	-	0%
572002 90 STREETS BOND INTEREST	1,386	594	-	-	0%
572003 CENTURY CTR INTEREST	66,441	60,298	53,834	47,171	-12%
572004 MARTIN LUTHER KING PARK -INTEREST	5,774	5,013	4,221	3,397	-20%
572005 PUBLIC WORKS LAND - INTEREST	19,034	16,907	14,880	12,827	-14%
572007 ADAMS TRACT - INTEREST	19,680	18,040	16,400	14,760	-10%
572008 SIDEWALKS - INTEREST	127,935	19,281	22,573	45,146	100%
572009 FIRE SUBSTATION - INTEREST	-	66,138	125,661	116,843	0%
SUBTOTAL	1,427,902	1,477,718	1,548,915	1,402,111	-9%

GLOSSARY

Ad Valorem tax - A tax levied in proportion to the value of a property.

Annual Budget - A budget covering a single fiscal year.

Appropriated Fund Balance – The amount of fund balance budgeted as revenue to offset expenses that exceed current revenue.

Appropriation - The amount budgeted on a yearly basis to cover projected expenditures which the Board of Aldermen legally authorizes through the budget ordinance.

Approved Budget - The budget as formally adopted by the Board of Aldermen for the upcoming fiscal year.

Assessed Valuation - The estimated dollar value placed upon real and personal property by the county assessor as the basis for levying property taxes. The General Assembly exempted household personal property from taxation effective July 1, 1987.

Audit – An examination, usually by an official or private accounting firm retained by the Board that reports on the accuracy of the annual financial report.

Authorized Positions - Employee positions that are authorized in the adopted budget to be filled during the fiscal year.

Balanced Budget - Occurs when planned expenditures equal anticipated revenues. In North Carolina, it is required that the budget submitted to the Board of Aldermen be balanced.

“Better Together” Initiative – an internal organizational development process begun in FY05-06 with the vision of growing a better organization: by promoting a quality work environment for all employees, and an effective organizational communication and teamwork in order to provide excellent service to the community.

Bond - A written promise to pay a specific amount of money with interest within a specific time period, usually long-term.

Bond Rating - A grade indicating a governmental unit’s investment qualities. Generally speaking, the higher bond rating, the more favorable the interest rate and the lower the cost of financing capital projects funded by bonds. A high rating is indicative of the government’s strong financial position. Ratings range from AAA (highest) to D (lowest).

Bond Anticipation Note (BAN) – The Town may issue bond anticipation notes to provide preliminary financing of bond-funded projects in anticipation of the later issuance of a portion of the previously-authorized bonds.

Budget - A financial plan for a specified period of time that matches planned revenues and expenditures with various Town services.

Budget Message - A written overview of the proposed budget from the Town Manager to the Board of Aldermen. This overview discusses the major budget items of the Manager’s budget.

Comprehensive Annual Financial Report (CAFR) - The official annual report of a government.

Capital Improvements Plan (CIP) - A long term plan of proposed capital improvement projects including estimated project costs and funding sources the Town expects to undertake within a five year period. The plan is updated annually to reassess capital needs.

Capital Outlay - An expenditure that results in the acquisition of or addition to a fixed asset.

Capital Project Fund - A fund used to account for the acquisition or construction of major capital facilities and equipment.

Consumer Price Index (CPI) – A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (economic inflation).

Contingency - Appropriation intended for unanticipated expenditures. The Board of Aldermen controls transfer of these funds into an expendable account.

Debt Service - Principal, interest and administrative costs associated with the repayment of long-term debt.

Department - A major administrative division of the Town that has overall management responsibility for an operation within a functional area.

Encumbrances – An approved financial commitment for services, contracts, or goods which have not been delivered or performed.

Enterprise Fund - A grouping of activities whose expenditures are wholly or partially offset by revenues collected from consumers in the form of fees and charges.

Expenditures - The total cost of a program or capital project.

Fiscal Year (FY) - A 12 month period (July 1 through June 30) in which the annual operating budget applies and at the end of which an assessment is made of the Town's financial condition and performance of operations.

Fixed Asset – A capital item that has an acquisition cost of \$5,000 or more, is tangible, and has an expected minimum life of 1 year.

Fund - An accounting entity created to record the financial activity for a selected financial group.

Fund Balance - Funds accumulated through the under expenditure of appropriation and/or receiving revenues greater than anticipated and included in the budget.

General Fund - A fund which provides for the accounting for most of the basic government services, such as police, fire, sanitation, inspections, law enforcement, recreation, and other general services.

General Obligation Bonds - Bonds issued by a government which are backed by the full faith and credit of its taxing authority.

Geographic Information System (GIS) - An organized collection of computer hardware, software, geographic data, and personnel designed to efficiently capture,

store, update, manipulate, analyze, and display all forms of geographically referenced information.

Goal - A board statement of desired conditions to be maintained or achieved through the efforts of an organization.

Interest and Penalties Receivable on Taxes - Uncollected interest and penalties on property taxes.

Lease Purchase - A method of purchasing equipment in which payments are spread over a period of time.

Levy - The amount of tax, service charge, and assessment imposed by the government.

Line Item - A budgetary account representing a specific object of expenditure.

Local Government Commission (LGC) - The Local Government Commission, which is chaired by the State Treasurer, is an oversight body that ensures municipalities and other governmental units fulfill their statutory obligations with regard to State and local government finance.

Major Fund Reporting – General Government Accounting Principles require governmental fund data be presented separately for each individual major governmental fund. General Fund is always considered a major fund. The Non-major Funds include the Revolving Loan, Capital Projects, Grant, Capital Reserve, Payment in Lieu Reserve, and Affordable Housing Funds.

At a minimum, governmental funds other than the general fund must be reported as major funds if they meet both of the following criteria:

- 10% criterion. An individual governmental fund reports at least 10%

of any of the following: a)total governmental fund assets, b)total governmental fund liabilities, c) total governmental fund revenues, or d) total governmental fund expenditures

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- 5% criterion. An individual governmental fund reports at least 5% of the aggregated total for both governmental funds and enterprise funds of any one of the items for which it met the 10% criterion.

Modified Accrual - The basis of accounting for the Town. Under this system, expenditures are recognized when encumbered.

Midpoint of Salary – a rate that is half way between the minimum rate and maximum rate of a budgeted position.

National Fire Protection Association (NFPA) - An international nonprofit NFPA is to reduce the worldwide burden of fire and other hazards on the quality of life by providing and advocating consensus on codes and standards, research, training, and education.

Non-major Fund – see definition for Major Fund Reporting.

Objective - A specific statement of what is to be accomplished or achieved for a particular program during the fiscal year.

Operating Budget - The Town's financial plan which outlines proposed expenditures for the upcoming fiscal year and estimates revenues which will be used to finance them.

Operating Expenses - Those expenditures of a recurring nature, covering services and supplies necessary to operate individual departmental activities.

Orange Water and Sewer Authority (OWASA) – OWASA is the public, nonprofit water and sewer utility serving the Carrboro-Chapel Hill community. OWASA’s nine-member Board of Directors is appointed by the Carrboro Board of Aldermen, the Chapel Hill Town Council, and the Orange County Board of Commissioners.

Ordinance - A formal legislative enactment by the Board of Aldermen which has the full force and effect of law within the boundaries of the Town.

Occupational Safety and Health Act (OSHA) – Regulations passed by the US Department of Occupational Safety and Health Administration to assure safe and healthful working conditions for working men and women by authorizing enforcement of the standards developed under the Act.

Personal Property - Movable property classified within two categories; tangible and intangible. “Tangible” or touchable property includes items of visible and movable property not permanently affixed to real property. “Intangible” or non-touchable property includes stocks, bonds, notes, cash, bank deposits, accounts receivable, patents, trademarks, copyrights, and similar assets.

Personnel Services - Salaries and wages paid to employees for full-time, part-time, and temporary work, including overtime and similar compensation. Also included in this account group are fringe benefits paid for employees.

Program - A well-defined portion of the operating plan for which a distinct set of goals and objectives may be developed.

Property Tax - Tax paid by those owning property in the Town.

Property Tax Rate - The rate at which real property in the Town is taxed in order to produce revenues sufficient to conduct necessary governmental activities.

Real Property - Land, buildings, and items permanently affixed to land or buildings.

Real Property Value - The value of land and buildings which are taxable.

Reclassification - A change in the classification and corresponding job title of an existing position which results from a major change in assigned responsibilities.

Reserve - An account designed for a portion of the fund balance which is to be used for a specific purpose.

Revaluation - The process of revaluing a jurisdiction’s real property in order to adjust the tax value to the market value; by North Carolina law, a revaluation must be conducted at a minimum of every eight years. Orange County revalues property every four years. Property was revalued as of January 1, 2005.

Revenue - All funds that the Town government receives as income, including items such as tax payments, fees for specific services, receipts from other governments, fines, forfeitures, shared revenues, and interest income.

Revenue-neutral Tax Rate - The revenue-neutral tax rate, as defined by G.S. 159-11(e), is the rate that is estimated to produce revenue for the next fiscal year if no reappraisal had occurred. The rate is

then adjusted by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal. State law requires that units of local government, including public authorities, publish a revenue-neutral tax rate in the budget immediately following the completion of the general reappraisal of real property. The purpose of the revenue-neutral tax rate is to provide residents with comparative information.

Sales Tax - Tax paid by retail consumers in the Town.

Service Level - The amount of service provided during the fiscal year as indicated by one or more performance indicators.

Tax Levy - Revenue produced by applying a given tax rate to a property's assessed, or tax value.