



Fiscal Year 2012-13

ADOPTED BUDGET

TOWN OF CARRBORO
NORTH CAROLINA

ADOPTED BUDGET
FISCAL YEAR 2012-13

BOARD OF ALDERMEN

MARK CHILTON, MAYOR

DAN COLEMAN, MAYOR PRO-TEMPORE

JACQUELYN GIST, ALDERMAN

RANDEE HAVEN-O'DONNELL, ALDERMAN

MICHELLE JOHNSON, ALDERMAN

LYDIA LAVELLE, ALDERMAN

SAMMY SLADE, ALDERMAN

TOWN MANAGER

DAVID L. ANDREWS

DEPARTMENT HEADS

TRAVIS CRABTREE, FIRE

CAROLYN HUTCHISON, POLICE

ANITA JONES-MCNAIR, RECREATION & PARKS

ARCHE L. MCADOO, FINANCE

PATRICIA MCGUIRE, PLANNING

GEORGE SEIZ, PUBLIC WORKS

ANNETTE STONE, ECONOMIC AND COMMUNITY DEVELOPMENT

DESIREE WHITE, HUMAN RESOURCES

CATHY WILSON, TOWN CLERK

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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, 2011.

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 device. 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.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Carrboro
North Carolina**

For the Fiscal Year Beginning

July 1, 2011

Linda C. Danison Jeffrey P. Snow

President

Executive Director

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Reader's Guide to the Budget Document

The Mayor and Board of Aldermen, annually, adopt an operating budget ordinance for the Town as required by the North Carolina General Statutes (GS 159-13). The budget document describes the 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 the following sections.

- ☐ **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 outlining 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 by 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 that represents a department or expenditure category that is authorized within the budget ordinance, except for General Government, which includes numerous departments. Larger departments show divisions for each distinctive service provided. The reader is also provided information on each department with 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, 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 for FY 2012-2013 Through FY 2017-2018"

(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:

Arche L. McAdoo, Finance Director
Town of Carrboro
301 W. Main Street
Carrboro, NC 27510
Telephone: (919) 942-8541
Fax: (919) 918-4456
Email: amcadoo@townofcarrboro.org

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



May 1, 2012

To: Mayor and Board of Aldermen

I am pleased to submit to you the recommended budget for Fiscal Year 2012-13. This being my inaugural budget, my aim was to submit a budget that would:

1. Clearly reflect the Board's strategic priorities,
2. Maintain and enhance service delivery levels and quality,
3. Avoid increasing the tax burden for Town residents and local businesses, and
4. Provide some type of salary adjustment for Town employees.

These goals were achieved through a combination of strategies: some operating expenses were identified for reduction, frozen unfunded vacant positions have been eliminated, and capital requests were re-prioritized with some purchases deferred to future years.

To increase our information technology capacity, one full-time position has been recommended; and due to the increasing workload of the Planning Department the Planner/Zoning Specialist position has been funded. With the completion of the Weaver Street Reconstruction, the Town's major capital project is now the sidewalk and greenways bond initiatives.

The accompanying Executive Summary further outlines the overall budget priorities and strategies for fiscal year 2012-13.

On behalf of all Town of Carrboro employees, I want to thank the Mayor and Board of Aldermen for your leadership and dedication to the community. Your efforts are vitally important to Carrboro's unique identity and quality of life. I would also like to recognize and thank Mr. Arche McAdoo, Ms. Sandy Svoboda, and the entire Finance Department Team for their dedicated efforts in the development of the FY 2012-13 Town budget.

Sincerely,

David L. Andrews
Town Manager

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EXECUTIVE SUMMARY

BUDGET OVERVIEW

Recent economic indicators show that the national economy is improving overall, but at a pace slower than projected earlier. Nationally, the unemployment rate has lessened; new jobs are being created, and home sales are showing some improvement. The Conference Board's latest index of economic indicators rose for the sixth straight month which suggests a pick up in the national economy late this year. In North Carolina, economic indicators parallel those of the nation. However, the state's recent jobless rate at 9.7% continues to be higher than the national average of 8.2% and job growth is weak. There are, however, signs that the North Carolina economy is improving, particularly in retail sales growth. According to recent report from the North Carolina League of Municipalities, sales of general retail items (e.g. food, clothing, household goods, etc.) have grown steadily over the last year. There was some rebound in construction-related spending last fall due to home improvements and multi-family unit construction. Both leading economic indexes for the State show growth expectations for the near future with most economists predicting continued moderate growth during 2012 and 2013.

Locally there are signs that the economy is improving. Property tax and sales tax revenue collections through the third quarter are 3% and 7%, respectively, above last year at this time. Collections from fees and permits are 124% above last year's third quarter, which appears to be related to approved private developments beginning or nearing the construction phase.

Although the economy is improving, the Town did not want to be overly optimistic in its revenue estimates for the FY 2012-13 Budget. The Town continued the use of fiscal tools used over the past several years. Operating expenses were identified for reduction, several frozen vacant positions were eliminated, capital item requests were re-prioritized and some deferred for purchase in future years. These efforts were undertaken as part of an overall strategy to:

- Address Board priorities,
- Maintain current service delivery levels,
- Avoid increasing the tax burden for Town residents, and
- Provide an across-the-board salary adjustment for regular employees.

The total recommended general fund operating budget for FY 2012-13 is \$19,441,491, an increase of \$951,552 or 5.2%. By law, municipalities are required to have a balanced budget where revenues must equal budgeted expenditures. Highlights of Town revenues and expenditures follow.

BUDGET PROCESS

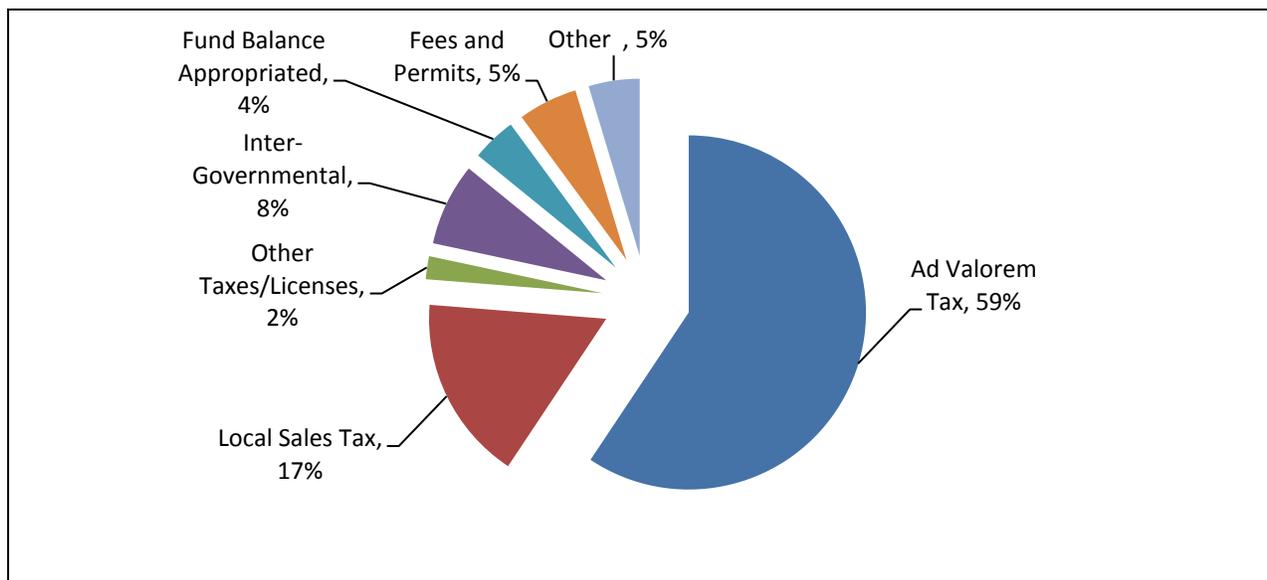
The budget process is similar to past years, requiring departments to justify their operating budget, the continuation of services as well as any expansions. The continuation budget includes adjustments for price increases in the cost of goods and services; and may include projects and infrastructure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

REVENUES

Carrboro's revenue stream has two broad types of revenues: recurring revenues and other financing sources which represent certain one-time inflows of revenue. Recurring revenues consist of property taxes, sales taxes, other taxes/licenses, and intergovernmental revenues and comprise approximately 86% of general fund revenues. For FY 2012-13 total recurring revenues are projected to increase by 33% over FY 2011-12 due to:

- Property tax increase by 3% due to increased valuations;
- Expected sales tax growth and private developments beginning or nearing construction; and,
- Adjustment in intergovernmental revenues to reflect actual award or distributions.

FY 2012-13 RECOMMENDED BUDGET GENERAL FUND REVENUES \$19,441,491

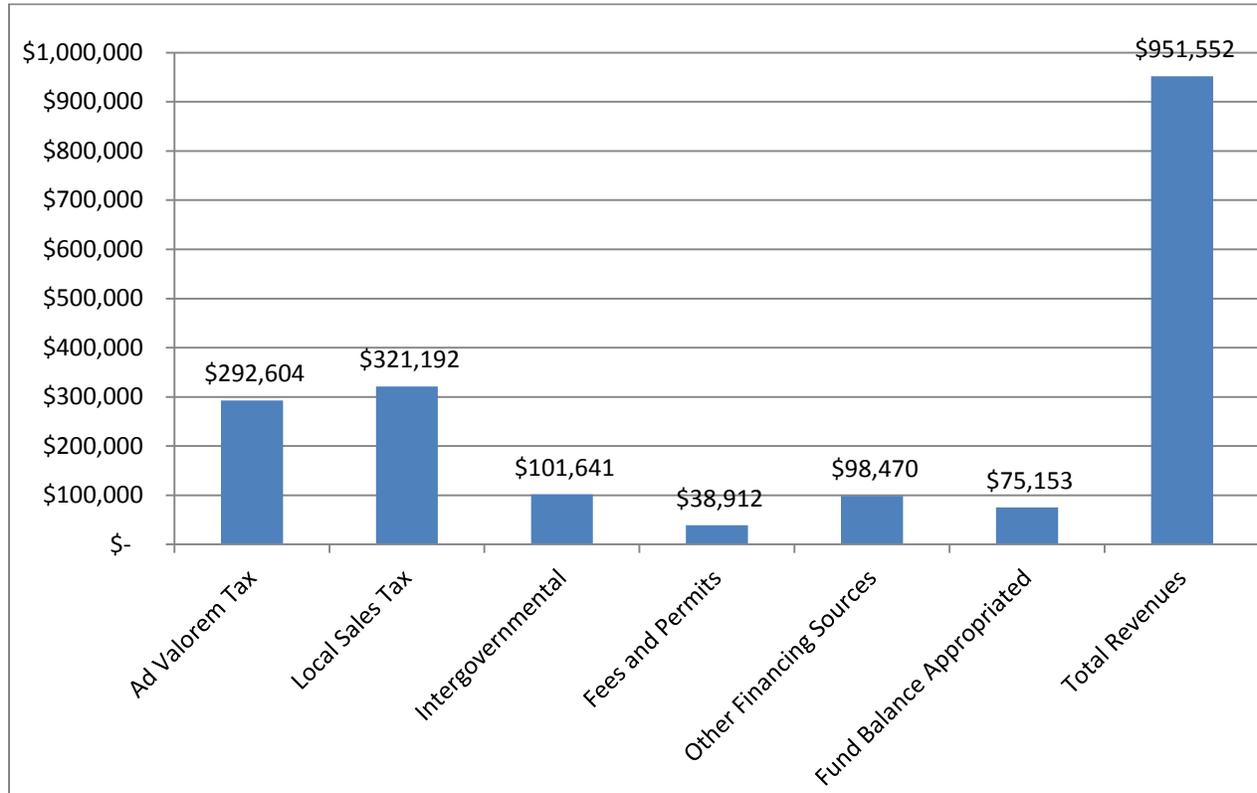


The two largest sources of revenue, property taxes and sales taxes, are projected to increase. The property tax valuation at January 31, 2012 was \$1,941,303,249 compared to \$1,939,126,061 at June 30, 2011. For FY 2012-13 total tax valuation is expected to grow by 2% from the June 30, 2011 value to \$1,977,908,582. Each penny on the tax rate generates approximately \$193,835. 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.

Overall sales tax receipts (\$1.8 million), reflecting seven months of collections for the year, are 63% of the FY 2011-12 adopted budget (\$2.9 million) with total collections for the year anticipated to be \$3.0 million. This is a 7% increase compared to the same time period in FY 2010-11. According to the N. C. League of Municipalities report, statewide sales tax distributions to local governments for the first six months of FY 2011-12 were 7.9% above the

comparable period in FY 2010-11. The League of Municipalities anticipates that sales tax revenues for the current fiscal year will be 6.1% higher than FY 2010-11 collections. For FY 2012-13 statewide local sales tax are expected to grow by 3% from the FY 2011-12 level. This rate could be higher if single family residential construction begins to rebound during FY 2012-13.

DOLLAR CHANGE IN REVENUES FROM PRIOR YEAR



Restricted intergovernmental revenues are expected to increase primarily due to the Powell Bill and ABC Board Grant. In FY 2011-12 total Powell Bill revenues were \$461,696 versus budget of \$431,943; and, ABC Grant revenues were \$12,500 compared to a budget of \$9,500.

Unrestricted intergovernmental revenues from electricity franchise tax, video programming, and telecommunications sales are expected to grow statewide by 3.3% to 7%. Due to the unusually warm fall and early winter, statewide FY 2011-12 distributions of the piped natural gas excise tax are expected to be 16% below those of FY 2010-11. If temperatures should return to normal levels, the growth rate in FY 12-13 could reach 19%. Unrestricted intergovernmental revenues from the beer and wine tax distributions are expected to remain flat.

Installment Financing will increase by a third from \$298,850 to \$397,320 due to an increase in installment financing to replace vehicles and equipment in FY 2012-13. The transfer from the Capital Reserve Fund of \$176,945 will be continued to partially offset the increase in debt service for the fire station #2. Fund balance use is projected to increase by 10% from \$712,163 to \$787,316; however as a percent of total revenues it remains at 4%.

	CHANGES OVER PRIOR YEAR	FY 2012-13 RECOMMENDED REVENUE	FY 2011-12 ADOPTED REVENUE
INTERFUND TRANSFERS	\$0	\$176,945	\$176,945
INSTALLMENT FINANCING	\$98,470	\$397,320	\$298,850
FUND BALANCE	\$75,153	\$787,316	\$712,163
TOTAL OTHER FINANCING SOURCES	\$173,623	\$1,361,581	\$1,187,958

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 2012-13 equals \$397,320; the budgeted lease proceeds on the revenue side are also equal to this same amount. The debt expenditure associated with borrowing the funds for the equipment and vehicles recommended for replacement is \$7,088.

CATEGORY	% change	CHANGES OVER PRIOR YEAR	FY 12-13 RECOMMENDED REVENUE	FY 11-12 ADOPTED REVENUE
PROPERTY TAXES	2.6%	\$292,604	\$11,538,637	\$11,246,033
LOCAL SALES TAXES	10.8%	\$321,192	\$3,287,245	\$2,966,053
OTHER TAXES/LIC	0.6%	\$2,414	\$408,490	\$406,076
UNRESTRICTED INTERGOVERNMENTAL	1.6%	\$13,206	\$862,737	\$849,531
RESTRICTED GOVERNMENTAL	17.3%	\$88,435	\$598,200	\$509,765
FEES&PERMITS	3.8%	\$38,912	\$1,054,150	\$1,015,238
SALES&SVCS	0.0%	(\$0)	\$229,846	\$229,846
INTEREST EARNINGS	40.0%	\$10,000	\$35,000	\$25,000
OTHER REVENUE	20.5%	\$11,166	\$65,605	\$54,439
OTHER FINANCING SOURCES	20.7%	\$98,470	\$574,265	\$475,795
FUND BALANCE	10.6%	\$75,153	\$787,316	\$712,163
TOTAL REVENUE	5.1%	\$951,552	\$19,441,491	\$18,489,939

EXPENDITURES

Town staff, in preparing budget requests, was asked to limit requests for expenditure increases to those things that are considered critical to performing day-to-day services in FY 2012-13. No expansion requests have been funded for FY 2012-13.

As shown in the chart below, the recommended budget totals \$19,441,492, representing a \$951,552 or 5.1% increase from the current year adopted budget. Much of this increase is due to restoration of the street resurfacing program at \$300,700 annually and a 3% across the board pay adjustment (\$255,000) for Town employees. In FY 2011-12 no funds were transferred for street resurfacing. Town employees have not received a permanent pay increase since FY 2008-09.

EXPENDITURE CATEGORY	2011-12 ADOPTED BUDGET	2012-13 RECOMMENDED BUDGET	CHANGES OVER PRIOR YEAR BUDGET	% CHANGE
PERSONNEL	\$ 10,752,733	\$ 10,960,698	\$ 207,965	1.9%
OPERATIONS	\$ 6,958,116	\$ 7,879,693	\$ 921,577	13.2%
CAPITAL OUTLAY	\$ 779,090	\$ 601,100	\$(177,990)	-22.8%
TOTAL	\$ 18,489,939	\$ 19,441,492	\$ 951,552	5.1%

PERSONNEL

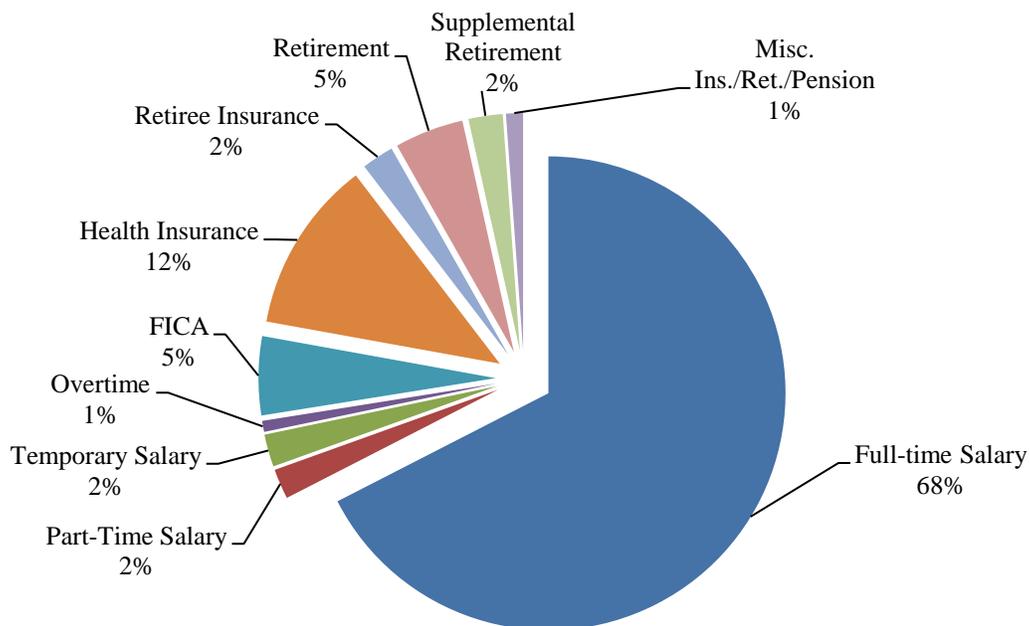
The increased personnel costs provide for the following:

- maintaining employee benefits at current levels
- providing for a 3% across the board pay increase
- retiree health insurance costs

Total full-time equivalent positions for FY 2012-13 are reduced to 155.5 from 158.5 in FY 2011-12. This includes the unfreezing of the Planning/Zoning Specialist and funding one full-time position in Information Technology. The following positions that have been frozen and unfunded the past three years have been eliminated: Maintenance/Construction Worker, Groundskeeper, Police Officer in Community Services, and Police Officer in Investigations.

Total personnel costs for FY 2012-13 increase by 1.9% including a 3% across the board pay increase for all regular employees at a cost of \$255,000. Due to reductions in the mandatory employer contribution to the Local Government Employees' Retirement System (LGERS) and no increase in health insurance premiums, these savings helped to keep overall personnel cost increases to a minimum. Because of the positive performance of the LGERS portfolio the North Carolina Treasurer reduced the required contribution rate from 6.88% to 6.74% for general employees and 7.35% to 6.77% for law enforcement personnel. Depending upon future portfolio performance, these rates may increase in the coming years.

FY 2012-13 Pay and Benefits



In terms of health insurance costs for employees, there will be a 2.9% decrease in premiums and the Town will maintain the current level of benefits for the next year. One major factor that will affect personnel costs is the cost of health insurance for retirees. Since FY 2010-11 through the present, ten employees have retired. At least two employees are expected to retire in FY 2012-13. Subsequently, the cost of retiree health insurance is expected to total \$240,000 in FY 2012-13. This is an increase of \$116,544 over the adopted FY 2011-12 budget.

The continuing sluggish economy makes it difficult in FY 2012-13 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. It will be important in future budget years to consider a return to funding the pay-for-performance system which financially rewards individual employees based on their actual levels of performance.

OPERATING EXPENSES

The increase in General Fund operating expenses is \$921,577 more than last year. This is due to the restoration of the set aside of \$300,700 for street resurfacing, a transfer of \$150,000 to Revolving Loan Fund to spur new initiatives, and increased funding for human services grants and community outreach. Debt service cost also increased by \$97,277 from \$1,333,404 million to \$1,430,681.

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.

Based on the CIP, a total of \$1,118,880 for vehicles and equipment was requested by departments for FY 2012-13. Upon re-prioritization requests were reduced to a total of \$397,320 for the following departments.

Department	Vehicle	Cost	Debt Service
Police	Patrol Vehicles-Replace vehicle #211	\$ 35,280	\$ 9,923
Police	Patrol Vehicles-Replace vehicle #212	\$ 35,280	\$ 9,923
Police	Patrol Vehicles-Replace vehicle #213	\$ 35,280	\$ 9,923
Police	Patrol Vehicles-Replace vehicle #214	\$ 35,280	\$ 9,923
Public Works	Solid Waste - Front Loader - Replace #56	\$ 231,000	\$ 64,973
Fire-Rescue	Sedan - Replace #982/with F-150 4x4 Pick-Up	\$ 25,200	\$ 7,088
	TOTAL	\$ 397,320	\$ 111,754

Other capital investments include restoring the annual set aside for annual street resurfacing allocation (\$300,700), replacement of Century Center drapes (\$25,115, installation of LCD TV's at Century Center (\$10,000), street sign retro-reflectivity (\$15,000), replacement of information technology servers and peripherals (\$37,940), and replacement of miscellaneous small equipment/tools in public works (\$50,725).

Capital projects included in the CIP not funded in FY 2012-13 include:

TOWN COMMONS PLAY EQUIPMENT	\$ 42,689
FIRE RESCUE PUMPER	\$ 620,000
IT - CAR VIDEO INFRASTRUCTURE AND EQUIPMENT	\$ 64,330
TOTAL	\$ 727,019

The following capital projects have been on hold for the past three years and designated for funding through designated fund balance.

CIP INITIATIVES ON HOLD FOR PAST 3 YEARS	
FIELD #4 RENOVATION AT ANDERSON PARK	\$ 48,510
MULTIPURPOSE FIELD RENOVATIONS AT ANDERSON PARK	\$ 42,130
ANDERSON PARK LIGHTS	\$ 99,907
TOTAL	\$ 190,547

Contingent upon Town fund balance ratios remaining within the stated fiscal policy goal of 22.5% to 35%, CIP projects not funded or placed on hold may be proposed for funding through designated fund balance. In late June an agenda item is usually presented to the Board recommending projects to be funded via fund balance designation.

As done annually, the Town will review the status of all capital needs and update the CIP in November 2012. Any items above proposed for funding with designated fund will be reviewed in context of all capital needs, the economic environment and spending plans will be revised accordingly.

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 station #2. 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

There are positive signs that the economy is improving. Statewide there is retail sales growth. Locally, recurring revenues are showing signs of growth. Revenues from fees and permits are exceeding last year's, but this growth may not be sustainable if other approved private developments do not materialize. In light of the improving economy, we must not be overly

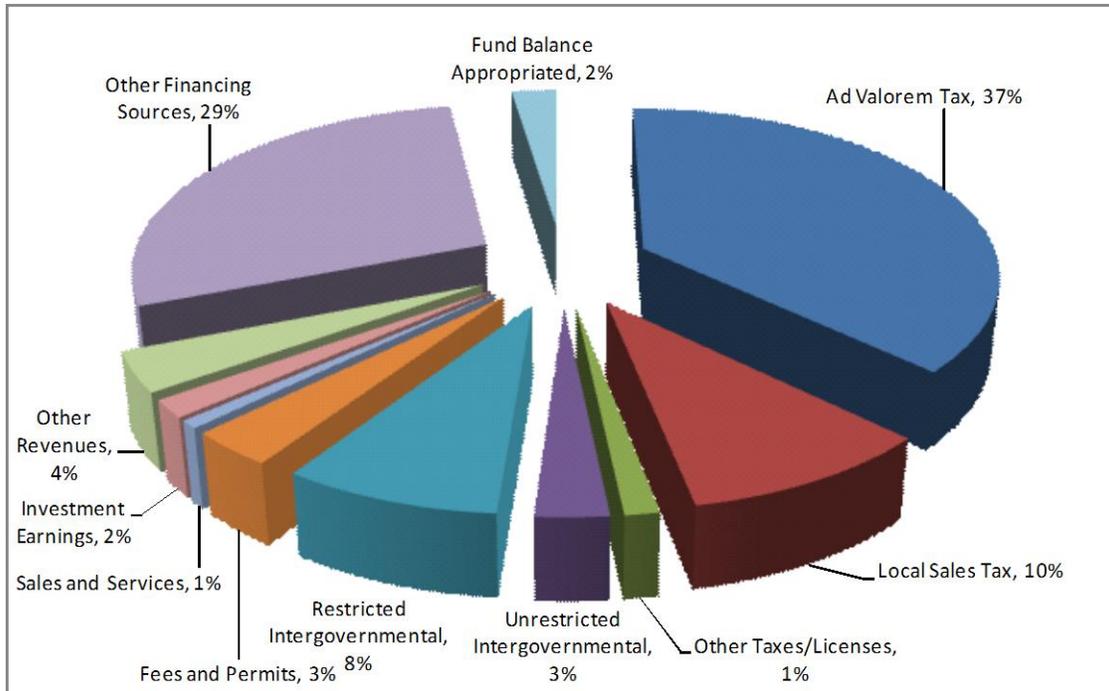
optimistic in the coming year. The challenge will be to adjust our operating environment to a slowly or moderately recovering economy with no clearly defined growth pattern(s). This will require evaluation and re-evaluation of priorities to maintain quality and delivery of Town services.

The Town has delayed some capital initiatives included in the CIP, including certain replacement vehicles and equipment. Whether these items get funded in a future year needs to be determined by a number of factors, including cost-benefit. As a general rule, all investments in capital equipment need to be scrutinized from a cost-benefit analysis to gain maximum use of them to the fullest extent possible.

Given the slowly recovering economy and needs of the Town, careful and balanced choices are presented in the FY 2012-13 budget to provide for continued quality day-to-day services, carry out and implement Board priorities, acquire needed capital items, and adjust the compensation for the Town's employees.

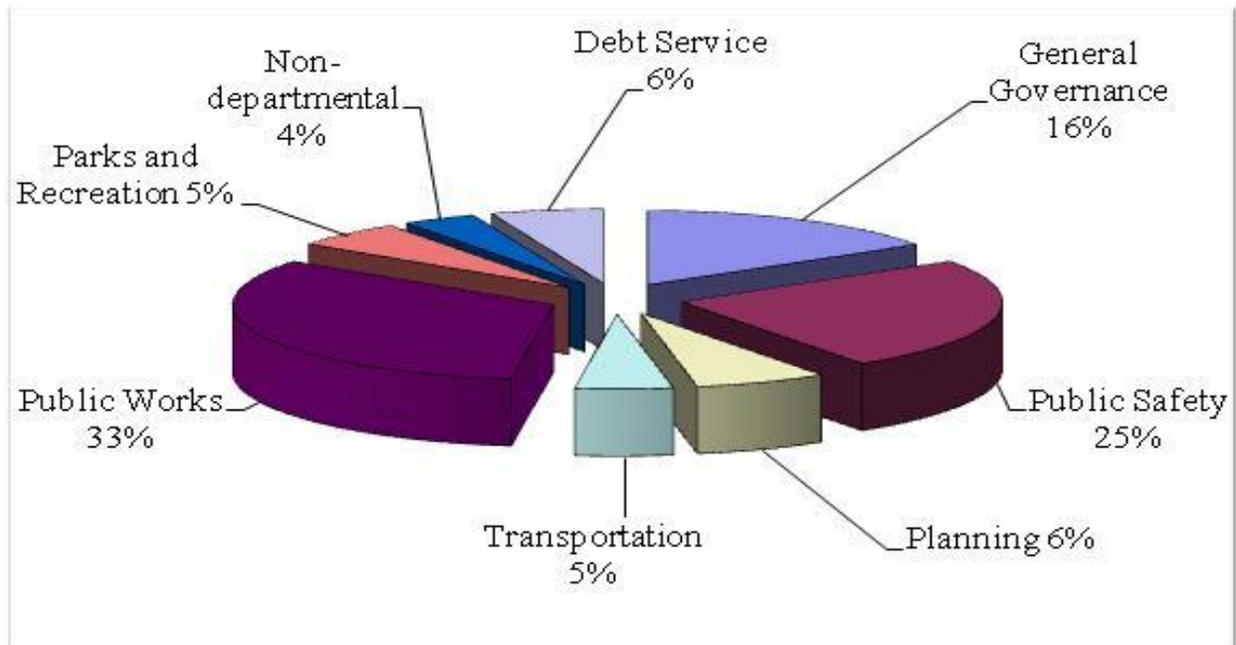
Revenue Summary - All Funds FY 2012-13 Budget by Fund Type

	General Fund	Special Revenue Funds	Capital Funds	Total All Funds
Ad Valorem Tax	\$11,538,637			\$ 11,538,637
Local Sales Tax	\$3,287,245			\$ 3,287,245
Other Taxes/Licenses	\$408,490			\$ 408,490
Unrestricted Intergovernmental	\$862,737			\$ 862,737
Restricted Intergovernmental	\$598,200	\$ 313,341	\$ 1,724,632	\$ 2,636,173
Fees and Permits	\$1,054,150			\$ 1,054,150
Sales and Services	\$229,846			\$ 229,846
Investment Earnings	\$35,000	\$ 81,952	\$ 155,757	\$ 272,709
Other Revenues	\$65,605	\$ 102,713	\$ 333,642	\$ 501,960
Other Financing Sources	\$574,265	\$ 23,500	\$ 2,713,189	\$ 3,310,954
Fund Balance Appropriated	\$787,316	\$ -	\$ 326,725	\$ 1,114,041
Total Budgeted Revenues	\$ 19,441,491	\$ 521,506	\$ 5,253,945	\$ 25,216,942



Expense Summary - All Funds FY 2012-13 Budget by Fund Type

	General Fund	Special Revenue Funds	Capital Funds	Total All Funds
Mayor and Board of Aldermen	\$ 283,552			\$ 283,552
Advisory Boards	\$ 11,800			\$ 11,800
Governance Support	\$ 327,445			\$ 327,445
Town Manager	\$ 262,126			\$ 262,126
Economic and Community Development	\$ 154,396	\$ 196,415		\$ 350,811
Town Clerk	\$ 90,417			\$ 90,417
Management Services	\$ 1,027,952			\$ 1,027,952
Human Resources	\$ 507,274			\$ 507,274
Information Technology	\$ 1,127,125			\$ 1,127,125
Police	\$ 3,281,775			\$ 3,281,775
Fire	\$ 2,530,959	\$ 75,000	\$ 341,656	\$ 2,947,615
Planning	\$ 1,244,178	\$ 250,091	\$ 187,280	\$ 1,681,549
Transportation	\$ 1,240,000			\$ 1,240,000
Public Works	\$ 3,735,232		\$ 4,548,064	\$ 8,283,296
Parks and Recreation	\$ 1,425,878		\$ -	\$ 1,425,878
Non-departmental	\$ 760,701		\$ 176,945	\$ 937,646
Debt Service	\$ 1,430,681			\$ 1,430,681
Total Budgeted Expenditures	\$ 19,441,491	\$ 521,506	\$ 5,253,945	\$ 25,216,942



The following ordinance was introduced by Alderman Haven-O'Donnell and seconded by Alderman Coleman:

ANNUAL BUDGET ORDINANCE
 Town of Carrboro, North Carolina
 FY 2012-13
 Ordinance No. 33/2011-12

WHEREAS, the recommended budget for FY 2012-13 was submitted to the Board of Aldermen on May 1, 2012 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 15, 2012, the Board of Aldermen held a public hearing on the budget pursuant to G.S. 159-12;

WHEREAS, on June 19, 2012, 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, 2012 and ending June 30, 2013, according to the following schedules.

SCHEDULE A - GENERAL FUND	
GENERAL GOVERNMENT	\$3,792,087
Mayor & Board of Aldermen.....	\$ 283,552
Advisory Boards	\$ 11,800
Governance Support.....	\$ 327,445
Town Manager	\$ 262,126
Economic & Community Development.....	\$ 154,396
Town Clerk	\$ 90,417
Management Services	\$1,027,952
Human Resources	\$ 507,274
Information Technology	\$1,127,125
PUBLIC SAFETY	\$5,812,734
Police.....	\$3,281,775
Fire	\$2,530,959
PLANNING	\$1,244,178
TRANSPORTATION.....	\$1,240,000
PUBLIC WORKS	\$3,735,232

PARKS & RECREATION	\$1,425,878
NONDEPARTMENTAL.....	\$760,700
DEBT SERVICE	\$1,430,681
TOTAL GENERAL FUND.....	\$19,441,491

A)

SCHEDULE B – SPECIAL REVENUE FUNDS

Capital Reserve Fund

Transfer to General Fund for Debt Service	\$176,945
-------------------------------------------------	-----------

Section 2. It is estimated that revenues from the following major sources will be available during the fiscal year beginning July 1, 2012 and ending June 30, 2013 to meet the foregoing schedules:

SCHEDULE A - GENERAL FUND

Ad Valorem Taxes	\$11,538,637
Local Sales Taxes	\$3,287,245
Other Taxes/Licenses.....	\$408,490
Unrestricted Intergovernmental Revenue	\$862,737
Restricted Intergovernmental Revenue.....	\$598,200
Fees and Permits	\$1,054,150
Sales & Services	\$229,846
Investment Earnings.....	\$35,000
Other Revenues.....	\$65,605
Other Financing Sources.....	\$574,265
Fund Balance Appropriated	\$787,316
TOTAL GENERAL FUND.....	\$19,441,491

B) SCHEDULE B – SPECIAL REVENUE FUNDS

Capital Reserve Fund

Fund Balance Appropriated	\$176,945
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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.

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. When unassigned fund balance exceeds 35%, the Town Manager, in accordance with the Town fiscal policy, may assign an amount for transfer to the capital reserve fund for future capital projects
- d. All operating funds encumbered or designated within fund balance for project expenditures as confirmed in the annual June 30, 2012 audit of the previous year shall be re-appropriated to the Fiscal Year 2012-13 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 authorized only by the Board of Aldermen. The 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 2012 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, 2012 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 ordinance having been submitted to a vote received the following vote and was duly adopted this 19th day of June 2012:

Ayes: Dan Coleman, Sammy Slade, Lydia Lavelle, Mark Chilton, Michelle Johnson, Jacquelyn
Gist, Randee Haven-O'Donnell

Noes: None

Absent or Excused: None

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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 29,137 in 2011.

DEMOGRAPHICS

Census 2010 data has been released. 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 2011 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

The chart below shows the changes in ethnic composition since 2000. The groups that have seen the most change in the past 10 years is the Asian population (increased 55.06%) and the Black or African American population which saw a decrease of 23.72%.

Ethnic Composition of Carrboro			
Race	2000	2010	Percent Change
Other (including two or more)	1,138	1,518	33.39%
Asian	790	1,225	55.06%
American Indian and Alaska Native	154	189	22.73%
Black or African American	2,555	1,949	-23.72%
White	9,994	10,217	2.23%
Hispanic or Latino	2,009	2,485	23.69%

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 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	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.

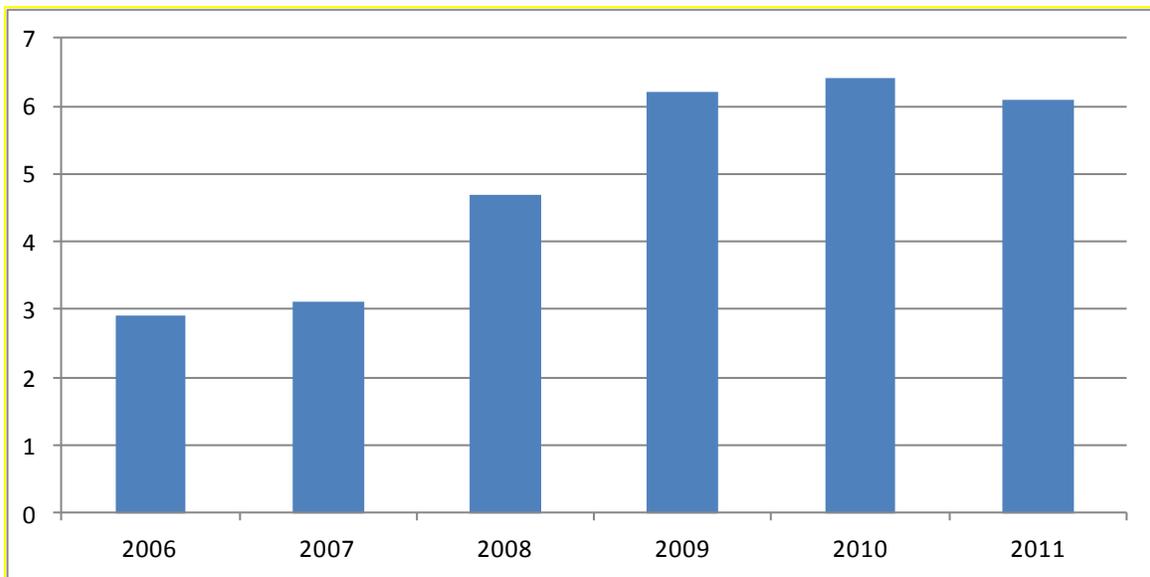
The median value of a housing unit in Carrboro in 2005-2009 was \$307,600. This is up from \$143,242 in 2000, a 114 percent increase.

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.

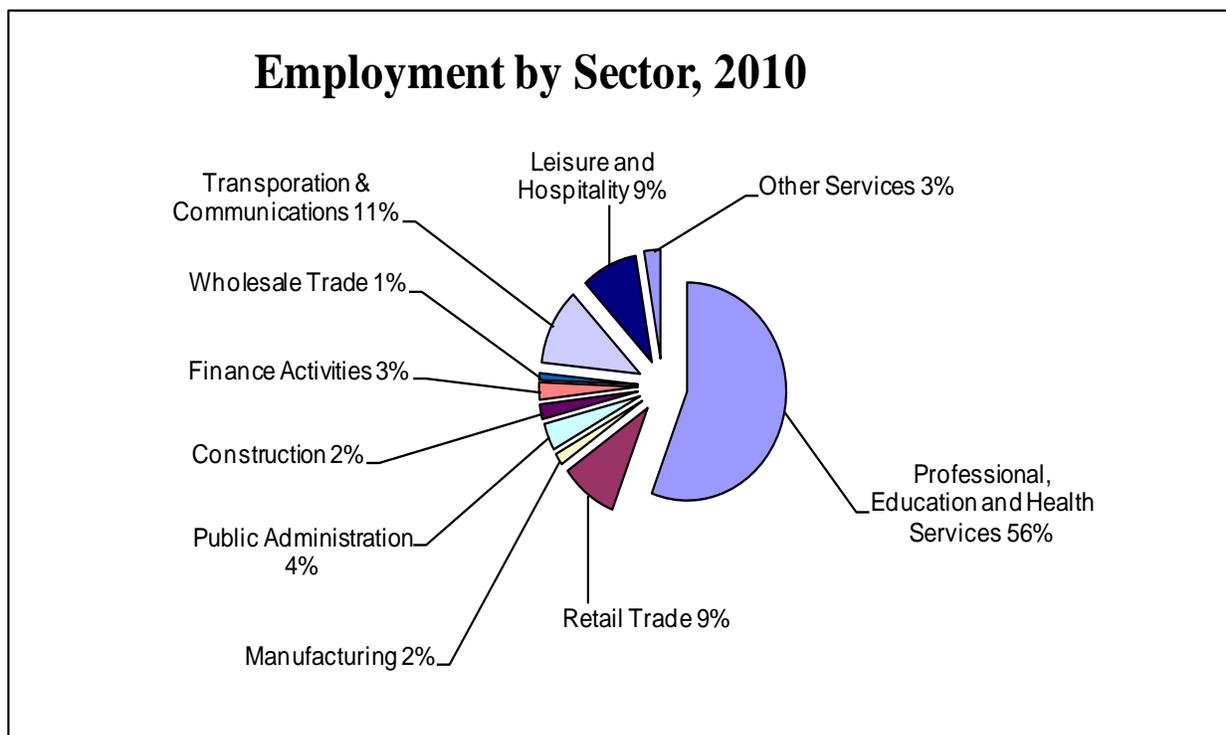
EMPLOYMENT

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 %. The unemployment rate for Orange County was 2.9 % in 2006 and due to the current national economic condition has climbed to 6.1% as of December 2011, which is well below the state unemployment rate of 10.4%.



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

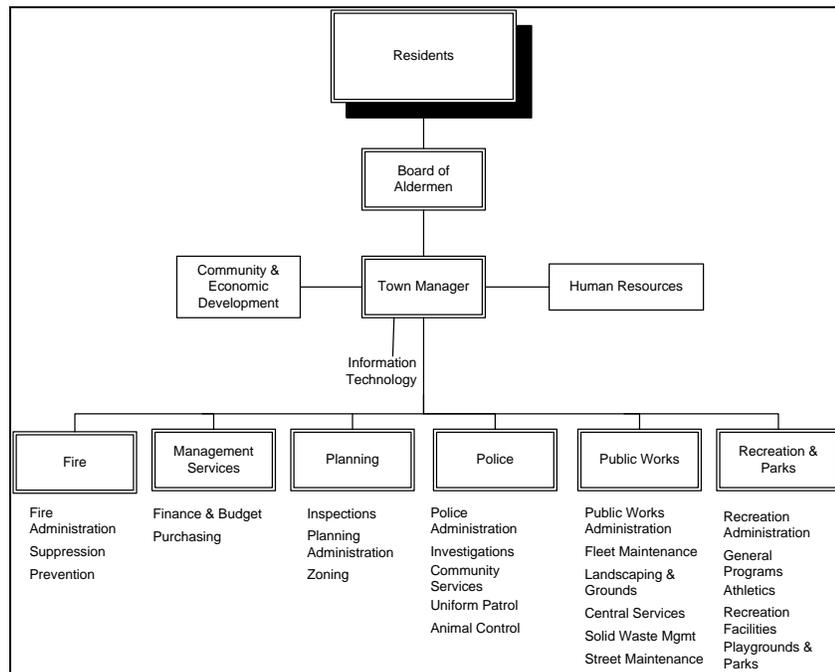
The Town of Carrboro has a council/manager form of municipal government. Under the council/manager form of government, the Board of Aldermen performs the legislative functions of the town: establishing laws and policies. The Board of Aldermen is an elected body representing the residents of Carrboro. 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 31	Management Services distributes budget manual
February 21	Departmental budgets, work plans, and performance measures due
February 28	Board holds public hearing to receive community input
March 8	Preliminary budget compiled (Management Services)
March 12-16	Town Manager meets with department heads to review budget requests
March 19-23	Revisions to Preliminary Budget (Management Services)
March 26-30	Review of Preliminary Budget by Town Manager
April 2-6	Final Changes to Preliminary Budget (Management Services)
April 16-20	Town Manager meets one-on-one with Board of Aldermen
April 26	Recommended Budget document completed
May 1	Town Manager submits Recommended Budget to Board
May 15	Board holds public hearing on Recommended Budget
May 22	First budget work session
June 5	Second budget work session (if needed) & Board directs Town Manager to prepare final budget
June 19	Board adopts final budget

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.

Developers are also able to make payment-in-lieu of providing affordable housing under the applicable provisions of the Land Use Ordinance. Revenue is deposited in the Affordable Housing Fund.

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.

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	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2011-12 ESTIMATED	2012-13 ADOPTED BUDGET	% CHANGE
AD VALOREM TAX						
PRIOR YEAR	\$ 35,169	\$ 97,569	84,000	\$ 173,708	90,000	7%
CURRENT YEAR	11,161,989	11,252,923	11,138,626	11,411,139	11,424,637	3%
PENALTY & INTEREST	27,394	24,868	23,407	39,513	24,000	3%
TOTAL AD VALOREM TAX	11,224,552	11,375,360	11,246,033	11,624,360	11,538,637	2.6%

LOCAL SALES TAXES

LOCAL OPTION SALES TAX 1% Art 39	1,077,020	1,058,115	1,110,855	1,019,686	1,100,863	-1%
LOCAL OPTION SALES TAX 1/2% Art 40	729,086	756,344	742,622	791,328	826,555	11%
LOCAL OPTION SALES TAX 1/2% Art 42	573,166	528,228	658,907	510,522	550,432	-16%
LOCAL OPTION SALES TAX 1/2% Art 44	46,556	770,669		11,478	-	N/A
SALES TAX - CITY HOLD HARMLESS	635,359	-	453,669	759,191	809,395	78%
TOTAL LOCAL SALES TAXES	3,039,932	3,113,356	2,966,053	3,092,205	3,287,245	11%

OTHER TAXES/LICENSES

MOTOR VEHICLE LICENSES	345,605	284,883	271,000	284,883	271,000	0%
MOTOR VEHICLE LIC - TRANS ONLY	58,262	61,799	55,000	61,799	55,000	0%
MOTOR VEHICLE LIC - GROSS RECEIPTS	303	-	750		750	0%
PRIVILEGE LICENSES	72,117	81,917	79,326	81,917	81,040	2%
BEER & WINE PRIVILEGE LICENSE		700		700	700	N/A
TIME WARNER FRANCHISE	34,765	6,223	-	-	-	N/A
TOTAL OTHER TAXES/LICENSES	511,052	435,522	406,076	429,299	408,490	1%

UNRESTRICTED INTERGV

FRANCHISE TAX-ELECTRIC	351,181	377,986	326,006	326,006	332,526	2%
PIPED NATURAL GAS TAX	53,880	53,614	46,274	46,274	46,274	0%
VIDEO SALES PROGRAMMING	210,729	212,649	225,123	225,123	229,625	2%
WINE AND BEER	27,782	87,667	29,571	29,571	29,571	0%
TELECOMMUNICATIONS SALES TAX	227,041	215,347	218,357	218,357	220,541	1%
NC DOT REIMBURSEMENT	4,517	4,556	4,200	4,200	4,200	0%
TOTAL UNRESTRICTED INTERGV	875,130	951,820	849,531	849,531	862,737	2%

RESTRICTED INTERGVMT

POWELL BILL	441,079	450,033	431,943	461,696	461,696	7%
SOLID WASTE DISPOSAL TAX DIST.	13,274	13,483	10,434	10,434	10,434	0%
PLANNING WORK GRANT	42,868	10,844	22,740	22,740	22,740	0%
RECREATION-MUNICIPAL SUPPLEM	35,898	35,898	35,898	35,898	35,898	0%
RECREATION - ARTS COMM GRANT-MUS	1,500	-	1,500	3,500	1,500	0%
RECREATION - ORANGE CO ARTS GRANT -POE	750	-	750	-	-	-100%
NC RISK MGMT AGENCY GRANT	-	-	-	750	-	N/A
FIRE FIGHTERS GRANT	-	-	-	10,218	10,410	N/A
SAFER GRANT	87,999	58,817	-	20,410	-	N/A
PEG CHANNEL SUPPORT				32,520	32,520	N/A
RE-INSURANCE PROGRAM	-	-	-	60,368	-	N/A
BYRNE GRANT	32,944	2,702				N/A
BYRNE GRANT	-	-	-	8,597	-	N/A
ABC BOARD GRANT	6,605	9,450	6,500	12,500	12,500	92%
SEIZURES REVENUE, STATE	8,385	4,248	-	10,502	10,502	N/A
TOTAL RESTRICTED INTERGVMT	678,992	585,475	509,765	690,133	598,200	17%

FEES AND PERMITS

RETURNED CHECK FEE	100	150	100	125	100	0%
TIME WARNER PEG FEES	11,939	2,876	8,900	-	8,900	0%
TOWER REVENUE	119,986	123,548	125,112	125,112	125,112	0%
PRIVILEGE LICENSE, LATE FEE	2,319	1,956	1,886	1,522	1,886	0%
COURT COST OFFICER FEES	4,740	4,184	3,000	3,000	3,000	0%
PARKING VIOLATIONS	5,135	416	3,500	3,500	3,500	0%
CHCCS -SRO CONTRACT	107,624	107,624	107,624	107,624	107,624	0%
DOG FEES	7,099	5,418	5,000	5,000	5,000	0%
ANIMAL VIOLATIONS	-	-	300	-	300	0%
FIRE DIST. FEES	427,517	427,785	420,878	420,878	420,878	0%
CAR SEAT SALES	1,040	565	-	900	-	N/A
FALSE ALARM FEES	225	1,386	-	500	500	N/A
FIRE PERMIT FEES	8,147	10,115	5,000	10,000	8,000	60%

GENERAL FUND REVENUE	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2011-12 ESTIMATED	2012-13 ADOPTED BUDGET	% CHANGE
RE-INSPECTION FEE	875	2,125	-	2,125	1,500	N/A
REPORTS	229	160	100	135	100	0%
SIGN PERMITS	1,015	880	500	600	500	0%
SIGN PERMITS	135	135	-	300	200	N/A
ENGINEERING FEE	24,594	25,830	26,000	26,000	26,000	0%
DEV REVIEW FEE	25,328	38,396	20,000	46,484	25,000	25%
TECHNICAL REVIEW -FUTURE EQPMT	18,200	13,600	10,000	15,000	12,000	20%
BUILDING PERMITS	95,164	57,818	55,000	112,332	65,000	18%
ELECTRIC PERMITS	87,630	70,853	50,000	85,000	55,000	10%
MECH. PERMITS	67,839	43,163	40,000	60,000	45,000	13%
RE-INSPECTION FEE	750	375	600	750	600	0%
PLUMBING	56,084	30,379	36,000	69,225	36,000	0%
HOMEOWNERS RECOVER FEES	127	116	150	150	150	0%
RECYCLING FEES	7,708	5,277	4,800	26,764	4,800	0%
STREET CUTS	938	960	-	480	500	N/A
STREET SIGNS	178	1,864	-	305	-	N/A
DRIVEWAY PERMIT FEES	80	160	-	480	-	N/A
BLDG STRUCTURE MOVING PERMIT FEE				80		N/A
STREET CLOSING	1,185	240	500	60	500	0%
REFUSE COLLECTION FEES	812	839	1,500	1,500	1,500	0%
REFUSE COLLECTION - DUMPSTER	90,587	111,044	88,788	105,000	95,000	7%
TOTAL FEES & PERMITS	1,175,449	1,090,236	1,015,238	1,230,931	1,054,150	4%

SALES & SERVICES

RECREATION FEES	189,893	198,114	168,587	168,587	168,587	0%
DISCOUNT -RECREATION FEES	(8,099)	(12,315)	(11,644)	(11,644)	(11,644)	N/A
SALES- MERCH & CONCESSIONS-CARRBORO DAY		149				N/A
SALES- MERCH & CONCESSIONS-MUSIC	-	1,060		1,026		N/A
SALES- MERCH & CONCESSIONS-POETRY	-	15		56		N/A
SALES- MERCH & CONCESSIONS-JULY	487	-	1,000	510	1,000	0%
SALES- MERCH & CONCESSIONS-HALLO	158	274	150	171	150	0%
SALES- MERCH & CONCESSIONS-FILM	-	1,948		1,928		N/A
TOWN CENTER FEES	74,500	70,586	80,000	70,367	80,000	0%
DISCOUNT - TOWN CENTER FEES	(300)	(1,452)	(8,248)	(4,406)	(8,248)	N/A
TOTAL SALES & SERVICES	256,639	258,379	229,846	226,595	229,846	0%

INVESTMENT EARNINGS

INTEREST EARNED	24,253	37,925	25,000	35,000	35,000	40%
TOTAL INVESTMENT EARNINGS	24,253	37,925	25,000	35,000	35,000	40%

OTHER REVENUES

RENT-FARMER'S MKT	2,370	2,370	2,370	2,370	2,370	0%
MISCELLANEOUS	3,277	1,689	1,500	959	1,500	0%
MISC INVENTORY	-	364	-	(141)	-	N/A
SALES OF CEMETERY LOTS	6,040	9,730	6,000	4,750	6,000	0%
SALE/ FIXED ASSETS	26,610	73,860	20,000	24,054	30,000	50%
DONATIONS-ADVISORY BOARDS & COMM				486		N/A
DONATIONS - CD & MEMORABILIA	2,425	2,860	1,200	2,430	2,295	91%
DONATIONS		211		-		N/A
MISCELLANEOUS - MANAGEMENT SERVICES	59	1,799	500	2,800	500	0%
POLICE MISCELLANEOUS	3,924	4,745	2,500	3,255	2,500	0%
FIRE MISCELLANEOUS	3,311	2,132	1,000	1,568	1,200	20%
MISCELLANEOUS-PW	6,849	1,872	500	4,316	1,000	100%
REFUSE CART SALES	5,209	5,452	3,500	4,263	4,200	20%
YARD WASTE CONTAINERS	2,662	2,713	2,600	2,600	2,600	0%
MISCELLANEOUS R & P	31	808	-	150	-	N/A
DONATIONS	458	1,768				N/A
DONATIONS - CARRBORO DAY	-	30	50		50	0%
DONATIONS - MUSIC FESTIVAL	8,100	7,717	10,439	8,966	9,000	-14%
DONATIONS - JULY 4TH	270	865	-		-	N/A
DONATIONS - FILM FESTIVAL	3,036	1,657	1,890	2,615	2,000	6%
DONATIONS ARTS COMMITTEE	167	55	390	400	390	0%
PLANNING MISC.	-	1,331	-	-	-	N/A
TOTAL OTHER REVENUES	76,240	124,029	54,439	65,841	65,605	21%

OTHER FINANCING SOURCES

INSTALLMENT FINANCING PROCEEDS	617,955	476,399	298,850	298,850	397,320	33%
FUND BALANCE APPROPRIATED	-	-	712,163	-	787,316	11%
TRANSFER FR CAP RESERVE FUND	544,806	176,945	176,945	176,945	176,945	0%
TOTAL OTHER FINANCING SRCE	1,162,761	653,344	1,187,958	475,795	1,361,581	15%
TOTAL REVENUES	\$19,025,000	\$18,625,445	\$18,489,939	\$18,719,690	\$19,441,491	5%

GENERAL FUND REVENUE DESCRIPTIONS

The following information briefly explains the major sources of revenue for the Town of Carrboro in the FY 2012-13 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 \$1,977,908,582. Each penny on the tax rate generates approximately \$193,835.

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.

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.

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.

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 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:

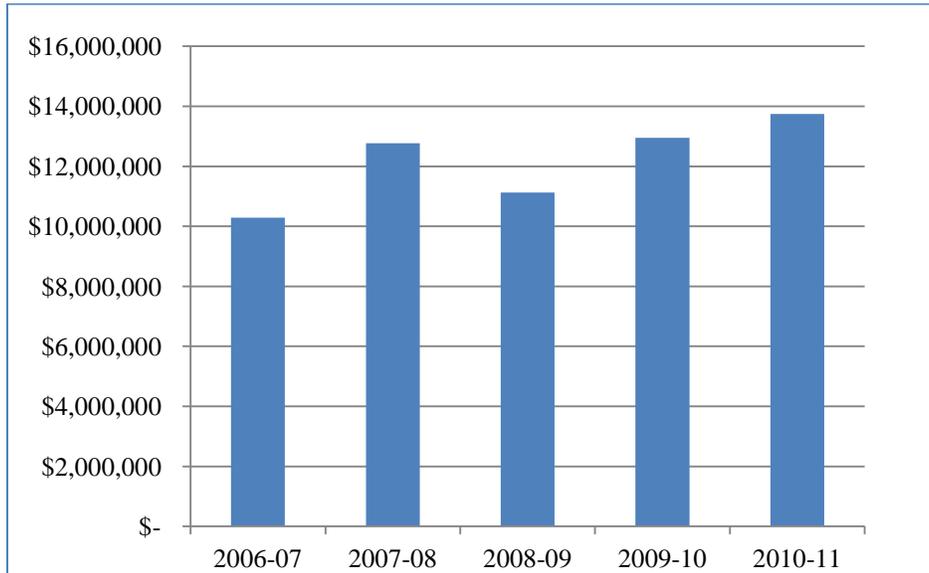
Lease-purchase or Bond Proceeds – This represents the full cost of equipment or other capital purchase that the Town has obtained through installment or bond financing. Following generally accepted accounting practices, the full cost of the financed equipment is budgeted (equipment purchased in that 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

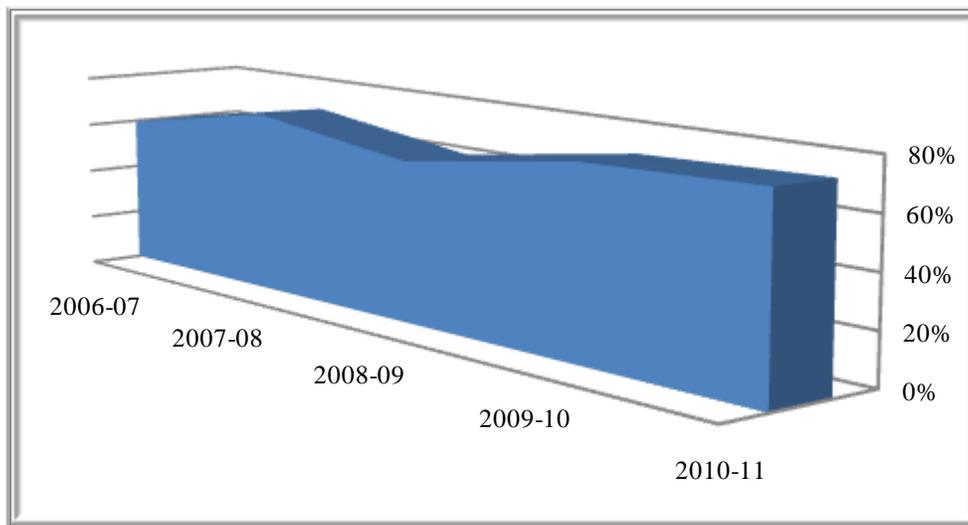
Funds accumulated through the under-expenditure of budgeted appropriations and the receipt of revenues that exceed budgeted projections result in fund balance or reserves. An appropriation of fund balance is sometimes necessary to balance projected revenues with expenditures. The level of appropriation is determined by the differences between estimated expenditures and the expected revenues. The FY 2012-13 budget appropriates \$787,316 in fund balance reserves.

General Fund Balance as of June 30



Fund balance at the end of FY 2010-11 was \$13,739,846, which was an increase of \$792,805 from FY 2009-10.

General Fund Balance as a Percentage of Operating Revenues



Fund balance as a percentage of operating revenues increased 1.8% from 72.3% in FY 2009-10 to 74.1% for FY 2010-11.

GENERAL FUND SUMMARY OF EXPENDITURES

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	% SPENT YTD	2012-13 BASE BUDGET	2012-13 PROPOSED CHANGES	2012-13 RECOMMENDED BUDGET	% CHANGE 2013 FROM 2012
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SUMMARY

PERSONNEL	9,938,975	10,322,676	10,752,733	73.0%	10,732,620	228,078	10,960,698	2%
OPERATIONS	6,650,937	6,653,316	6,958,116	66.0%	6,977,059	902,633	7,879,693	13%
CAPITAL OUTLAY	601,486	809,965	779,090	65.0%	625,004	-23,904	601,100	-23%
TOTAL	17,191,399	17,785,956	18,489,939	70.0%	18,334,683	1,106,807	19,441,491	5%

**GENERAL FUND
FY 2012-13 BUDGET
CATEGORY OF EXPENDITURE BY DEPARTMENT**

DEPARTMENT	PERSONNEL SERVICES	OPERATING COSTS	CAPITAL OUTLAY	TOTAL
MAYOR & ALDERMEN	120,902	162,650	0	283,552
ADVISORY BOARDS	0	11,800	0	11,800
GOVERNANCE SUPPORT	0	327,445	0	327,445
TOWN MANAGER	239,376	22,750	0	262,126
ECONOMIC & COMM DEV.	110,353	44,043	0	154,396
TOWN CLERK	71,967	18,450	0	90,417
MANAGEMENT SERVICES	483,918	544,034	0	1,027,952
HUMAN RESOURCES	443,554	63,720	0	507,274
INFORMATION TECHNOLOGY	262,779	755,596	108,750	1,127,125
POLICE	2,774,400	366,255	141,120	3,281,775
FIRE	2,219,345	286,414	25,200	2,530,959
PLANNING	1,033,654	201,334	9,190	1,244,178
TRANSPORTATION	0	1,240,000	0	1,240,000
PUBLIC WORKS	1,881,686	1,571,821	281,725	3,735,232
PARKS & RECREATION	1,043,764	346,999	35,115	1,425,878
NON-DEPARTMENTAL	275,001	485,700	0	760,701
DEBT SERVICE	0	1,430,681	0	1,430,681
TOTALS	10,960,699	7,879,692	601,100	19,441,491

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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 the resurfacing of Weaver Street.
- Awarded the *League of American Bicyclists Silver Level* award as a Bicycle Friendly Community.

BUDGET SUMMARY

MAYOR AND BOARD OF ALDERMEN - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	110,914	121,551	119,086	120,902	2%
OPERATIONS	143,545	139,387	179,150	162,650	-9%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	254,459	260,938	298,236	283,552	-5%

AUTHORIZED PERMANENT POSITIONS	FY2009-10	FY2010-11	FY2011-12	FY2012-13
FULL-TIME POSITIONS				
PART-TIME POSITIONS	1	1	1	1
TOTAL	1	1	1	1

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Decrease in operating cost is associated with election costs of \$16,500 in FY 2011-12.

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

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	8,892	6,905	11,800	11,800	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	8,892	6,905	11,800	11,800	0%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

There are no changes to the budget.

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

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	259,472	264,498	268,541	327,445	22%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	259,472	264,498	268,541	327,445	22%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The budget reflects decreases of \$250 for Triangle J Council of Governments, \$6,000 for the Economic Development Committee and \$500 for the Downtown Association. The Economic Development Committee and Downtown Association are no longer in existence. Increases are reflected for the School of Government for \$106 and the Human Services Grant Program for \$5,835. The CD& Memorabilia Show increased by \$1,200 in order to budget for two shows instead on one as previously budgeted. A new line item for Community Outreach was added with a budget of \$26,000.

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.
- External Communications and Social Media Policy Created to facilitate better public information exchange.
- Expanded broadcast of Board of Aldermen meetings to AT&T U-Verse System.
- Continued Town Involvement in National League of Cities Prescription Discount Card Program.
- Pursued Solar Energy installation opportunity at Town Commons.

BUDGET SUMMARY

TOWN MANAGER - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	250,954	239,938	252,434	239,376	-5%
OPERATIONS	15,285	17,258	23,553	22,750	-3%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	266,239	257,196	275,987	262,126	-5%

AUTHORIZED PERMANENT POSITIONS	FY2009-10	FY2010-11	FY2011-12	FY2012-13
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 personnel changes and a decrease in contract services.

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.

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.
- Provide staffing to the Economic Sustainability Commission.
- Provide staffing to the Human Services Advisory Board and administer 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

- Continue to carry out recommendations of the Local Living Economy Task Force.
 - 1) By implementing a community branding process and initial marketing campaign.
 - 2) Establish a Carrboro Business organization to improve communication with and among the business community.
 - 3) Organize special events and business promotions i.e. For the Love of Carrboro.
- 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 Revolving Loan Fund program and made recommendations for updating process to ESC and Board of Aldermen.
- Had two (2) Carrboro Business meetings.
- Supported Weaver Street businesses during road construction.
- Coordinated events and promotions for an opportunity from a major television network to produce a show in Carrboro.
- New ECD Director began building business relationship and contacts within the Carrboro business community.

PERFORMANCE MEASURES	FY2009-10 ACTUAL	FY2010-11 ACTUAL	FY2011-12 ESTIMATED	FY2012-13 PROJECTED
Economic Development				
Commercial Space Square Footage	NA	NA	1,656,632	1,681,632
Business Privilege License Issued	NA	NA	1,158	1,200
Business Contacts/Counseling	NA	NA	240	250
New Jobs Created by RLF	NA	NA	6	10
Annual Energy Savings Realized by the EERLF	NA	NA	\$440	\$1,000
Community Development				
Amount of Funds Allocated to Non-profits	NA	NA	\$145,883	\$153,177
The Number of Non-Profits Applying	NA	NA	48	45
Number of Affordable Housing Units Approved	NA	NA	0	10
Number of Affordable Housing Units Built	NA	NA	2	8

BUDGET SUMMARY

ECONOMIC AND COMMUNITY DEVELOPMENT - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	120,220	115,944	109,625	110,353	1%
OPERATIONS	30,084	29,208	40,979	44,043	7%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	150,303	145,153	150,604	154,396	3%

AUTHORIZED PERMANENT POSITIONS	FY2009-10	FY2010-11	FY2011-12	FY2012-13
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 changes in the Economic and Community Development budget are the addition of \$15,000 for the Local Living Economy Initiative and the decrease of \$11,636 for the Home Consortium Match.

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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 number of electronically indexed contracts.
- 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 5% to 15%.

PREVIOUS YEAR ACCOMPLISHMENTS

- Scanned 15 years of Board of Aldermen's meeting minutes and made them available on the Town's website.
- Posted 100% of the updates to the Town Code on the Town's website within one week of adoption.
- Transferred from IT, to the Town Clerk, the role of posting agendas and video to the Town's website.
- Transferred from paper index system, to electronic index, over 1,750 Town Contracts and Agreements.
- Coordinated the Town's Centennial Celebration.
- Attended 40 Board of Aldermen meetings.
- Prepared agendas and minutes for 40 Board of Aldermen meetings.

BUDGET SUMMARY
TOWN CLERK - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	108,132	95,263	71,670	71,967	0%
OPERATIONS	8,287	8,557	16,450	18,450	12%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	116,419	103,820	88,120	90,417	3%

	FY2009-10	FY2010-11	FY2011-12	FY2012-13
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	1	1	1	1
PART-TIME POSITIONS				
TOTAL	1	1	1	1

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET
 Operations budget includes more funding for training and conferences.

PERFORMANCE MEASURES	FY2009-10 ACTUAL	FY2010-11 ACTUAL	FY2011-12 ESTIMATED	FY2012-13 PROJECTED
# of Town Contracts on file with the Town Clerk	N/A	1,639	1,780	1,860
# Employee Hours Spent Electronically Indexing Contracts	N/A	120	120	80
# of Town Contracts Electronically Indexed	N/A	1,500	1,750	1,860
# of Board of Aldermen Minutes Prepared by Town Clerk	N/A	30	35	30
Employee Hours Per Set of Aldermen Minutes Prepared	N/A	2.5	2.5	2.5

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 process and record all transactions accurately and timely.
- 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 and file all required financial 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, 2011 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.
- Issued eighth Bond Anticipation Note to continue financing sidewalk and greenways construction.
- Coordinated two successful public auctions for the sale of surplus property.
- Participated in MUNIS training on workflow development.
- Designed workflow process to use MUNIS to process purchase requisitions.

BUDGET SUMMARY

MANAGEMENT SERVICES - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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SUMMARY

PERSONNEL	447,289	466,781	464,367	483,918	4%
OPERATIONS	475,443	462,681	537,234	544,034	1%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	922,732	929,461	1,001,601	1,027,952	3%

	FY2009-10	FY2010-11	FY2011-12	FY2012-13
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

Operations increase is due to contractual services increase and replacement furniture.

PERFORMANCE MEASURES	FY2009-10 ACTUAL	FY2010-11 ACTUAL	FY2011-12 ESTIMATED	FY2012-13 PROJECTED
Provide quarterly financial and budget status report to Manager and Department Heads	N/A	4	4	4
Close each accounting period according to schedule	N/A	12	12	12
Process payroll for Town employees according to schedule	N/A	26	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
Number of invoices processed	NA	4,792	4,992	5,091
Number of purchase orders issued	392	292	492	492

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 assist the new Manager in the transition to employment and to operations within the department.
- Implement on-line Performance Review and Development System.
- Partner with the Town's benefits broker and insurance providers to seek ways to reduce benefits costs while maintaining a comprehensive and competitive benefits package.
- Document department work procedures for the purposes of succession planning.
- Collaborate with Management Services to enhance human resources and payroll operations and procedures using the MUNIS Financial System.
- Provide wellness education opportunities to staff and explore the use of incentives to boost participation in wellness events.

PREVIOUS YEAR ACCOMPLISHMENTS

- Worked with Interim Town Manager in the transition of the new Manager.
- Provided customer service and supervisory training to staff.
- 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 and Committee Chair for the NC International Personnel Management Association.
- Completed coursework for continued certification in Employee Benefits.
- 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

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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SUMMARY

PERSONNEL	286,713	314,608	313,061	443,554	42%
OPERATIONS	47,408	48,322	63,670	63,720	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	334,121	362,930	376,731	507,274	35%

	FY2009-10	FY2010-11	FY2011-12	FY2012-13
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 retiree insurance.

PERFORMANCE MEASURES	FY2009-10 ACTUAL	FY2010-11 ACTUAL	FY2011-12 ESTIMATED	FY2012-13 PROJECTED
Employee Turnover Rate	6.1%	10.4%	7%	8%
Probationary Completion Rate	100%	96%	100%	100%
Average # of applications received per recruitment cycle	70	65	60	60
Average # of days from position post to date of hire	78	89	75	65
# Training & other informational sessions	28	20	20	20
% 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	90%	100%	100%

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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 application upgrade, patching and security. Manage ongoing 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.
- Continue to work with the University of North Carolina Gig.U Project. Gig.U seeks to accelerate the deployment of ultra high-speed networks to leading U.S. universities and their surrounding communities.
- Continue server virtualization with goal of decreasing the number and energy consumption of physical servers maintained by the Town and support business continuity.
- Begin advanced/multi-factor authentication implementation for Police Department NCIC/DCI access.
- Investigate (potentially implement) PD patrol car in car video system.

PREVIOUS YEAR ACCOMPLISHMENTS

- Core network infrastructure (physical and logical) re-organization and upgrade. Town wide VLAN implementation - reorganization.
- Assisted Management Services in implementing offsite disaster recovery of financial system.
- Implemented SSL VPN configuration for greater security policy control over mobile computing devices.
- Firewalling changes to public Wi-Fi network (included changes in connectivity) and Town network implementing intrusion prevention and anti-botnet.
- Various departmental application upgrades and related hardware upgrades.

BUDGET SUMMARY

INFORMATION TECHNOLOGY - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	170,341	175,588	172,965	262,779	52%
OPERATIONS	494,438	672,024	667,070	755,596	13%
CAPITAL OUTLAY	17,463	37,301	28,750	108,750	278%
TOTAL	682,242	884,913	868,785	1,127,125	30%

	FY2009-10	FY2010-11	FY2011-12	FY2012-13
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	2	2	2	3
PART-TIME POSITIONS				
TOTAL	2	2	2	3

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The changes in personnel cost is due to the addition of a full time employee. Operations costs increased due to rising license fees and additional supplies. Capital outlay costs increased due to the addition of web design and web hosting.

PERFORMANCE MEASURES	FY2009-10 ACTUAL	FY2010-11 ACTUAL	FY2011-12 ESTIMATED	FY2012-13 PROJECTED
# of Workstations Supported	160	165	170	170
# of Emergency Services Mobile Terminals Supported	37	40	43	43
Average hours per month of unplanned application downtime during business hours	<1	<1	<1	<1
# unsuccessful backups per month	4	3	3	3

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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

- 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.
- Continue partnership with Public Works and Recreation and Parks staff to provide a safe setting for all special events.
- Implement the Fit for Duty Program to ensure that all future and current police officers are physically and mentally prepared to protect and serve.

PREVIOUS YEAR ACCOMPLISHMENTS

- Met all mandated training goals.
- Maintained staffing levels at, or near, full.
- Implemented Pedestrian Safety Operation plans and directed patrols throughout Town.
- 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.
- Provided police services during all special events that required them.
- Designed the Fit for Duty Program (described above).

BUDGET SUMMARY
POLICE - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	2,714,734	2,784,760	2,770,125	2,774,400	0%
OPERATIONS	298,555	288,140	350,726	366,255	4%
CAPITAL OUTLAY	112,936	107,669	226,800	141,120	-38%
TOTAL	3,126,224	3,180,568	3,347,651	3,281,775	-2%

	FY2009-10	FY2010-11	FY2011-12	FY2012-13
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	42	44	44	42
PART-TIME POSITIONS				
TOTAL	42	44	44	42

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The operations budget increased primarily due to higher fuel and vehicle repair costs. Decrease in capital outlay reflects the purchase of fewer replacement vehicles than the prior year.

PERFORMANCE MEASURES	FY2009-10 ACTUAL	FY2010-11 ACTUAL	FY2011-12 ESTIMATED	FY2012-13 PROJECTED
Calls for Service	18,358	17,926	18,624	17,961
Calls for Service per 1,000 population	986	901	1,001	922
Part 1 Major Crimes	921	945	982	1,024
Part 1 Major Crimes per 1,000 population	49	48	53	53
Motor Vehicle Accidents	494	479	488	490
Motor Vehicle Accidents per 1,000 population	27	24	26	27
Criminal Arrests	825	687	852	832
Criminal Arrests per 1,000 population	44	35	46	43
Narcotic Arrests	164	157	161	165
Narcotic Arrests per 1,000 population	9	8	9	5
Sworn Officers	41	41	41	41
Sworn Officers per 1,000 population	2	2	2	2

Police Department *Division Level Summaries*

POLICE ADMINISTRATIVE SUPPORT

510

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	448,928	456,201	452,785	460,816	2%
OPERATIONS	21,104	25,590	32,625	40,223	23%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL	470,033	481,791	485,410	501,039	3%
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CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The increase in the Administrative Support Division budget is due to the added cost of early separation. Operations costs increased for training. Capital Outlay decreased due to no vehicle replacement for FY 12-13.

POLICE PATROL

511

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	1,546,029	1,545,676	1,517,970	1,482,146	-2%
OPERATIONS	179,943	189,631	225,436	238,359	6%
CAPITAL OUTLAY	84,977	29,937	168,000	105,840	-37%

TOTAL	1,810,950	1,765,243	1,911,406	1,826,345	-4%
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CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Patrol Division personnel budget reflects a decrease based on personnel retirement and the added cost of early separation. Changes in Operations include an increase for vehicle repairs. Capital Outlay decreased with the purchase of fewer replacement vehicles than the prior year.

POLICE COMMUNITY SERVICES
512

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	321,071	385,866	380,630	429,622	13%
OPERATIONS	54,058	41,334	46,198	39,668	-14%
CAPITAL OUTLAY	-	52,867	-	35,280	0%
TOTAL	375,129	480,067	426,828	504,570	18%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Community Services Division budget reflects an increase in personnel cost due to early separation costs. Operations budget changed due to a decrease in uniform costs and capital outlay increased with the purchase of replacement vehicle.

POLICE INVESTIGATIONS
515

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	347,000	343,767	364,323	347,003	-5%
OPERATIONS	35,634	23,293	36,118	37,515	4%
CAPITAL OUTLAY	27,958	24,865	27,300	-	-100%
TOTAL	410,592	391,926	427,741	384,518	-10%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The decrease in the Investigations Division personnel budget is due to personnel changes. Operations increased slightly due to uniform costs. Capital Outlay decreased due to no vehicle replacement for FY 12-13.

POLICE ANIMAL CONTROL
518

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	51,705	53,250	54,417	54,813	1%
OPERATIONS	7,815	8,292	10,349	10,490	1%
CAPITAL OUTLAY	-	-	15,750	-	0%
TOTAL	59,520	61,542	80,516	65,303	-19%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The slight increase in the Animal Control operations budget is due to increased fuel cost. Capital Outlay decreased due to no vehicle replacement for FY 12-13.

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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.
- For fiscal year 2013, attain an annual cardiac arrest save rate of 30%.
- 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.
- Certified as a Light Rescue agency recognized by the North Carolina Association of Rescue and Emergency Medical Services.
- 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, acceptance tests and fire inspections 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

- Pursue Accreditation through the Commission on Fire Accreditation International; develop a Strategic Plan and Standard of Cover for Carrboro Fire-Rescue Dept.
- Move to unit dispatching with Orange County 9-1-1 to provide for faster, more appropriate emergency response based on the nature of calls, their location, and available resources.
- Purchase new Rescue Pumper Tanker.

PREVIOUS YEAR ACCOMPLISHMENTS

- Replaced Brush Truck with a new Multi-Purpose Brush Truck.
- Maintained a cardiac arrest save rate of 25%.
- Recorded 4,832(estimate) public education contacts.
- Checked and/or installed 327 child passenger seats.
- Installed 42 smoke alarms and distributed 49 address markers.
- Promoted three new Relief Drivers.

BUDGET SUMMARY
FIRE - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	2,060,523	2,231,596	2,139,075	2,219,345	4%
OPERATIONS	323,280	257,440	262,560	286,414	9%
CAPITAL OUTLAY	44,480	-	-	25,200	0%

TOTAL	2,428,282	2,489,036	2,401,635	2,530,959	5%
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	FY2009-10	FY2010-11	FY2011-12	FY2012-13
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 personnel promotions of 5 relief drivers. Operational costs increased for equipment repair (\$4,500), vehicle repair (\$5,300) uniforms (\$2,000), fuel (\$2,366), EMS supplies (\$7,000) and radio maintenance contract services (\$2,500). Capital Outlay increased with the purchase of a replacement vehicle.

PERFORMANCE MEASURES	FY2009-10 ACTUAL	FY2010-11 ACTUAL	FY2011-12 ESTIMATED	FY2012-13 PROJECTED
Fire and EMS Responses per 1,000 population – Town	58.85	58.26	60.51	60
Fire and EMS Responses per 1,000 population – South Orange Fire District	86.29	56.89	48.44	50
Actual Fires per 1,000 population in Town	3.4	2.7	1.7	2.0
Median Response Time to “Priority 1” calls in Town (minutes)	4:50	4:26 (M) 4:35 (A)	4:23 (M) 4:25 (A)	4:23
Total fire safety inspections completed	998	1,006	1,000	1,000
Inspections completed per inspector FTE	1,248	1,258	1,250	1,250
Training hours with mutual aid partner departments (hours)	170.5	288.5	306	300
Cost per Fire Department response	\$1,580	\$1,813	\$1,718	\$1,700
Fire loss as % of total valuation in Town and South Orange Fire District	.00063%	.017%	.002%	.003%

Fire and Rescue Department *Division Level Summaries*

FIRE SUPERVISION

530

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	115,795	119,006	118,257	119,229	1%
OPERATIONS	25,142	22,775	29,218	32,269	10%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	140,937	141,781	147,475	151,498	3%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Increase in operational costs is due to an increase of the radio maintenance contract (\$2,500) and vehicle repair (\$1,000).

FIRE SUPPRESSION

531

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	1,878,447	2,043,524	1,952,409	2,031,507	4%
OPERATIONS	281,655	222,851	215,688	238,110	10%
CAPITAL OUTLAY	18,455	-	-	25,200	0%
TOTAL	2,178,557	2,266,375	2,168,097	2,294,817	6%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Increase in personnel costs reflects personnel promotions of 5 relief drivers. Operational costs increased due to equipment repair (\$4,500), vehicle repair (\$5,300) uniforms (\$2,000), fuel (\$2,366), EMS supplies (\$7,000), and departmental supplies (\$3,962). Capital Outlay increased with the purchase of a replacement vehicle.

FIRE PREVENTION AND SAFETY
532

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	66,281	69,066	68,409	68,609	0%
OPERATIONS	16,483	11,814	17,654	16,035	-9%
CAPITAL OUTLAY	26,025	-	-	-	0%
TOTAL	108,789	80,880	86,063	84,644	-2%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Operations costs decreased because new code books were purchased last year which are purchased every three years.

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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 monitors the availability and use of resources needed to maintain a balance desired by the community as a whole. The department fulfills this 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.
- Evaluate and support commercial/ office/business/residential mixed use developments in new or redeveloping areas.

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

- Evaluate and schedule completion of Comprehensive LUO review/update; evaluate need for strategic or comprehensive planning/update.
- Administration of construction planning for Bolin Creek Phase 1B and Morgan Creek greenways.
- Administer SEEA-grant related energy efficiency initiatives, particularly planning for ongoing sustainability of local efforts
- Develop zoning strategies to refine NSA Plan implementation.

PREVIOUS YEAR ACCOMPLISHMENTS

- Successful administration of Physical Activity Action planning
- Update and automation of energy use and carbon dioxide/greenhouse gas emissions generation; preparation of plan for engaging community in setting reduction targets and plan implementation measures.
- Processed five LUO text amendments and administered three LUO map amendments.
- Successful administration of EPA 319 Bolin Creek BMP grants activities including Dry Gulch stream restoration.
- Staff support and reporting on DCHC MPO Long Range Transportation Plan update, including Community Viz-based scenario building and visioning.
- Launch records management process for all new zoning files.
- Update of ArcGIS and Pictometry imagery for all staff, automate data downloads, and improve functionality of web pages for internal and external users.
- Support for Weaver Street reconstruction traffic pattern changes communication /outreach.
- 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.

BUDGET SUMMARY

PLANNING - DEPARTMENTAL TOTAL

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
SUMMARY					
PERSONNEL	974,869	1,017,143	991,699	1,033,654	4%
OPERATIONS	123,322	115,060	172,321	201,334	17%
CAPITAL OUTLAY	26,922	-	28,000	9,190	0%
TOTAL	1,125,113	1,132,203	1,192,020	1,244,178	4%

	FY2009-10	FY2010-11	FY2011-12	FY2012-13
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 an increase in salary due to budgeting a position for six months that was previously frozen. Operations increased with additional contract services.

PERFORMANCE MEASURES	FY2009-10 ACTUAL	FY2010-11 ACTUAL	FY2011-12 ESTIMATED	FY2012-13 PROJECTED
# of Land Use Ordinance Revision	5	2	3	5
# of Conditional Use Permits	1	2	2	1
# Special Use Permits	1	3	1	1
# Zoning Permits	91	86	85	90
# Bldg. Permits for New Residential Units in Town	130	47	65	65
Estimated Building Permit Construction Value for New Residential in Town	\$21.6 million	\$8.9 million	\$8.5 million	\$8 million
Estimated Building Permit Construction Value for New Commercial in Town	\$7.1 million	\$1 million	\$240,000	\$2.2 million
Inspections per day per Inspector FTE	11.23	11.63	12.0	12.4
# of CO's Issued for New Residential Units in Town	70	117	48	50
Amount New Commercial Square Footage "CO" in Town	46,938	32,696	15,000	8,100

Planning Department *Division Level Summaries*

PLANNING SUPERVISION

540

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	461,283	488,577	455,260	453,943	0%
OPERATIONS	28,613	38,327	54,221	170,306	214%
CAPITAL OUTLAY	-	-	-	9,190	0%

TOTAL	489,896	526,904	509,481	633,439	24%
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CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Operations increased due to the additional contract services and the budgeting of engineering services which had previously been budgeted in the Zoning Division.

PLANNING ZONING

541

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	272,277	279,808	294,072	333,477	13%
OPERATIONS	82,722	65,384	101,478	13,757	-86%
CAPITAL OUTLAY	-	-	28,000	-	0%

TOTAL	354,999	345,192	423,550	347,234	-18%
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CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Zoning Division personnel increased with the budgeting a position for six months that was previously frozen. Operations decreased due to budgeting engineering costs in Supervision.

PLANNING INSPECTIONS

542

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	241,309	248,757	242,367	246,234	2%
OPERATIONS	11,987	11,349	16,622	17,271	4%
CAPITAL OUTLAY	26,922	-	-	-	0%
TOTAL	280,218	260,106	258,989	263,505	2%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Operations increased due to adjustment in fuel usage.

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TRANSPORTATION

PURPOSE

The Transportation cost center is used to account for expenditures associated with the Town's contract for public transportation services. 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 provides 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 \$16.8 million.

GOALS

- Improve quality of public transportation service.
- Improve level of public transportation service.
- Improve access to public transportation.

SERVICES PROVIDED & ACTIVITIES

- Fixed route transit encompasses all regular bus service to Carrboro residents.
- EZ Rider is a special demand-response service using lift-equipped vehicles to transport individuals with mobility limitations that prevent them from using regular fixed route buses.
- Tar Heel Express is a special service for UNC home basketball and football games.
- Bike-on-bus allows transit riders to put their bicycle on the front of any bus.

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.
- Work with Chapel Hill Transit, Triangle Transit, and Orange County jurisdictions to continue planning for transit investments in the county, including service extensions to or within Carrboro.

PREVIOUS YEAR ACCOMPLISHMENTS

Chapel Hill Transit overall:

- Service area of approximately 62 square miles.
- Statistics for calendar year 2010 are provided in the table below.

Service Consumption	Amount
Annual Passenger Miles	15,523,054
Annual Unlinked Trips	7,552,486
Average Weekday Unlinked Trips	29,699
Average Saturday Unlinked Trips	1,675
Average Sunday Unlinked Trips	916
Service Supplied	
Annual Vehicle Revenue Miles	2,160,791
Annual Vehicle Revenue Hours	192,348

- In the 2010-2011 fiscal year, total system ridership was 7 million which was virtually equal to the 2009-2010 fiscal year.
- A Comprehensive Operations Analysis was conducted to identify service efficiencies and modifications, cost saving options, and potential expansions to underserved transit markets.
- Chapel Hill Transit began a transit advertising program in FY2011-12 to generate additional revenue to cover costs.
- On average between 2006 and 2010, 16.3 percent of Carrboro residents used transit to commute, according to the American Community Survey, compared to 9.1 percent in 2000.

BUDGET SUMMARY

TRANSPORTATION- DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	1,032,835	1,032,825	1,064,150	1,240,000	17%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	1,032,835	1,032,825	1,064,150	1,240,000	17%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The transportation budget increased due to the increase in cost share.

PERFORMANCE MEASURES	FY2009-10 ACTUAL	FY2010-11 ACTUAL	FY2011-12 ESTIMATED	FY2012-13 PROJECTED
Average Daily Ridership (Boarding)	3,656	3,649	3,447	3,606
Average Daily Ridership (Alighting)	3,217	3,486	3,359	3,382

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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 Department, 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 of Wilson Park Multi-Use Path project.
- Continue implementation of the next Phase 1B sidewalk bond projects - 4 projects.
- Implement final design and construction of proposed Roberson Street sanitary sewer. Contingent upon cooperation of properties who must connect and funding.
- Planning solid waste service modifications due to Orange County landfill closing June 30, 2013.

PREVIOUS YEAR ACCOMPLISHMENTS

- Provided routine municipal services – solid waste collection, street and right-of-way maintenance, mowing of town properties, tree trimming and removal, ball field preparation, leaf collection, facility maintenance, vehicle and equipment maintenance.
- Elm Street sidewalk design modified to address adjacent soil contamination issue and project has been put out for bid. Construction expected to start in FY11/12.
- Pine Street and Davie Street sidewalk projects under design. Easements and right-of-way acquisition should be completed in March 2012 and the project should be out for bid in late FY 11/12.
- Engineering design RFQ prepared and posted for Rogers Road sidewalk.
- Construction Engineering Inspection RFQ prepared and posted for Wilson Park Multi-use path.
- Weaver St reconstruction completed.
- Preliminary engineering initiated for proposed Roberson Street sanitary sewer.
- Continued Town wide effort for fuel conservation with the purchase of fuel efficient vehicles when possible, monitoring town wide fuel usage, encouraging all employees to conserve fuel when distributing quarterly fuel usage reports.
- Conducted annual Arbor Day Observance.
- Completed annual purchase of new vehicles and equipment.
- Helped to facilitate annual town auction of vehicles and equipment.
- Provided support for 7 special events (4 races, Carrboro Day, July 4th, Fall Music Fest)
- Re-building of boiler and chiller motors at Century Center.
- Installed “way finding” bicycle signs in conjunction with the grant obtained by Planning for the purchase of the signs.
- Significant brick paver repair/replacement in downtown area in conjunction with Weaver St. reconstruction project.

BUDGET SUMMARY

PUBLIC WORKS - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY				
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PERSONNEL	1,725,324	1,797,964	1,839,580	1,881,686	2%
OPERATIONS	1,233,362	1,317,537	1,503,811	1,571,821	5%
CAPITAL OUTLAY	360,104	650,594	451,490	281,725	-38%

TOTAL	3,318,790	3,766,095	3,794,881	3,735,232	-2%
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	FY2009-10	FY2010-11	FY2011-12	FY2012-13
AUTHORIZED PERMANENT POSITIONS				
FULL-TIME POSITIONS	36	36	36	34
PART-TIME POSITIONS				
TOTAL	36	36	36	34

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Personnel costs increased due to personnel promotions. Operating costs increased due to utility costs, landfill fees, contract services, uniforms, and upgrading cell phones. Details of the changes are highlighted in the division descriptions. Capital Outlay costs decreased due to the cost of street resurfacing which was done the previous year.

PERFORMANCE MEASURES	FY2009-10 ACTUAL	FY2010-11 ACTUAL	FY2011-12 ESTIMATED	FY2012-13 PROJECTED
Workload:				
# of construction contracts administered	4	2	3	3
# of maintenance contracts administered	3	1	1	1
Miles of road maintained	38.79	43.27	44.89	46.91
Miles of bike path maintained	1.15	1.15	1.15	2.02
# rollout containers	3930	3930	4002	4101
# multi-family and commercial dumpsters	187	187	187	187
Sq. ft. of building space maintained	61,317	61,317	61,317	61,317
# of burials	13	16	14	14
Total # vehicles maintained	96	96	97	98
Total # additional rolling stock maintained	27	28	28	28
Acres of park maintained	96	96	96	96
# of play fields maintained	7	7	7	7
Efficiency:				
Cost of asphalt maintenance per lane mile	\$530	\$442	\$440	\$438
Cost of centerline mile resurfaced (every 2 yrs)	\$109,000	N/A	\$120,260	N/A
Refuse Tons per 1,000 population (all sources)	382	383	383	383
Cost per ton collected (all tons)	\$133	\$105	\$130	\$146
# work orders per fleet technician FTE per year	597	574	506	559
Effectiveness:				
% of construction contracts completed	100%	100%	100%	100%
% of maintenance contracts completed	100%	100%	100%	100%
Street segments rated 85% or better	79%	85.7%	89%	89%

Public Works Department *Division Level Summaries*

PUBLIC WORKS SUPERVISION
550

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	304,190	313,387	312,223	316,451	1%
OPERATIONS	12,659	21,373	29,479	32,670	11%
CAPITAL OUTLAY	-	28,747	-	-	0%
TOTAL	316,848	363,507	341,702	349,121	2%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Supervision Division operating expense increased due to budgeting all division office supplies, which were previously budgeted in each division budget.

PUBLIC WORKS STREET MAINTENANCE
560

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	480,833	517,186	545,439	505,138	-7%
OPERATIONS	350,785	384,935	400,852	400,348	0%
CAPITAL OUTLAY	36,818	578,207	451,490	-	-100%
TOTAL	868,436	1,480,328	1,397,781	905,486	-35%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Street Maintenance Division budget shows a decrease in personnel due to freezing a vacant maintenance/construction position. Capital Outlay costs decreased due to the cost of street resurfacing which was done the previous year.

PUBLIC WORKS SOLID WASTE MANAGEMENT
580

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	314,146	325,887	335,869	341,991	2%
OPERATIONS	438,656	461,492	528,261	589,528	12%
CAPITAL OUTLAY	238,698	-	-	231,000	0%
TOTAL	991,499	787,380	864,130	1,162,519	35%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Solid Waste Division budget shows an increase in operating costs due to purchase of rollout carts (\$5,365) and landfill fees (\$51,690). Capital Outlay reflects an increase based on the purchase of a replacement front loader refuse truck.

PUBLIC WORKS CENTRAL SERVICES
590

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	152,428	158,337	156,290	159,060	2%
OPERATIONS	252,301	281,109	297,967	310,245	4%
CAPITAL OUTLAY	60,629	-	-	-	0%
TOTAL	465,358	439,446	454,257	469,305	3%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Central Services Division operating costs increased due to the cell phone upgrade (\$2,582) maintenance and building repairs (\$2,500), utilities (\$6,470), and contract services (\$1,851).

BUDGET SUMMARY
PUBLIC WORKS FLEET MAINTENANCE
591

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	166,210	170,967	168,061	171,037	2%
OPERATIONS	23,631	19,328	39,763	31,885	-20%
CAPITAL OUTLAY	23,959	-	-	7,800	0%
TOTAL	213,800	190,294	207,824	210,722	1%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Fleet Division operating costs decreased due to the reduction of office supplies now being budgeted in the Supervision budget. The increase in capital outlay is for a tire machine.

BUDGET SUMMARY
PUBLIC WORKS LANDSCAPING
592

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	307,518	312,201	321,697	388,009	21%
OPERATIONS	155,330	149,300	207,489	207,145	0%
CAPITAL OUTLAY	-	43,640	-	42,925	#DIV/0!
TOTAL	462,848	505,140	529,186	638,079	21%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Landscaping Division personnel increase is associated with budgeting a previously frozen supervisor position and freezing a groundskeeper position. Operating costs decreased slightly due to budgeting office supplies in the Supervision budget. Capital Outlay increased for the replacement of a groundmaster mower and a leaf loader unit.

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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

- Evaluate and refine athletic volunteer & parent training & procedures to help foster a positive environment for all participants and spectators.
- Identify and utilize new marketing techniques to enhance public awareness of department programs and services in an efficient and cost-effective manner.
- Increase Education/Adventure Programs.
- Increase community input.
- Develop a recognition process for the service provided by temporary staff.

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.
- Operate 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

- Conduct research into local, state and national policies regarding issues with athletic volunteers, participants, parents and spectators.
- Review and enhance all coach and participant manuals and training material.
- Conduct a broad evaluation of marketing practices of local, state and national Recreation & Parks Departments to seek innovative marketing techniques.
- Following the Town's Social Media Guidelines, increase use of social and digital media such as Twitter and department web pages.
- Evaluate department brochures processes and make recommendations for cheaper and more time-sensitive creation, review and release of these materials.
- Utilize Town owned and other area parks, and nature sites.

- Partner with local businesses to create affordable programs.
- Conduct community based surveys online.
- Enhance obtaining feedback from participants.
- Form a Teen Council to increase teen involvement and input.
- Offer games or social events to bring the staff together.
- Recognize years of service and outstanding service or assistance of temporary staff.

PREVIOUS YEAR ACCOMPLISHMENTS

INDIVIDUAL

- Staff attended conflict resolution training.
- Staff attended supervisory training.
- Staff attended a teleconference on promoting positive atmosphere in youth sports.
- Divisional staff became re-certified in Basic 1st Aid & CPR.
- Two recreation supervisors hired.
- Staff served as the NCRPA Region IV chair.
- Staff participated in a Summer Camp Teleconference on summer camp planning and issues.
- Staff attended Therapeutic Recreation Conference.

DIVISIONAL

- Coordinated the Celebration of Carrboro Centennial.
- Staff attended Class upgrade training.
- The program division created a Power Point library that explains and emphasizes recreation opportunities for participants.
- Increase in program participation (i.e., Toddler playtime, girls' volleyball, Hispanic Tennis Carnival and adult athletic leagues).
- New classes/programs were successfully created and implemented (i.e., Zumba, Jewelry Making, Health –Financial Fair for Seniors and Adults, flag football for 5-6 year olds and fall girls field hockey clinics).
- The year witnessed an increase in the coordination of programs with other groups/agencies (i.e., UNC Wellness, Art Center, Carrboro Centennial Celebration, First Tee Golf program, and community-based activities at Estes Park and Abbey Court, youth ultimate frisbee clinic in conjunction with Triangle Youth Ultimate).
- Enhanced programming through Native American Music workshops (flute & drum and performances with Jonathan Ward, Mark Holland & Autumn's Child).
- Partnered with Planning Department to offer an Energy Efficiency Education Fair.

DEPARTMENTAL

- Worked w/ UNC School of Journalism to review marketing practices and how to enhance promoting of department/programs.
- The construction of the Wilson Park bathrooms/storage.
- Implemented new web alias (CarrboroRec.org) for better identification.
- Implemented new Twitter account (@CarrboroRecPark).

BUDGET SUMMARY

RECREATION AND PARKS - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	968,963	961,541	1,049,408	1,043,764	-1%
OPERATIONS	274,449	275,619	346,990	346,999	0%
CAPITAL OUTLAY	39,581	14,401	31,800	35,115	0%
TOTAL	1,282,994	1,251,561	1,428,198	1,425,878	0%

	FY2009-10	FY2010-11	FY2011-12	FY2012-13
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

The Recreation and Parks budget remains stable.

PERFORMANCE MEASURES	FY2009-10 ACTUAL	FY2010-11 ACTUAL	FY2011-12 ESTIMATED	FY2012-13 PROJECTED
Total Department Revenues	\$271,763	258,563	261,972	264,421
% change in total department revenue	-4%	-5%	1%	1%
% change of operational budget supported by program revenue generated	0%	-4%	-9%	1%
Total paid reservations	824	755	709	715
% change in paid reservations	-13%	--8%	-6%	1%
Total nonpaid reservations	17	15	16	16
% change in nonpaid facility reservations	-32%	-5%	1%	0%
% change in enrolled participants	4%	-3%	4%	2%
% change in recreation programming hours	7%	2%	0	2%
% change in volunteer hours supporting programs	23%	15%	-10%	1%
% change of fees waived for low income participants	-34%	14%	4%	0%

Recreation and Parks Department *Division Level* Summaries

RECREATION SUPERVISION

620

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	107,609	110,155	109,083	110,161	1%
OPERATIONS	11,186	12,549	18,104	19,104	6%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL	118,795	122,704	127,187	129,265	2%
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CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Supervision budget for operations increased due to conference increase of \$1,000.

RECREATION PLAYGROUNDS AND PARKS

621

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	4,504	3,410	16,390	17,078	4%
CAPITAL OUTLAY	39,581	14,401	-	35,115	0%

TOTAL	44,085	17,812	16,390	52,193	218%
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CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Playground and Parks operating expenses increased for park maintenance (\$1,050) and departmental supplies (\$688). Capital outlay expenses include Century Center drupe replacement (\$25,115) and installation of three (3) LCD televisions in the classrooms.

GENERAL PROGRAMS
623

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	551,782	543,399	597,633	585,744	-2%
OPERATIONS	250,893	252,614	296,963	295,284	-1%
CAPITAL OUTLAY	-	-	31,800	-	0%
TOTAL	802,675	796,013	926,396	881,028	-5%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Athletics Division and General Programs Division have now been combined. Salaries changed due to the realignment. Operating and Capital Outlay costs decreased due to no replacement vehicle purchase for FY2012-13.

RECREATION FACILITIES
624

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	309,572	307,987	342,692	347,859	2%
OPERATIONS	7,867	7,045	15,533	15,533	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	317,439	315,032	358,225	363,392	1%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The Facilities budget remains fairly stable.

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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 necessary and available, are set aside for:
 - Compensation Adjustments
 - Dependent Health Insurance
 - Contingency – general and fuel
 - Transfers to Other Funds

With exception of contingency funds, non-department funds are distributed later in the year to departments as needed. The fuel contingency funds may be transferred to departments by the Town Manager. The general contingency funds may only be transferred upon approval of the Board of Aldermen.

BUDGET SUMMARY

NONDEPARTMENTAL - TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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SUMMARY

PERSONNEL	-	-	459,638	275,001	-40%
OPERATIONS	404,562	206,223	47,000	485,700	933%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	404,562	206,223	506,638	760,701	50%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

The recommended personnel budget sets aside \$275,000 for a 3% across-the-board salary adjustments for employees.

The operating cost represents transfers of funds from the General Fund to other funds. A transfer of \$150,000 is for the Revolving Loan Fund and \$300,700 is set aside in Capital Reserves for street resurfacing that will take place in FY 13-14.

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*

NON-DEPARTMENTAL

660

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
SUMMARY					
PERSONNEL	-	-	459,638	275,001	-40%
OPERATIONS	-	-	35,000	35,000	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	-	-	494,638	310,001	-37%

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Personnel costs decreased due to budgeting retirement increases and service benefits in departmental budgets. Operating costs for contingency remain the same.

TRANSFERS

661

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
SUMMARY					
PERSONNEL	-	-	-	-	0%
OPERATIONS	404,562	206,223	12,000	450,700	3656%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	404,562	206,223	12,000	450,700	3656%

CHANGE IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Transfers include \$150,000 for the Revolving Loan Fund and \$300,700 for street resurfacing.

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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, 2011, the Town had approximately \$12.3 million dollars in general debt as shown in the chart:

	Long Term Debt 6/30/2010	Long Term Debt 6/30/2011
General Obligation debt	\$ -	\$ -
Bond Anticipation Note	\$ 2,590,000	\$ 2,590,000
Installment purchases - improvements & equipment	\$ 7,060,641	\$ 6,319,304
Compensated absences	\$ 597,845	\$ 593,906
Other Post-employment benefits	\$ 1,234,293	\$ 2,473,455
Net pension obligation	\$ 322,184	\$ 359,549
Total	\$ 11,804,963	\$ 12,336,214

Approximately \$6.3 million or 51% of this 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 financing. The \$4.6 million bond referendum passed in November 2003 by residents to fund the construction of sidewalks and greenways will shift the balance of the debt financing portfolio to general obligation bonds. The Town, beginning sidewalk construction in FY05-06, has issued bond anticipation notes (BAN) requiring only interest payments until the permanent financing is issued. 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, the LGC has authorized a three year extension of this authority up to a maximum of ten years.

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. Debt obligations for 2011 below are from the June 30, 2011 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.

The Town must issue the \$4,600,000 general obligations bonds for sidewalks and greenways by November 2013. Until then the Town plans to continue issuing bond anticipation notes (BANs). 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	\$ 2,145,129	\$ 4,600,000	\$ 11,756,039
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

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	1,477,718	1,511,630	1,402,111	1,430,681	2%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL	1,477,718	1,511,630	1,402,111	1,430,681	2%
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CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET

Debt Service costs increased slightly in FY 2012-13 from the prior year due to the financing cost of the vehicles.

Project	Issue \$	Principal	Interest	Total
SIDEWALKS & GREENSWAYS BAN	\$ 2,590,000	\$ -	\$ 28,738	\$ 28,738
TOTAL GENERAL OBLIGATION BONDS			\$ 28,738	\$ 28,738
CENTURY CTR	\$ 3,080,000	\$ 189,624	\$ 40,255	\$ 229,879
MARTIN LUTHER KING PARK LAND	\$ 274,000	\$ 22,134	\$ 2,539	\$ 24,673
PUBLIC WORKS LAND	\$ 767,000	\$ 51,133	\$ 10,805	\$ 61,938
ADAMS TRACT	\$ 600,000	\$ 40,000	\$ 13,120	\$ 53,120
FIRE SUBSTATION	\$ 3,250,000	\$ 216,667	\$ 108,025	\$ 324,692
TOTAL LONG-TERM INSTALLMENT DEBT		\$ 519,558	\$ 174,744	\$ 694,302

FY 2011-12 and prior Vehicle/Equipment

EQUIPMENT/VEHICLES		\$ 807,641	\$ 42,287	\$ 849,928
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Annual vehicle and equipment debt service costs are comprised of borrowings dating from FY07-08 with annual amortization ranging from five to seven years.

FY 2012-13 PURCHASES TO BE FUNDED WITH INSTALLMENT DEBT:

Department	Vehicle	Cost	Debt Service
Police	Patrol Vehicles-Replace vehicle #211	\$ 35,280	\$ 9,923
Police	Patrol Vehicles-Replace vehicle #212	\$ 35,280	\$ 9,923
Police	Patrol Vehicles-Replace vehicle #213	\$ 35,280	\$ 9,923
Police	Patrol Vehicles-Replace vehicle #214	\$ 35,280	\$ 9,923
Public Works	Solid Waste - Front Loader - Replace #56	\$ 231,000	\$ 64,973
Fire-Rescue	Sedan - Replace #982/with F-150 4x4 Pick-Up	\$ 25,200	\$ 7,088
	TOTAL	\$ 397,320	\$ 111,754

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SPECIAL REVENUE FUNDS

The Special Revenue Fund was restructured in 2011 to comply with GASB 54. 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

INVESTMENT EARNINGS
 GRANT REVENUES
 OTHER REVENUES
 TRANSFERS
TOTAL REVENUE

PRIOR YEARS ACTUALS	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
592,305	305,000	81,952	-73%
203,293	379,900	313,341	-18%
725,613	813,440	102,713	-87%
259,025	11,750	23,500	100%
1,780,236	1,510,090	521,506	-65%

EXPENDITURE

COMMUNITY DEVELOPMENT
 GENERAL GOVERNMENT
 OTHER APPROPRIATIONS (LOANS)
 TRANSFERS TO OTHER FUNDS
 GRANT EXPENDITURES
 COMMITMENTS
 RESERVES
TOTAL EXPENDITURES

36,213	-	11,750	N/A
17,453	29,397	12,921	-56%
897,072	867,073	28,774	-97%
253,200	139,000	-	-100%
201,438	379,900	313,341	-18%
-	-	60,000	N/A
-	94,720	94,720	0%
1,405,376	1,510,090	521,506	-65%

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	PRIOR YEARS ACTUALS	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
<i>REVENUE</i>				
RESERVES	5,825	11,750	11,750	0%
SUBTOTAL	5,825	11,750	11,750	0%
<i>EXPENDITURE</i>				
105 COBB ST.	8,250			0%
109 JONES FERRY ROAD	27,963	-	-	N/A
RESERVES	-	11,750	11,750	0%
SUBTOTAL	36,213	11,750	11,750	0%

GRANT FUND

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

- Fire Sprinkler System Grant from the Federal Emergency Management Agency and Department of Homeland Security to install a fire sprinkler system in Fire Station#1;
- Clean Water Act Grant issued by the NC Department of Environmental and Natural Resources to continue watershed restoration work in the Bolin Creek watershed, including 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 storm water at the Pacifica neighborhood.
- Southeast Energy Efficiency Alliance (SEEA) Grant totaling \$242,900 funded by the US Department of Energy for an energy efficiency program for single-family residents, energy efficiency revolving loan fund, and a multi-family residential energy pilot program.
- Physical Activity ARRA Grant received from the North Carolina Department of Health and Human Services (NCDHHS) 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.
- Safe Route to School Non-Infrastructure Grant awarded by the North Carolina Department of Transportation (NCDOT) 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	PRIOR YEARS ACTUALS	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE FROM 2011-12
REVENUE				
INVESTMENT EARNINGS	20	-	-	N/A
NC DENR - CLEAN WATER	119,450	205,000	43,550	-79%
SOUTHEAST ENERGY EFFICIENCY ALLIANCE GRANT	6,255	75,000	161,645	116%
NC DHHS - PHYSICAL ACTIVITY	7,714	24,900	9,447	-62%
NC SAFE ROUTES TO SCHOOL NON-INFRA.	654	-	12,210	N/A
NC DENR - RECREATIONAL TRAILS	-	75,000	-	-100%
FIRE SPRINKLER SYSTEM GRANT	-	-	75,000	N/A
TRANSFER	69,200	-	11,489	N/A
SUBTOTAL	203,293	379,900	313,341	-18%
EXPENDITURE				
WATER RESTORATION - CLEAN WATER	119,000	205,000	44,000	-79%
ENERGY EFFICIENCY PROGRAM	6,255	75,000	173,695	132%
PHYSICAL ACTIVITY GRANT - NC DHHS	5,825	24,900	9,295	-63%
NC SAFE ROUTES TO SCHOOL NON-INFRASTRUCTURE	1,158	-	11,351	N/A
RECREATION TRAILS (This is in Capital Fund Project)	-	75,000	-	-100%
FIRE SPRINKLER SYSTEM	-	-	75,000	N/A
TRANSFERS	69,200	-	-	N/A
SUBTOTAL	201,438	379,900	313,341	-18%

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. 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:

Business	Amount Borrowed	Date of Original Loan
Alphabet Soup	\$48,000	2001
Bryan's Guitar and Music, Inc	\$90,000	2004
Cycling Specifics	\$45,000	2006
Art in a Pickle	\$105,000	2007
Carrboro Co-Working	\$90,000	2008
Beehive	\$56,000	2009
Original Ornament	\$70,000	2009
Carrboro Citizen	\$50,000	2009
The Kind Coffee	\$57,000	2009
Second Wind, LLC	\$45,000	2012

BUDGET SUMMARY

REVOLVING LOAN FUND	PRIOR YEARS ACTUALS	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
<i>REVENUE</i>				
INVESTMENT EARNINGS	592,285	305,000	81,070	-73%
OTHER REVENUE - LOAN REPAYMENTS	545,613	723,440	74,821	-90%
OTHER FINANCING SOURCES	80,000	90,000	-	-100%
SUBTOTAL	1,217,898	1,118,440	155,891	-86%
<i>EXPENDITURE</i>				
GENERAL GOVERNMENT EXPENSE	17,453	29,397	12,921	-56%
ECONOMIC AND PHYSICAL DEVELOPMENT LOANS	797,072	867,073	-	-100%
TRANSFERS	184,000	139,000	-	-100%
COMMITMENTS		-	60,000	N/A
RESERVES FOR LOANS		82,970	82,970	0%
SUBTOTAL	998,525	1,118,440	155,891	-86%

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CAPITAL PROJECTS FUND

The Capital Projects Fund is comprised of the following:

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

The Town has a six-year Capital Improvement Program that is updated annually. The CIP for FY 2012-13 through FY 2017-18 can be reviewed in detail on the Town's web site at:

<http://www.townofcarrboro.org/MS/CIP/2011/TableofContents.htm>

Capital projects are projects financed (in whole or in part) by the proceeds of bonds, notes or debt instruments 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 considered completed and are removed from the general ledger one year following completion.

With the completion of the Weaver Street Re-construction in FY 2011-12, the Town's major capital improvement project now is the bond funded sidewalk and greenways projected authorized in the November 2003 referendum by the citizens.

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 \$572,783
- Bolin Creek Greenway Phase 1-B, Total appropriation \$737,500
- Morgan Creek Greenway, Total appropriation \$600,000
- Bicycle Loop Detectors, Total appropriation \$37,500
- Wilson Park Multi-Use Path, Total appropriation \$341,000

CAPITAL PROJECTS FUND, SUMMARY

PRIOR YEARS ACTUALS	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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REVENUE

INVESTMENT EARNINGS	38,204	155,757	155,757	0%
OTHER FINANCING SOURCES	5,589,560	8,173,228	2,713,189	-67%
RESTRICTED INTERGOVERNMENTAL OTHER	532,666	1,043,804	1,724,632	65%
FUND BALANCE APPROPRIATED	272,408	271,857	333,642	23%
SUBTOTAL	6,576,108	9,964,861	5,253,945	-47%

EXPENDITURES

CAPITAL PROJECTS	4,272,699	5,569,546	379,156	-93%
GO SIDEWALK & GREENWAYS	2,469,371	4,075,100	4,548,064	12%
CAPITAL RESERVES	544,806	176,945	176,945	0%
PAYMENT IN-LIEU	544,806	143,270	149,780	5%
SUBTOTAL	7,831,682	9,964,861	5,253,945	-47%

GO BOND, SIDEWALK AND GREENWAYS	PRIOR YEARS ACTUALS	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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REVENUE

INTEREST EARNINGS	1,650	155,757	155,757	0%
OTHER FINANCING SOURCES	2,853,228	2,853,228	2,371,533	-17%
RESTRICTED INTERGOVERNMENTAL	53,547	967,508	1,694,632	75%
OTHER		98,607	326,142	231%
SUBTOTAL	2,908,425	4,075,100	4,548,064	12%

EXPENDITURES

QUAIL ROOST SIDEWALK	145,999	145,999	-	-100%
LISA DRIVE SIDEWALK	127,800	127,800	-	-100%
BOLIN FOREST SIDEWALK	25,141	54,901	-	-100%
HANNAH ST SIDEWALK	66,659	210,867	-	-100%
N. GREENSBORO ST SIDEWALK	348,864	348,864	-	-100%
WILLIAMS ST SIDEWALK	31,555	31,555	-	-100%
LLOYD ST SIDEWALK	10,855	10,855	-	-100%
JONES FERRY RD SIDEWALK	15,918	15,918	-	-100%
FOWLER ST. SIDEWALK	16,535	16,535	-	-100%
S GREENSBORO ST SIDEWALK	43,153	43,153	-	-100%
ASHE/BIM SIDEWALKS	112,321	327,300	-	-100%
MORGAN CREEK/BOLIN CREEK GREENWAY	180,285	125,000	1,207,215	866%
ELM ST. SIDEWALK	18,045	316,000	360,852	14%
PHASE IB SIDEWALK PROJECTS	1,163,923	1,590,572	371,533	-77%
NCDOT ENHANCEMENT PROJECTS	126,848	126,848	-	-100%
WILSON PARK MULTIUSE PATH	35,470	266,000	295,849	11%
SHELTON STREET SIDEWALK	-	-	212,000	0%
DA VIE STREET SIDEWALK	-	-	651,000	0%
PINE STREET SIDEWALK	-	-	362,000	0%
ROGERS ROAD SIDEWALK	-	-	1,087,615	0%
PROFESSIONAL SVCS	-	73,000	-	-100%
MISCELLANEOUS	-	2,000	-	-100%
DESIGN	-	1,945	-	-100%
TRANSFER TO CAP RES FD	-	239,988	-	-100%
SUBTOTAL	2,469,371	4,075,100	4,548,064	12%

CAPITAL PROJECTS

PRIOR YEARS ACTUALS	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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REVENUE

INVESTMENT EARNINGS	32,408	-	0	N/A
FUND BALANCE APPROPR		-		0%
OTHER FINANCING SOURCES	2,730,285	5,320,000	341,656	-94%
RESTRICTED INTERGOVERNMENTAL	479,119	76,296	30,000	-61%
OTHER /TRANSFERS	270,611	173,250	7,500	-96%
SUBTOTAL	3,512,423	5,569,546	379,156	-93%

EXPENDITURES

LAND - PUBLIC WORKS	756,486	767,000	-	-100%
BUS SHELTERS	74,513	76,296	-	-100%
TRANSFERS		-	-	0%
WEA VER ST. RECONSTRUCTION	711,415	1,476,250	-	-100%
BICYCLE LOOP DECTECTORS	-	-	37,500	0%
FIRE STATION #2	2,730,285	3,250,000	341,656	-89%
SUBTOTAL	4,272,699	5,569,546	379,156	-93%

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.*

Smith Level sidewalk project – *In FY09-10, following review of the annual CIP, the Board appropriated additional reserves to support this sidewalk project planned with the bond-funded sidewalk program.*

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

CAPITAL RESERVE FUND	PRIOR YEARS ACTUALS	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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REVENUE

INVESTMENT EARNINGS	3,683			N/A
OTHER FINANCING SOURCES				N/A
RESTRICTED INTERGOVERNMENTAL				N/A
OTHER	1,797			N/A
FUND BALANCE APPROPRIATION	279,234	176,945	176,945	0%
SUBTOTAL	284,714	176,945	176,945	0%

EXPENDITURE

OTHER FINANCING SOURCES	544,806	176,945	176,945	0%
SUBTOTAL	544,806	176,945	176,945	0%

RESERVES AVL FOR:	6/30/2011	6/30/2012	6/30/2013
TEAL PLACE SIDEWALK INSTALLATION	2,000	2,000	2,000
BREWER LANE SIGNAL CROSSINGS	15,000	15,000	15,000
STREETS	451,190	451,190	300,700
WEAVER ST RECONSTRUCTION	370,117	196,867	-
PEG FUNDS FOR BOARD ROOM			
EQUIPMENT	30,099	30,099	30,099
SMITH LEVEL ROAD SIDEWALKS, LOCAL MATCH	207,000	207,000	207,000
ROGERS ROAD SIDEWALK	143,823	143,823	-
DEBT SERVICE	-	-	-
MISC CAPITAL PROJECTS	-	-	-
UNDESIGNATED	172,894	172,894	172,894
TOTAL RESERVES	1,392,123	1,218,873	727,693

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.

PAYMENT IN LIEU RESERVE	PRIOR YEARS ACTUALS	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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REVENUE

INVESTMENT EARNINGS	463			N/A
OTHER FINANCING SOURCES	6,047			N/A
RESTRICTED INTERGOVERNMENTAL				N/A
OTHER				N/A
FUND BALANCE APPROPRIATION	143,270	143,270	149,780	5%
SUBTOTAL	149,780	143,270	149,780	5%

EXPENDITURE

TRANSFERS	-	-	-	N/A
UNEXPENDED RESERVES	149,780	143,270	149,780	5%
SUBTOTAL	149,780	143,270	149,780	5%

RESERVES AVL FOR:	6/30/2011	6/30/2012	6/30/2013
SIDEWALK: HARLAN GROUP	3,062	3,062	3,062
SIDEWALK: WILSON PARK DEV	5,180	5,180	5,180
SOUTH SECTOR	16,530	16,530	16,530
CENTRAL SECTOR	6,729	6,729	6,729
DOWNTOWN- UNDESIGNATED	89,569	83,522	89,569
NORTH SECTOR	2,442	2,442	2,442
UNRESERVED	26,268	25,805	26,268
TOTAL RESERVES	149,780	143,270	149,780

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 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. 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.

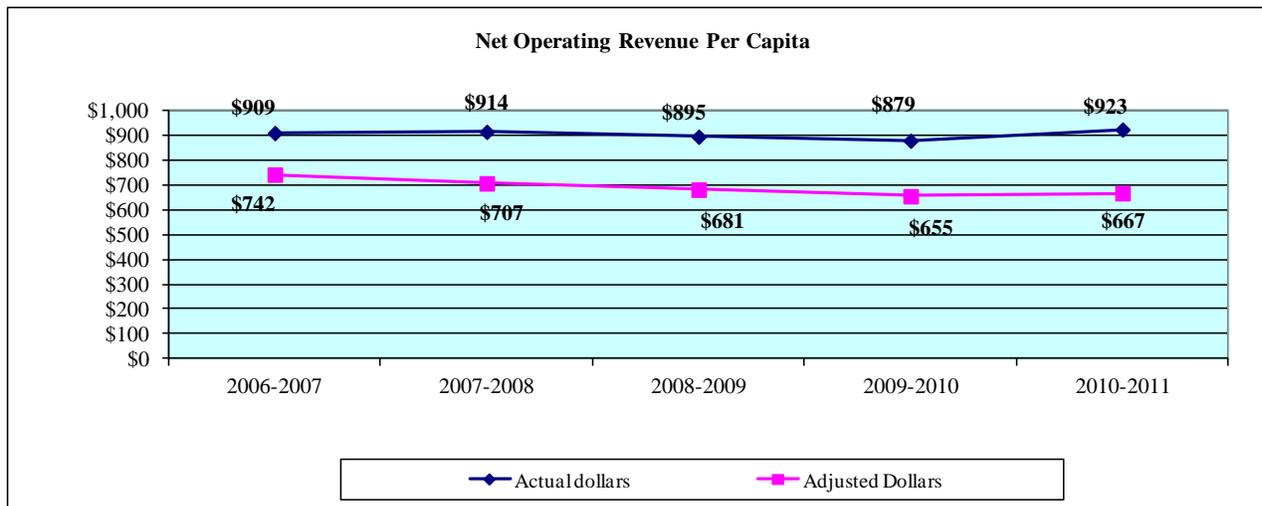
Included with every indicator is a description of the indicator, a table and graphical representation of the trend over the fiscal years for which we have audited budget reports, and an explanation of the implications of that trend for the government and residents of the Town. All the financial figures 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	2006-07	2007-08	2008-09	2009-10	2010-11
Net Operating Revenue (adjusted)	\$13,672,741	\$13,154,204	\$13,270,130	\$13,027,292	\$13,062,944
Population	18,423	18,611	19,479	19,891	19,582

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.

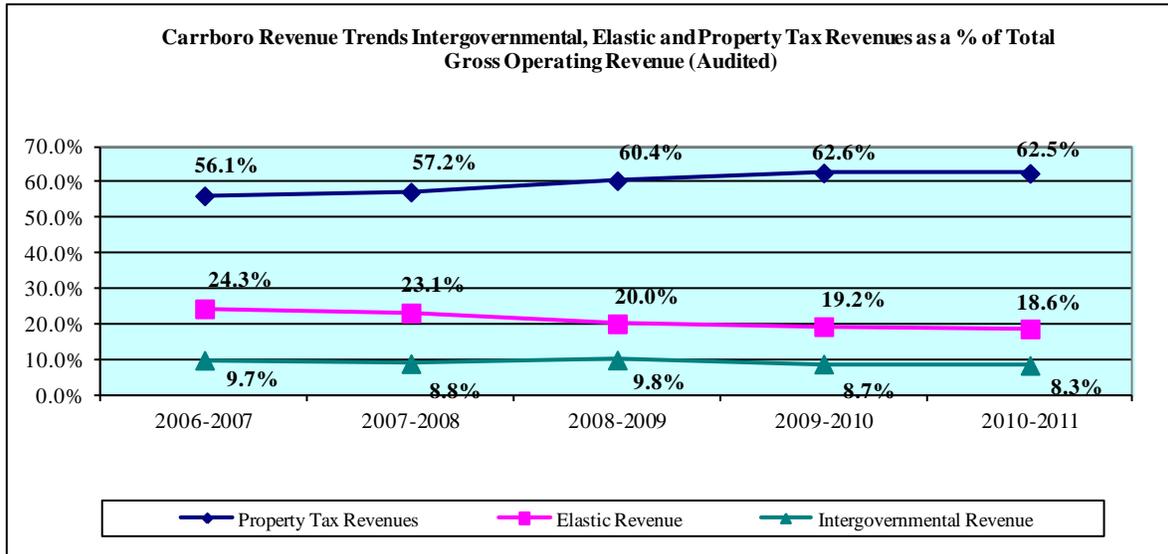
Discussion

In real terms (adjusted for inflation), revenues per capita in Carrboro have experienced a 10.1 percent decrease in the past 5 fiscal years. In actual dollars collected (adjusted for inflation), the decrease is 4.5 percent. Ad valorem tax revenues and other revenues 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	2011 Revenue Adjusted for Inflation	2007 Revenue Adjusted for Inflation	% Change Since 2007	2011 per capita	2007 per capita	% Change Since 2007 (per capita)
Ad valorem taxes	\$ 8,225,271	\$ 7,894,263	4.2%	\$ 420	\$ 429	-2.0%
Local option sales taxes	\$ 2,249,047	\$ 2,737,015	-17.8%	\$ 115	\$ 149	-22.7%
Other taxes and licenses	\$ 316,571	\$ 342,826	-7.7%	\$ 16	\$ 19	-13.1%
Intergovernmental revenues	\$ 918,878	\$ 977,463	-6.0%	\$ 47	\$ 53	-11.6%
Permits and fees	\$ 787,475	\$ 926,527	-15.0%	\$ 40	\$ 50	-20.0%
Sales and services	\$ 184,161	\$ 225,740	-18.4%	\$ 9	\$ 12	-23.2%
Investment earnings	\$ 45,393	\$ 398,264	-88.6%	\$ 2	\$ 22	-89.3%
Other	\$ 336,148	\$ 170,641	97.0%	\$ 17	\$ 9	85.3%
Total revenues by source	\$ 13,062,944	\$ 13,672,741	-4.5%	\$ 667	\$ 742	-10.1%

Having a significant impact on the revenue stream is the property tax and sales taxes revenue per capita, representing 80% of the total revenue per capita in 2011. 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, intergovernmental revenues, permits and fees, investment earnings, and sales and services and have decreased due to the current economic conditions.

Major Revenue Sources



% of Total Gross Operating Revenues	2006-07	2007-08	2008-09	2009-10	2010-11
Property Tax	56.10%	57.20%	60.4%	62.60%	62.5%
Elastic Revenue	24.30%	23.10%	20.0%	19.20%	18.6%
Intergovernmental Revenue	9.70%	8.80%	9.8%	8.70%	8.3%
% of Total Revenue Reflected:	90.10%	89.10%	90.20%	90.50%	89.40%

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.

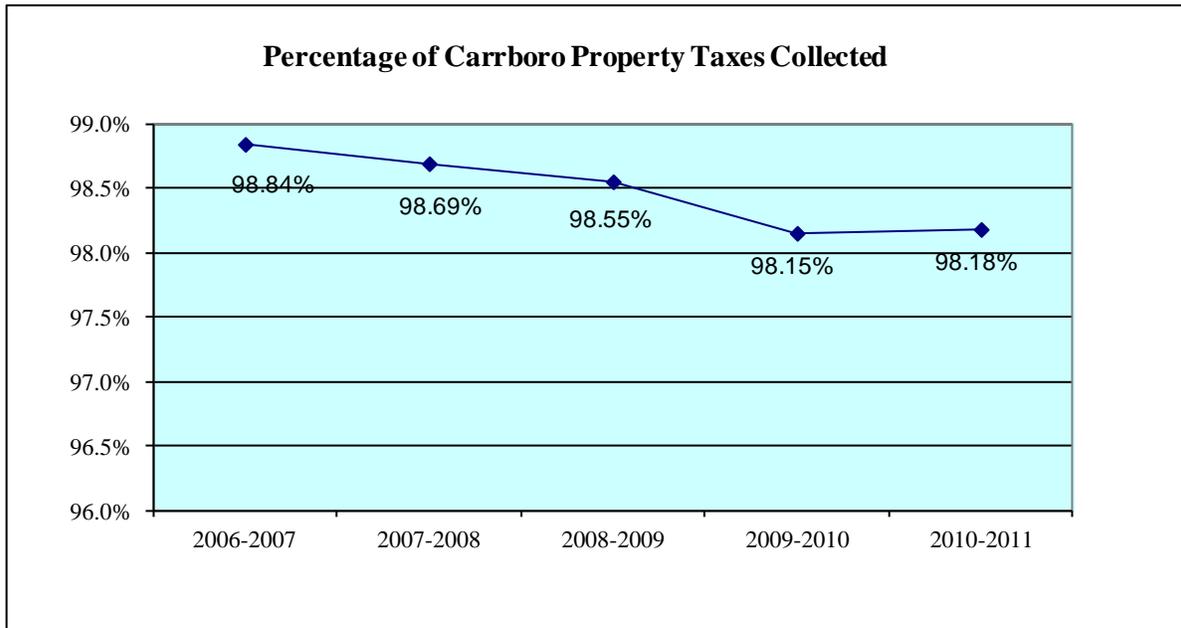
Discussion

Overall revenues have decreased 1.1% from FY 09-10. The major decrease is in permitting activity (building, electrical, development review, etc) due to little or no growth.

Intergovernmental revenue, as a share of the revenue stream in FY10-11 decreased slightly from FY09-10. 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.

The chart also shows that property tax revenue has remained constant in meeting community needs despite economic strains.

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.

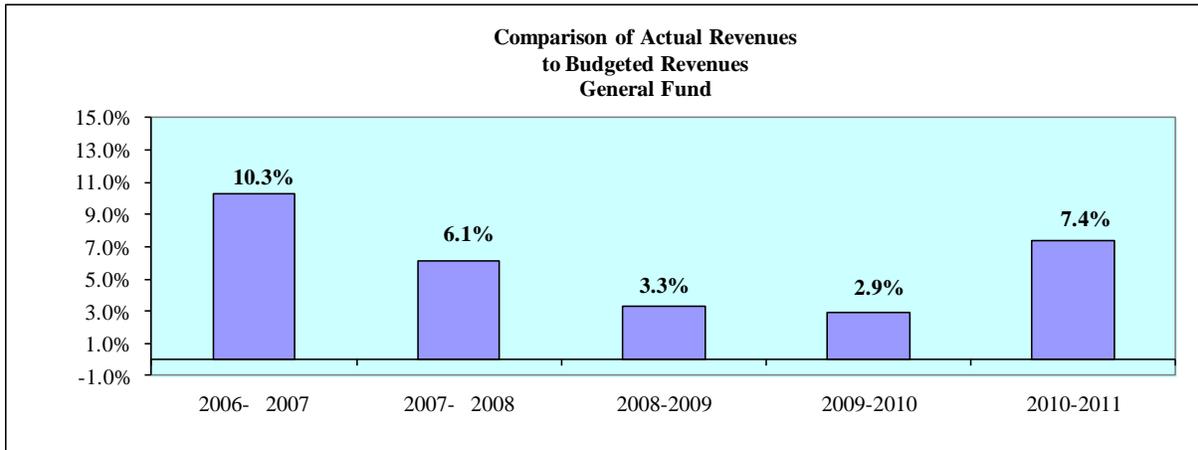
Discussion

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.

Tax Collection Rates in Carrboro and Neighboring Cities

	2006-07	2007-08	2008-09	2009-10	2010-11
Carrboro	98.84%	98.69%	98.55%	98.15%	98.18%
Chapel Hill	99.48%	99.44%	99.43%	99.20%	99.10%
City of Durham	98.60%	98.70%	98.19%	96.90%	98.70%
Hillsborough	98.47%	94.89%	98.50%	98.80%	97.16%

Comparison of Actual Revenues to Budgeted Revenues



	2006-07	2007-08	2008-09	2009-10	2010-11
Budgeted Operating Revenue	\$15,631,027	\$16,540,942	\$17,351,816	\$17,411,883	\$17,253,999
Actual Operating Revenue	\$17,235,388	\$17,556,752	\$17,921,040	\$17,917,191	\$18,533,066
Revenue Variance	\$1,604,361	\$1,015,810	\$569,224	\$505,308	\$1,279,067

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.

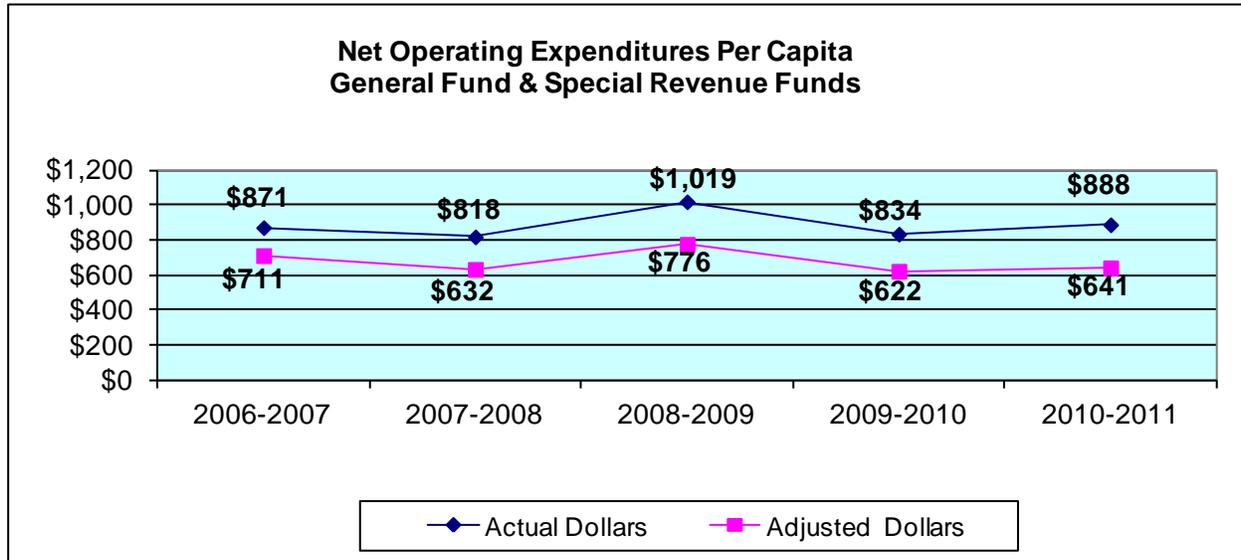
Discussion

The variances in the graph indicate the Town’s conservative approach to estimating revenues. FY06-07 variance jumped largely to a surprisingly strong showing across all categories of revenue. The decrease in revenues in FY 07-08 is mainly due to fewer grants and licenses. 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. The main increases in FY10-11 were with intergovernmental funds (\$160,115), investment earnings and other revenues (\$357,839).

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



	2006-2007	2007-2008	2008-2009	2009-2010	2010-11
Net Operating Expenditures (Adjusted dollars)	\$13,098,397	\$11,771,356	\$15,111,872	\$12,364,201	\$12,555,031
Population	18,423	18,611	19,479	19,891	19,582

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 a decrease in expenditures made by the Town since FY06-07, from \$13,098,397 to \$12,555,031 in FY10-11. When adjusted for the combined impact of inflation and population, per capita spending decreased from \$711 in FY06-07 to \$641 in FY 10-11.

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

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.

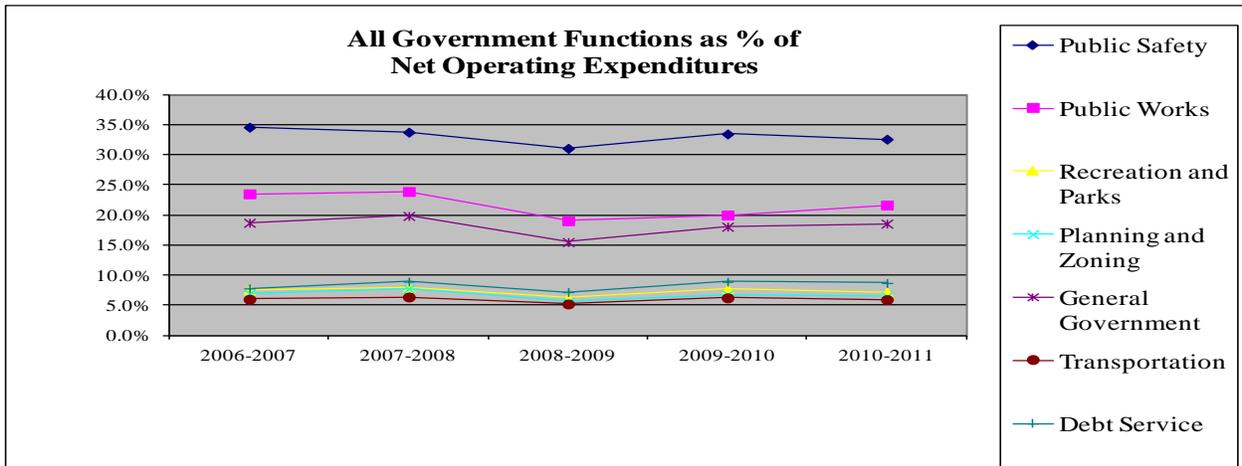
FY 2007-08 - Per capita expenditures dropped due to several capital improvement projects that had been budgeted but were not completed until FY 08-09, including street resurfacing, northern area sewer outfall, etc.

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.

FY 2010-11 – Per capita expenditures changed slightly (\$19) from the previous year.

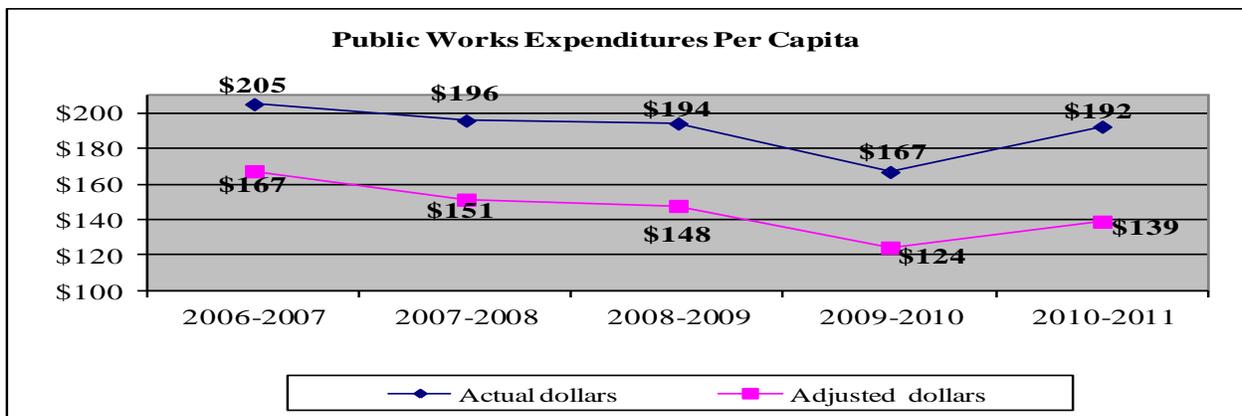
Changes in net operating per capita expenditures can be explained by highlighting events that have contributed to changes in expenditure levels. The following section looks at the various components of expenditures and service levels.



The chart above represents the allocation of funding for the various services provided by the Town. Approximately 54 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 28 percent of the net operating expenses.

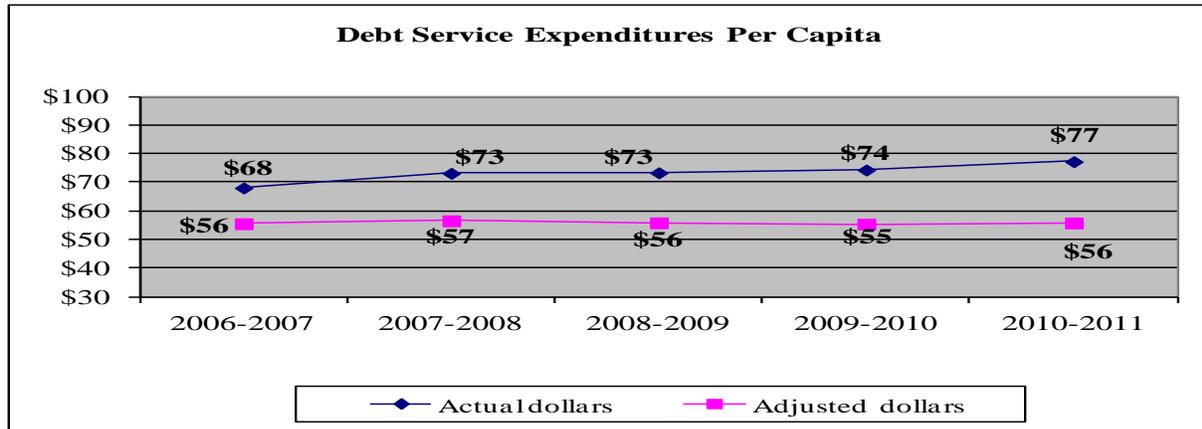
Public Works Expenditures per Capita



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 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

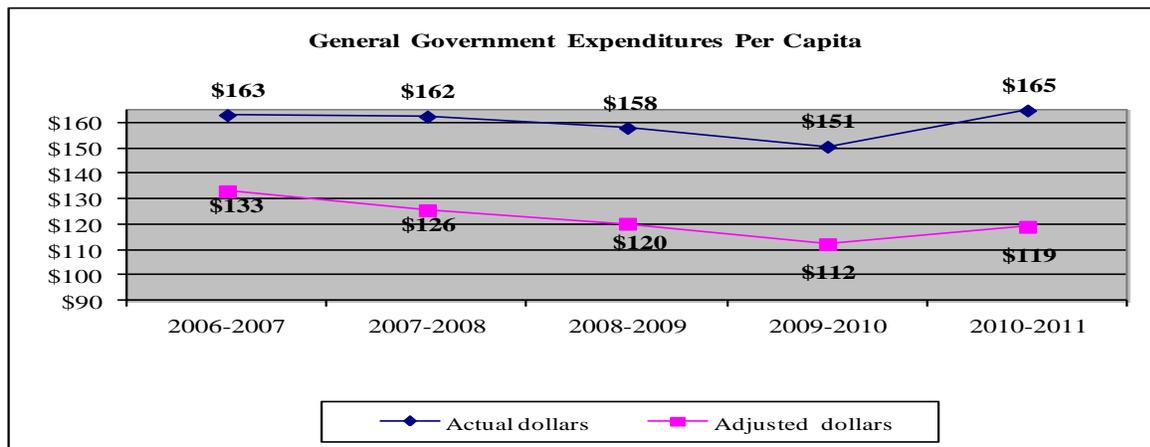
vehicle purchases and street resurfacing costs from the prior year. The increase in FY 10-11 is mainly due to street resurfacing costs.

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. Debt service expenditures 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 in costs in FY09-10 is due to financing for the new fire station for part of the year. FY10-11 costs increased with the purchase of equipment and vehicles and financing a full year of the new fire station.

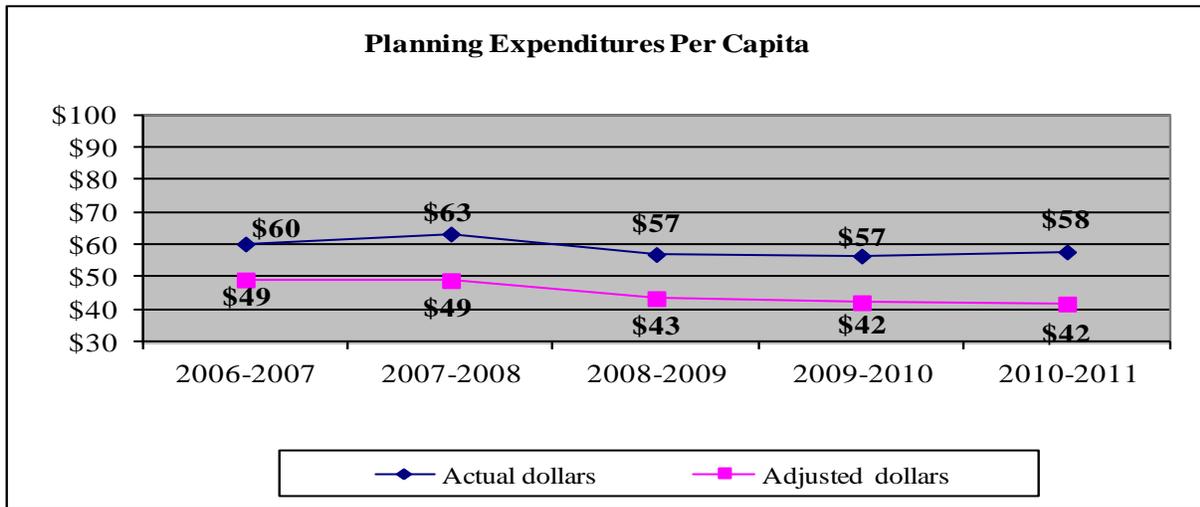
General Government Expenditures per Capita



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 decreased in FY08-09 due to a dramatic increase in population. FY09-10 costs decreased in organizational development and contract services in the HR Department and the IT Department replaced fewer servers and computers. Per capita costs for FY 10-11 included increases for professional service fees for the Town Attorney, the Human Services Grant Program, contract services for property tax collections and banking services and various IT services for the new fire station.

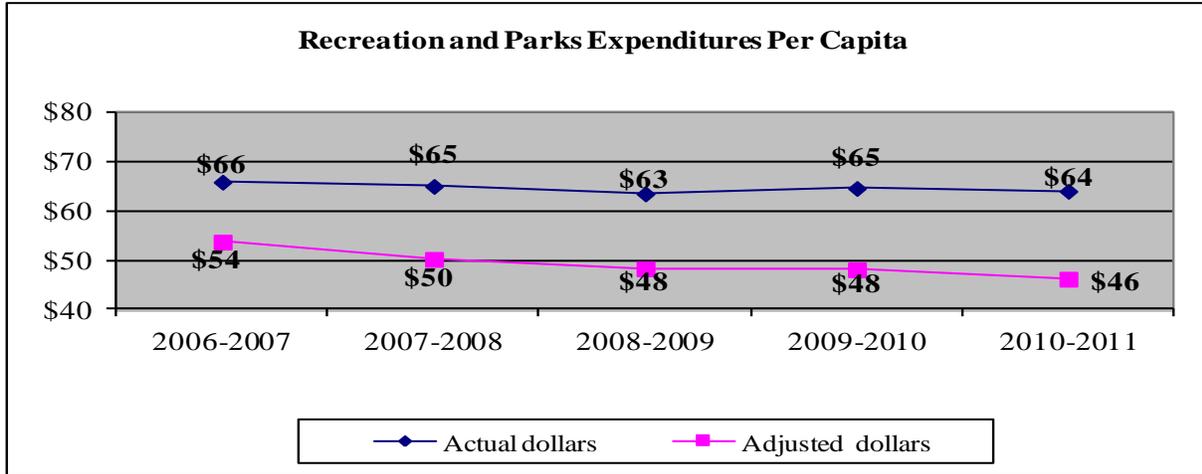
Planning Expenditures Per Capita



The slight variations in the Planning Department highlight two key dynamics that affect the departmental budget: permitting activity and personnel turnover. 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 and FY 10-11.

Recreation and Parks Expenditures per Capita

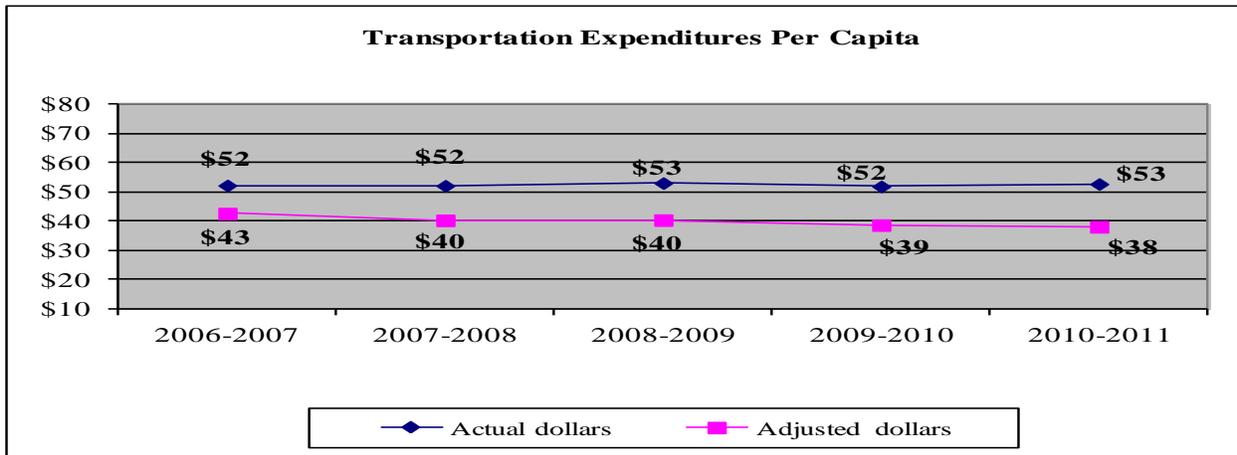
Per capita expenditures in the Recreation and Parks department, adjusted for inflation, have continued to decrease over the past 5 years due several capital projects put on hold (Wilson Park playground equipment replacement, dog park fence renovation, Anderson Park field #4 renovation, and Anderson multi-use 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 and decreased slightly in FY10-11.

Transportation Expenditures Per Capita

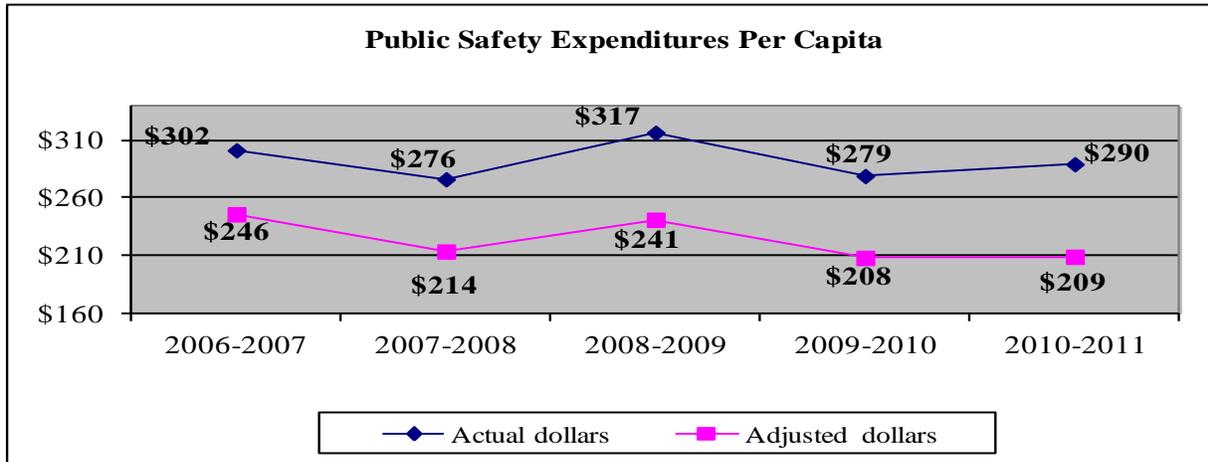
The Town and UNC-Chapel Hill are partners in the transit system administered by the Town of



Chapel Hill. Carrboro's contribution into this partnership, adjusted for inflation has remained fairly stable since 2006-2007. The transit contract remained unchanged in FY10-11, 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.

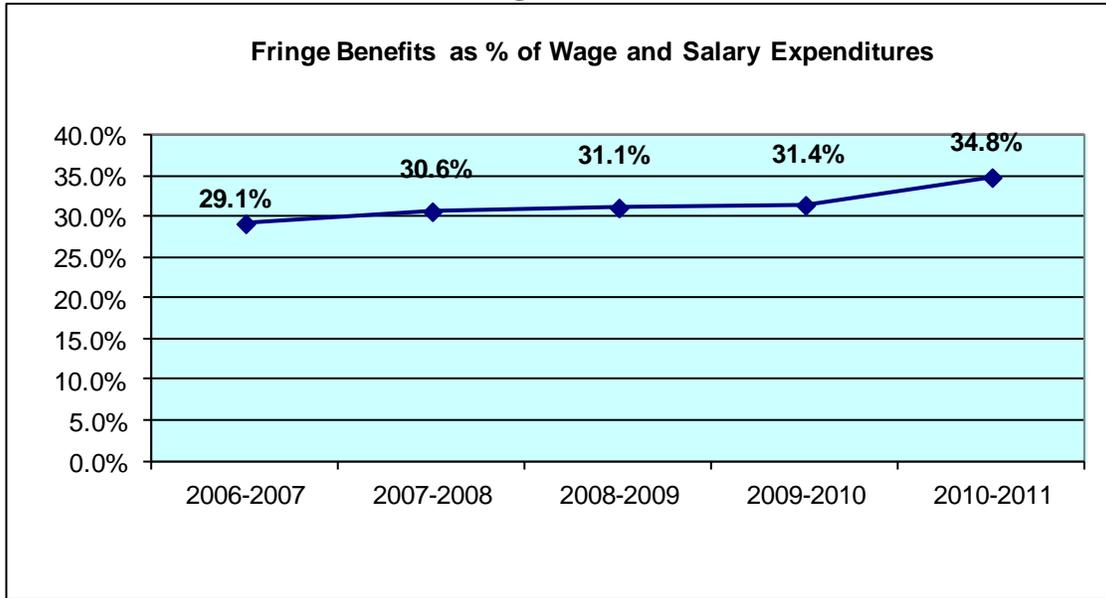
Public Safety Expenditures per Capita

Public safety expenditures per capita, adjusted for inflation experienced a decrease of \$12 per capita total or a decrease of 4 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. FY 06-07 per capita costs included 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. Per capita costs increased slightly in FY10-11 due to vehicle repair and fuel costs, and changes in population.

Fringe Benefits



	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Expenditures for fringe benefits	\$1,939,339	\$2,200,596	\$2,320,487	\$2,373,906	\$2,662,896
Salaries/Wages (FT,PT,OT, Temp)	\$6,660,107	\$7,191,755	\$7,471,114	\$7,563,563	\$7,655,092

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)

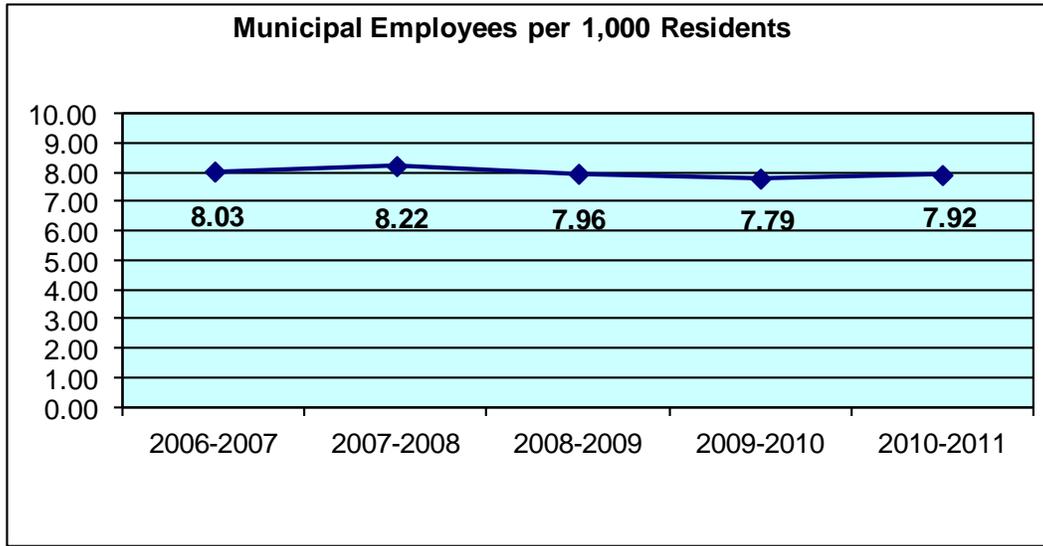
Description

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 FY06-07. 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 FY06-07 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



	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Population	18,423	18,611	19,479	19,891	19,582
Number of municipal employees approved	148	153	155	155	155

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 Equivalent

FY	Mayor & Board	Manager	Economic Development	Clerk	Management Services	Human Resource	Police	Fire	Planning	Public Works	Recreation & Parks	TOTAL
2006-07	0	2	1	1	8	2	41	33	14	36	10	148
2007-08	0	2	1	1	8	2	42	36	14	36	11	153
2008-09	0	2	1	1	8	2	44	36	14	36	11	155
2009-10	0	2	1	1	8	2	44	36	14	36	11	155
2010-11	0	4	1	1	6	2	44	36	14	36	11	155
2011-12	.5	4	1.5	1	6.5	2	44	36.5	14	36	12.5	158.5
2012-13	.5	5	1.5	1	6.5	2	42	36.5	14	34	12.5	155.5

Note: All positions are budgeted within the General Fund

Description of Position Changes

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 position changes. Reporting changed to FTE instead of positions.

FY 12-13 – Eliminate 4 frozen positions – Maintenance/Construction Worker, Groundskeeper, Police Officer I in Community Services, Police Officer I in Criminal Investigations. Add an Information Technology Support II position and unfreeze Planning/Zoning Specialist position. Reporting of FTEs instead of positions.

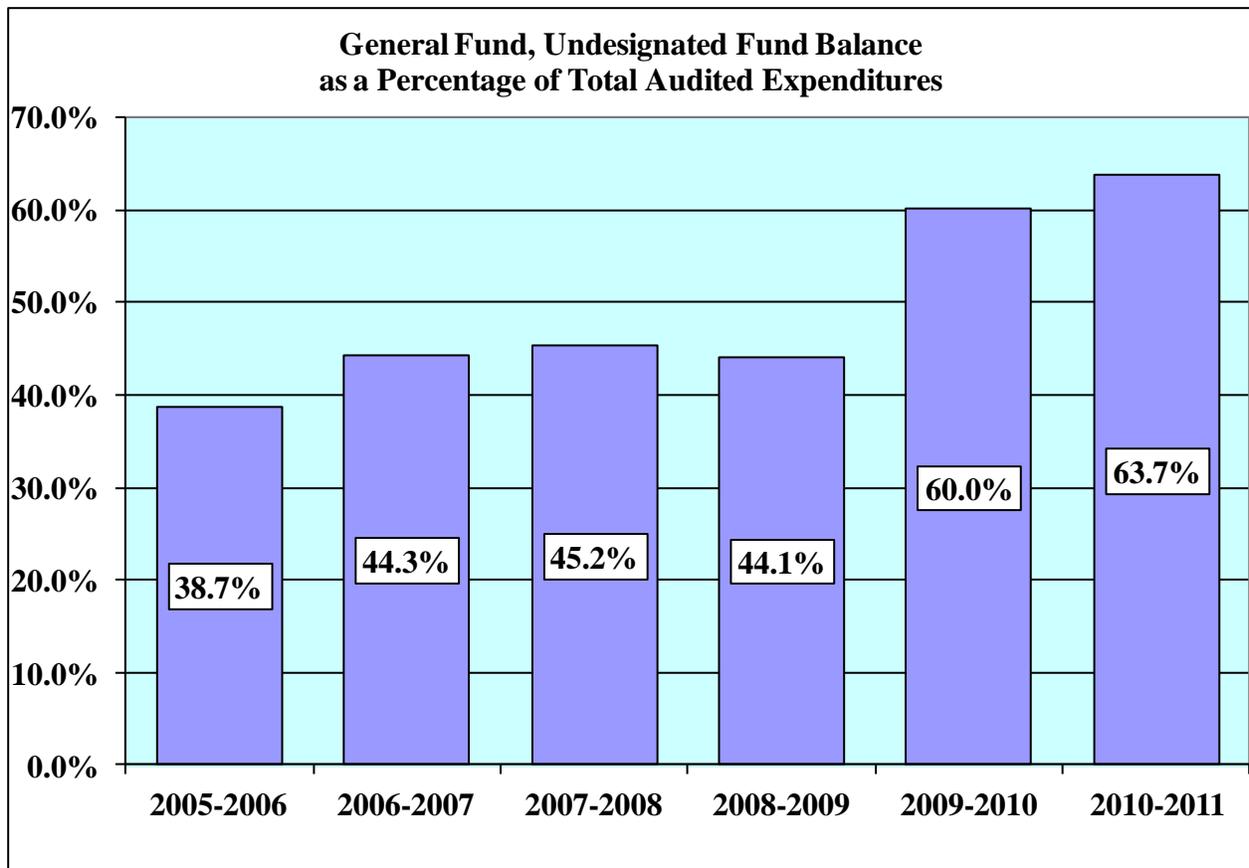
Operating Position Indicators

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, 2011), unreserved fund balance that includes designated and undesignated reserves is at 64.68% in Carrboro. This ratio is higher than the 49.73% average for municipalities with populations of 10,000-49,999.



The graph above illustrates the five-year undesignated fund balance trends. The Town policy is to maintain undesignated 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). 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.

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.

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, 2011	
Total assessed valuation at June 30, 2011	\$1,939,126,061
Debt limit – eight percent (8%) of assessed value	\$ 155,130,085
Amount of debt applicable to debt limit	
General Obligation bonds	\$ 0
Legal Debt Margin	\$ 155,130,085

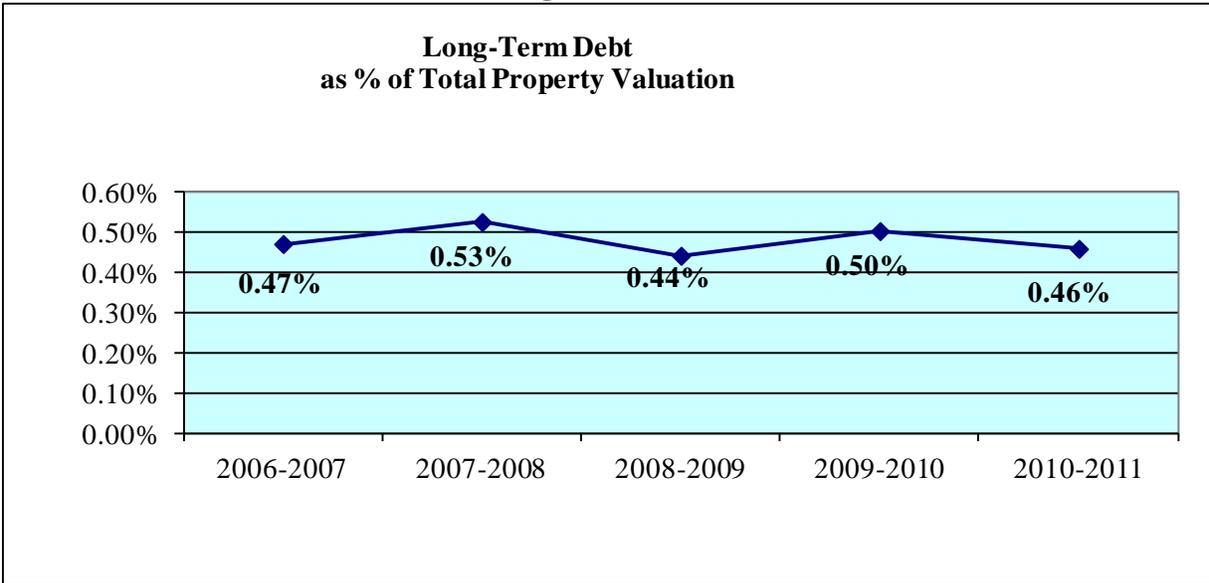
debt is far below the legal limit in the NC General Statutes (GS 159-55) that limits net debt to eight percent (8%) or less of a local government's total property valuation. Outstanding debt in most governmental units falls well below this limit, and typically ranges from about 1% to 4% for most governments. Based on the most recent year end of June 30, 2011, 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, 2011 audited valuation is \$155,130,085.

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 8.6% of the total audited expenditures for the year ending June 30, 2011. The Five-Year Plan shows the percentage of debt service expenditures peaking at 10.2% in FY13-14 but leveling off at 9.6% in FY 2015-16. This spike in FY 2013-14 is due to the anticipated issuance of \$4.6 million general obligation bonds for sidewalks and greenway authorized by the bond referendum passed by the citizens in November 2003.

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

Long-Term Debt



	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Long-Term Debt	\$7,530,559	\$8,098,535	\$6,996,943	\$6,996,943	\$9,650,641
Property Valuation	\$1,596,838,299	\$1,538,585,984	\$1,581,966,677	\$1,581,966,677	\$1,915,872,793

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.

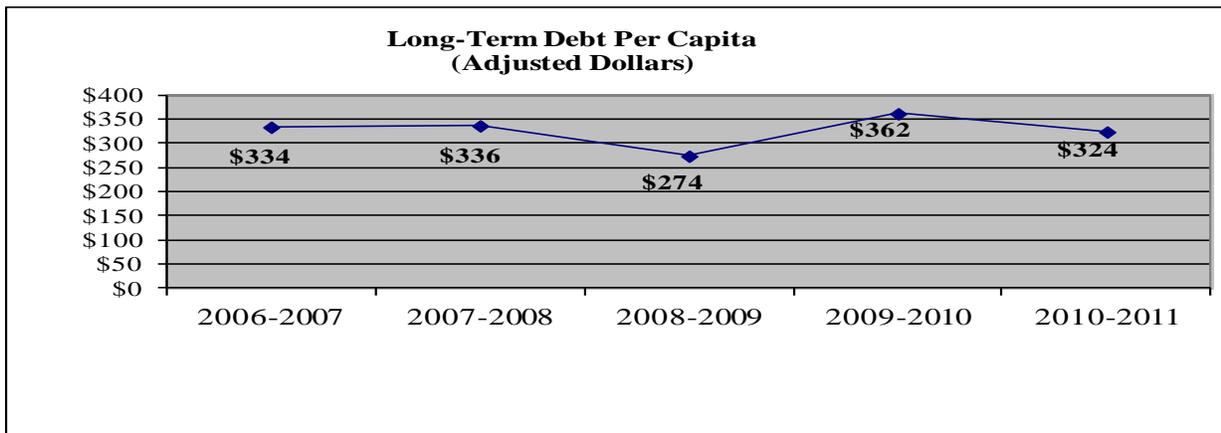
Discussion

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 FY10-11 was .282 percent; a high level is considered 1.531 percent. The debt-to-assessed

valuation ratio for Carrboro in the last audited year was .46 percent, which is 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

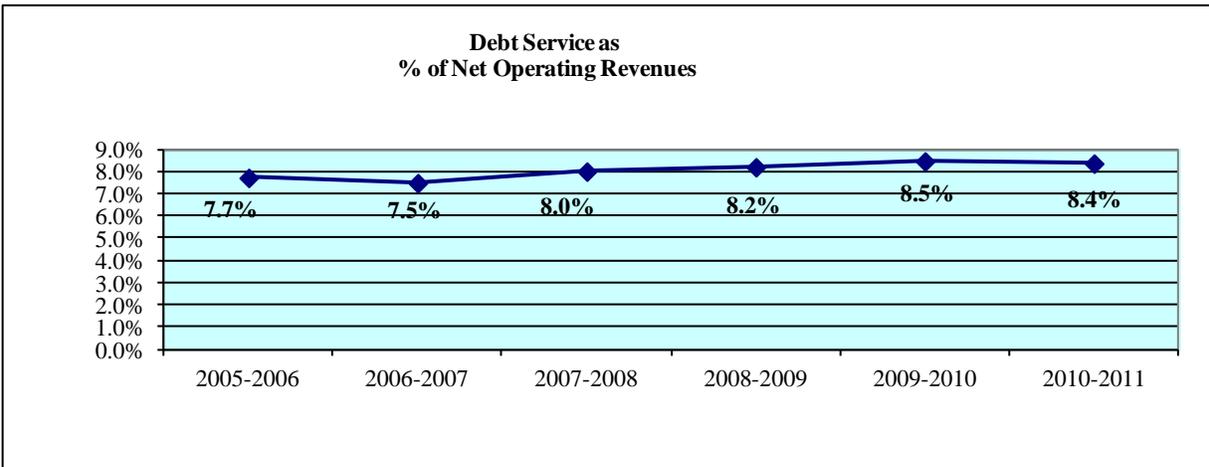
Debt can also be monitored on a per capita basis. It is especially useful for communities that do not rely heavily on property taxes and that cannot easily compute a substitute revenue base for comparison (footnote2). This is an indicator that is monitored by the Local Government Commission, and is useful for comparison with other similar jurisdictions. The average for comparable jurisdictions in FY10-11 was \$274 per capita; \$1,625 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 \$484 per capita. The graph below 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. 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. The decrease in FY10-11 is due to lease-purchase of fewer vehicles and equipment as well as a decrease in population.

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

Debt Service



	2006-07	2007-08	2008-2009	2009-2010	2010-2011
Debt Service	\$1,252,941	\$1,360,897	\$1,427,902	\$1,477,718	\$1,511,630
Net Operating Revenue	\$16,753,209	\$17,016,278	\$17,427,662	\$17,476,112	\$18,083,033

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.

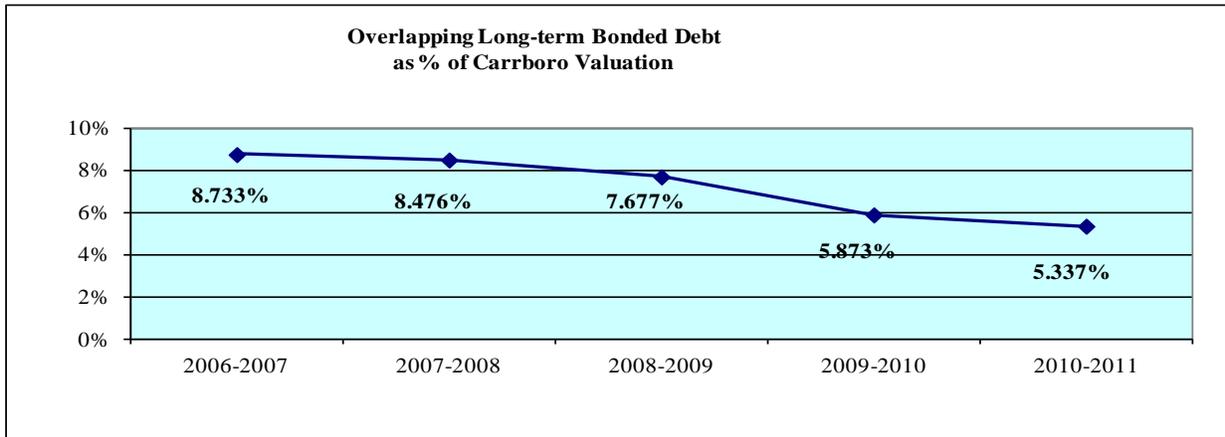
According to the ICMA, debt service under 10 percent of net operating revenue is considered acceptable while anything approaching 20 percent is considered excessive. Debt service can be a major part of a government's fixed costs, and increases may indicate excessive debt and fiscal strain.

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 8.4 percent of net operating revenues in FY10-11. 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 Bond Anticipation Notes until the Town issues \$4.6 million of general obligation bonds which will require full debt service payments including both principal and interest costs. This debt service will likely appear in or after FY13-14.

Overlapping Debt



	2006-07	2007-08	2008-09	2009-10	2010-11
Carrboro Debt	\$229,822	\$127,964	\$26,107	\$0	\$0
Orange County Debt	\$139,215,000	\$130,290,000	\$121,415,000	\$112,520,000	\$103,490,000
Total Overlapping Debt	\$139,444,822	\$130,417,964	\$121,441,107	\$112,520,000	\$103,490,000

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 FY2006-07, debt has decreased. The changes in the debt ratio are primarily affected by debt incurred by Orange County.

Current Town Financial Condition

The Town's current financial condition is very strong. The Town has consistently maintained a fund balance exceeding 35% of total expenditures. At June 30, 2011 the Town had a fund balance of 57.6% of total expenditures. In five of the last seven years through the FY 2012-13 recommended budget, the Town has been able to maintain service levels without a property tax increase.

Future Trends

The Town makes projections about future costs based on the most recent adopted budget and the adopted FY 2011-12 Capital Improvements Plan (CIP). This is a tool for reflecting trends rather than actual revenues, expenditures, and tax rates. 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 projections contained in the plan are best estimates based upon current information and the assumptions outlined within this section. The model is built with a fund balance objective of maintaining undesignated fund balance levels at a minimum of twenty-two and one-half percent (22.5%) of budgeted expenditures. 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 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 revenue increases.

Revenues

The five-year projected tax rates in previous years have been significant but have not generally materialized at projected levels. This has been due primarily to lower overall spending, and lower debt services costs associated with debt for various capital projects due to lower interest rates than projected 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 payment of interest costs until the \$4.6 million authorized debt is expended, at which time the Town will issue the bonds requiring principal and interest payments.

In addition to property and sales tax revenues, the Town includes projections for certain intergovernmental revenues collected by the state that are distributed to local governments based upon a formula. These intergovernmental revenues include utility franchise, telecommunications sales tax, and natural piped gas taxes. The Town also receives occasional grant funding for specific projects or programs.

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. Undesignated fund balance was 57.6% of total expenditures on June 30, 2011. This reflects a healthy fund balance level above the established policy that may provide some options to offset some of the committed capital costs in future years.

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-2013</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
	Actual	Adopted Budget	Adopted Budget	Projected			
ESTIMATED VALUE PER ONE CENT LEVY	196,448	186,590	193,835	197,712	201,666	205,699	209,813
REQUIRED RATE PER \$100 VALUATION	58.94	58.94	58.94	68.25	70.25	78.25	78.25
GENERAL FUND REVENUES							
AD VALOREM TAXES	11,375,360	11,246,033	11,538,637	13,611,246	14,287,977	16,220,541	16,546,197
LOCAL SALES TAX	3,113,356	2,966,053	3,287,245	3,385,862	3,487,438	3,592,061	3,699,823
OTHER TAXES/LICENSES	435,522	406,076	408,490	416,660	424,993	433,493	442,163
UNRESTRICTED INTERGOVERNMENTAL	951,820	849,530	862,737	888,619	915,278	942,736	971,018
RESTRICTED INTERGOVERNMENTAL	585,475	509,765	598,200	610,164	622,367	634,815	647,511
FEES AND PERMITS	1,090,236	1,015,238	1,054,150	1,075,233	1,096,738	1,118,672	1,141,046
SALES AND SERVICES	258,379	229,846	229,846	241,338	253,405	266,075	279,379
INTEREST EARNINGS	37,925	25,000	35,000	35,000	35,000	35,000	35,000
OTHER REVENUES	124,029	54,439	65,605	66,917	68,255	69,621	71,013
LEASE PURCHASE PROCEEDS	476,399	298,850	397,320	1,071,528	1,655,323	904,433	678,586
OTHER TRANSFERS	544,806	176,945	176,945	176,945	176,945	176,945	176,945
FUND BAL APPROP	0	712,163	787,316	1,114,241	1,262,232	1,079,759	1,244,124
GENERAL FUND TOTAL REVENUES	18,993,307	18,489,939	19,441,491	22,693,754	24,285,952	25,474,152	25,932,805

Assumptions used in revenue projections are as follows:

Ad Valorem Tax Base	2% per year thereafter
Local Sales Tax	3 % per year
Other Taxes and Licenses	2% per year
Unrestricted Intergovernmental	3% per year
Restricted Intergovernmental	2% per year
Fees and Permits	2% per year
Sales and Services	5% per year
Interest Earnings/Other Revenue	No change
Lease Purchase Proceeds	Lease-purchase CIP
Other Transfers	No increase from current amount
Fund Bal Appropriated	All other Fund Balance appropriated per financial policy.

General Fund Operating 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. Consequently, the five-year plan is impacted by assumptions regarding employee salaries and related expenses. For FY 2012-13 the Town has 155.5 full-time equivalent positions with no additional positions projected in future years. The assumptions within the plan assume an average 3% increase in salaries. In addition, the plan accounts for annual significant increases in health insurance that have been a trend over time.

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.

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
GENERAL FUND	Actual	Adopted Budget	Adopted Budget	Projected			
SALARY/WAGES	7,650,184	7,828,099	7,943,793	8,182,107	8,427,570	8,680,397	8,940,809
FRINGE BENEFITS	2,672,414	2,872,286	3,016,905	3,575,032	4,236,413	5,020,150	5,948,878
TOTAL PERSONAL SVCS	10,322,599	10,700,385	10,960,698	11,757,139	12,663,983	13,700,547	14,889,687
GEN OPERATING COSTS	2,679,492	3,833,899	3,859,885	3,975,681	4,094,952	4,217,800	4,344,334
AFFORDABLE HOUSING	84,369	88,103	226,467	233,261	240,259	247,467	254,891
GOVNANCE SUPPORT	56,678	36,139	88,288	90,937	93,665	96,475	99,369
LANDFILL FEES	364,579	391,830	443,520	487,872	536,659	590,325	649,358
TRANSPORTATION COSTS	1,032,825	1,064,150	1,240,000	1,364,000	1,500,400	1,650,440	1,815,484
HUMAN SERVICES	144,296	145,883	151,718	159,304	167,269	175,633	184,415
TRANSFERS TO OTHER FUNDS, MISC.	206,223	0	450,700	450,700	450,700	450,700	450,700
TOTAL OPERATING COSTS	4,568,462	5,608,354	6,508,927	6,761,755	7,083,904	7,428,840	7,798,550

The expenditure assumptions are:

- Salary and Wages* 3% per year beginning FY12-13; maintain current 155.5 FTEs
- Fringe Benefits* 18.5% increase per year
- General Operating Costs* 3% per year beginning FY 12-13
- Affordable Housing* 3% per year
- Governance Support* 3% per year plus Greene Tract payment of \$29,524
- Landfill Fees* 10% per year
- Transportation Costs* 5% per year following recommended budget
- Human Services* 5% per year
- Transfers To Other Funds* Assume level funding of transfer to Capital Reserve for street re-surfacing

Capital Investments

The Board adopts a Capital Improvements Plan (CIP) annually and 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.

In the adopted CIP for FY 2012-13 through FY 2017-18 the need for capital investment totals \$13.9 million:

- FY 2012-13 \$4.9 million
- FY 2013-14 \$2.1 million
- FY 2014-15 \$3.0 million
- FY 2015-16 \$2.1 million
- FY 2016-17 \$1.8 million

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. The purchase of vehicles and equipment to maintain day-to-day services is expected to increase due to delayed replacements in prior years.

A significant force creating pressure on the tax rate over the next five years is the cost of the construction of sidewalks and greenways. 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 FY1-14. Meanwhile, the Town continues to finance its sidewalk construction program issuing bond anticipation notes that only require annual interest payments. In FY13-14, upon issuance of the \$4.6 million bonds, both interest and principal payments will be required.

In monitoring the Town's financial position via fund balance ratios, it is clear that there are limited resources which will require prioritization of capital improvement and operating plans to meet the Town's most pressing needs.

Below is a summary of the Town's debt service payments projected through FY 2016-17.

FISCAL YEAR	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
LEASE- PURCHASE DEBT SERVICE - EQP/VEHICLES	758,673	621,165	692,641	881,231	1,018,679	1,124,790	1,213,725
DEBT SERVICE	730,385	377,617	359,937	390,908	399,726	408,545	417,363
DEBT SERVICE - FIRE SUBSTATION CONSTRUCTION @\$3,250,000	342,328	333,510	324,692	315,873	307,055	298,236	289,418
SIDEWALKS & GREENWAYS - BAN/BOND ISSUE	22,573	45,146	28,738	586,073	546,824	530,150	513,476
DEBT SERVICE - MARTIN LUTHER KING, JR. PARK LAND	24,673	24,673	24,673	24,673	24,673	0	0
TOTAL DEBT PAYMENTS	1,878,631	1,402,111	1,430,681	2,198,758	2,296,957	2,361,721	2,433,982

Current outstanding debt:

OUTSTANDING DEBT	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
MARTIN LUTHER KING, JR. PARK LAND (\$274,000)	90,389	69,113	46,979	23,954	-	-	-
CENTURY CENTER	1,303,131	930,799	733,998	529,747	317,765	97,760	-
PUBLIC WORKS LAND	332,367	281,233	230,100	178,967	127,834	76,700	25,567
ADAMS TRACT (\$600,000)	360,000	320,000	280,000	240,000	200,000	160,000	120,000
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	1,051,779	1,626,184	2,446,549	2,364,573	1,970,270
<i>ADDITIONAL/ FUTURE LONG TERM DEBT</i>	<i>4,600,000</i>	<i>4,600,000</i>	<i>4,600,000</i>	<i>4,370,000</i>	<i>4,140,000</i>	<i>3,910,000</i>	<i>3,680,000</i>
TOTAL OUTSTANDING DEBT	11,980,911	10,520,800	9,651,189	9,460,519	9,507,148	8,667,366	7,637,503

Assumptions used in projecting capital investments:

<i>Street Resurfacing & Construction Reserves</i>	Annual Street Resurfacing Allocation based on CIP
<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>IT Technology</i>	Per CIP projections
Debt Payments:	
<i>Lease-Purchase Payments/Debt Svc</i>	Projected per CIP projections

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LINE-ITEM BUDGET DETAIL...

Mayor and Board of Aldermen

410

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	110,914	121,551	119,086	120,902	2%
OPERATIONS	143,545	139,387	179,150	162,650	-9%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	254,459	260,938	298,236	283,552	-5%

DETAIL

500300	PART-TIME SALARIES	84,969	89,979	86,814	86,814	0%
500500	FICA	6,141	6,466	6,641	6,690	1%
500600	INSURANCE	18,842	23,821	24,484	26,180	7%
500700	RETIREMENT	962	1,284	1,147	1,218	6%
500800	TRAINING	1,406	362	2,000	2,000	0%
500900	PROF SERVICES	117,816	127,186	130,000	130,000	0%
501000	CONFERENCES	3,205	1,990	3,500	3,500	0%
501100	POSTAGE	356	250	850	850	0%
501400	TRAVEL	1,475	-	8,500	8,500	0%
502500	PRINTING	45	11	1,000	1,000	0%
503200	OFFICE SUPPLIES	87	24	300	300	0%
503300	DEPT SUPPLIES	3,141	1,122	3,000	3,000	0%
504500	CONTRACT SERVICES	4,980	5,465	11,500	11,500	0%
504700	ELECTIONS	9,545	-	16,500	-	0%
505300	DUES/SUBSCRIPTIONS	1,489	2,978	2,000	2,000	0%
	SUBTOTAL	254,459	260,938	298,236	283,552	-5%

Advisory Boards

415

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	8,892	6,905	11,800	11,800	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	8,892	6,905	11,800	11,800	0%

DETAIL

500800	TRAINING	-	-	500	500	0%
505701	APPEARANCE COMM	325	-	400	400	0%
505702	PLANNING BOARD	117	118	500	500	0%
505703	BD OF ADJUSTMENT	60	80	300	300	0%
505704	PARKS & RECREATION	2,229	1,060	2,400	2,400	0%
	TRANSPORTATION					
505705	ADVISORY BOARD	225	473	500	500	0%
505707	HUMAN SERVICES	300	297	300	300	0%
	N. TRANSITION AREA					
505708	ADVISORY COMM	25	183	300	300	0%
505710	RECOGNITION BANQUET	2,857	3,409	3,500	3,500	0%
	ECONOMIC					
	SUSTAINABILITY					
505711	COMMISSION	-	259	500	500	0%
505712	GREENWAY COMM	1,110	-	800	800	0%
505718	ARTS COMMITTEE	1,579	1,027	1,000	1,000	0%
	ENVIRONMENTAL					
505719	ADVISORY BOARD	64	-	800	800	0%
	SUBTOTAL	8,892	6,905	11,800	11,800	0%

Governance Support

418

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	259,472	264,498	268,541	327,445	22%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL	259,472	264,498	268,541	327,445	22%
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DETAIL

504501	TRIANGLE J COG	7,105	7,217	7,757	7,500	-3%
504502	NC LEAGUE OF MUNIC.	12,180	12,583	13,971	13,971	0%
504503	ECON. DEV. COM.	6,000	6,000	6,000	-	-100%
504504	SCHOOL OF GOVERNMENT	2,021	2,021	2,021	2,127	5%
504505	ARTS CENTER	15,000	15,000	15,000	15,000	0%
504506	HUMAN SERVICES GRANT	141,002	144,296	145,883	151,718	4%
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	-	-	500	-	-100%
504517	LIBRARY PROJECT	4,000	4,000	4,000	4,000	0%
504518	MEDIATION	-	-	500	500	0%
504519	CABLE TV CONSULTATION	3,750	4,500	5,000	5,000	0%
504531	THE PEOPLE'S CHANNEL				32,520	0%
504533	METROPOLITAN COALITION	2,435	2,435	2,435	2,435	0%
504535	COMMUNITY OUTREACH				26,000	0%
504548	CD & MEMORABILIA SHOW	1,955	2,422	1,200	2,400	100%
	SUBTOTAL	259,472	264,498	268,541	327,445	22%

Town Manager

420

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	250,954	239,938	252,434	239,376	-5%
OPERATIONS	15,285	17,258	23,553	22,750	-3%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL	266,239	257,196	275,987	262,126	-5%
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DETAIL

500200 SALARIES	205,939	193,665	203,645	194,000	-5%
500202 SERVICE BENEFITS				868	0%
500500 FICA	12,938	12,006	12,884	12,757	-1%
500600 INSURANCE	10,968	10,844	12,138	13,232	9%
500601 DISABILITY INSURANCE	209	204	208	208	0%
500700 RETIREMENT	10,086	12,610	12,931	12,671	-2%
500701 SUPPL RETIREMENT	6,218	5,991	6,109	5,640	-8%
500704 ICMA RETIREMENT	4,596	4,618	4,519	-	-100%
500800 TRAINING	103	438	1,200	1,200	0%
501000 CONFERENCES	2,429	3,531	4,200	4,200	0%
501100 POSTAGE	29	20	300	300	0%
501400 TRAVEL	312	399	1,900	1,900	0%
501600 M & R EQUIP	-	-	250	250	0%
501700 MOTOR VEHICLE REPAIR	113	1,078	900	900	0%
502100 RENT	7,749	7,692	7,500	7,500	0%
502500 PRINTING	33	43	250	250	0%
502600 ADVERTISING	-	-	100	100	0%
503100 FUEL	684	1,120	1,103	1,200	9%
503200 OFFICE SUPPLIES	253	221	450	450	0%
503300 DEPT SUPPLIES	999	383	1,000	1,000	0%
504500 CONTRACT SERVICES	512	375	1,000	-	-100%
505300 DUES/SUBS	2,070	1,957	3,400	3,500	3%

SUBTOTAL	266,239	257,196	275,987	262,126	-5%
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Economic and Community Development

421

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	120,220	115,944	109,625	110,353	1%
OPERATIONS	30,084	29,208	40,979	44,043	7%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	150,303	145,153	150,604	154,396	3%

DETAIL

500200	SALARIES	80,815	76,845	72,000	72,000	0%
500300	PARTTIME SALARIES	16,808	17,049	16,766	16,766	0%
500500	FICA	7,300	7,003	6,808	6,805	0%
500600	INSURANCE	7,928	6,640	6,173	6,564	6%
500601	DISABILITY INSURANCE	181	119	180	180	0%
500700	RETIREMENT	4,759	6,007	5,538	5,878	6%
500701	SUPL RETIREMENT	2,429	2,282	2,160	2,160	0%
500800	TRAINING	-	500	500	500	0%
501000	CONFERENCES	515	2,192	1,000	1,000	0%
501100	POSTAGE	161	147	600	600	0%
501400	TRAVEL	464	1,158	1,500	1,500	0%
502500	PRINTING	40	57	600	600	0%
502600	ADVERTISING	3,500	3,000	3,000	3,000	0%
503200	OFFICE SUPPLIES	127	81	600	600	0%
503300	DEPT SUPPLIES	1,213	913	1,800	1,800	0%
504511	HOLIDAY EVENTS	500	-	1,000	1,000	0%
	HOME CONSORTIUM					
504546	MATCH	23,099	20,845	24,579	12,943	-47%
504549	LOCAL LIVING ECONOMY	-	-	5,000	20,000	0%
505300	DUES/SUBS	466	316	800	500	-38%
	SUBTOTAL	150,303	145,153	150,604	154,396	3%

Town Clerk

426

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	108,132	95,263	71,670	71,967	0%
OPERATIONS	8,287	8,557	16,450	18,450	12%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	116,419	103,820	88,120	90,417	3%

DETAIL

SALARIES	85,091	77,675	56,000	56,000	0%
FICA	6,142	5,872	4,284	4,284	0%
INSURANCE	10,021	5,911	6,121	6,121	0%
DISABILITY INSURANCE	181	20	29	29	0%
RETIREMENT	4,142	3,971	3,556	3,853	8%
SUPPL RETIREMENT	2,555	1,814	1,680	1,680	0%
TRAINING	-	191	200	200	0%
CONFERENCES	-	100	300	1,300	333%
POSTAGE	190	218	500	500	0%
TRAVEL	-	152	300	300	0%
M & R EQUIP	-	-	350	350	0%
PRINTING	868	649	2,000	2,000	0%
ADVERTISING	5,236	5,620	10,000	10,000	0%
OFFICE SUPPLIES	1,360	828	750	750	0%
DEPT SUPPLIES	382	507	1,750	1,750	0%
CONTRACT SERVICES				1,000	0%
DUES/SUBSCRIPTIONS	250	293	300	300	0%
SUBTOTAL	116,419	103,820	88,120	90,417	3%

Management Services

445

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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SUMMARY

PERSONNEL	447,289	466,781	464,367	483,918	4%
OPERATIONS	475,443	462,681	537,234	544,034	1%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL

922,732	929,461	1,001,601	1,027,952	3%
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DETAIL

500200	SALARIES	331,127	327,115	332,792	336,074	1%
500202	SERVICE BENEFITS	-	-	-	744	0%
500203	LUMP SUM PAYMENT	-	-	-	-	0%
500300	PART-TIME SALARIES	22,565	26,164	26,522	26,522	0%
500500	FICA	25,885	25,075	27,538	27,855	1%
500600	INSURANCE	39,285	55,868	44,304	57,797	30%
500601	DISABILITY INSURANCE	491	686	510	510	0%
500700	RETIREMENT	17,375	21,662	22,717	24,334	7%
500701	SUPL RETIREMENT	10,560	10,210	9,984	10,082	1%
500800	TRAINING	2,545	4,129	8,145	8,145	0%
501000	CONFERENCES	312	1,169	900	900	0%
501100	POSTAGE	2,926	2,938	2,700	2,700	0%
501400	TRAVEL	145	527	1,177	1,177	0%
502100	RENT	9,818	9,943	10,000	10,000	0%
502500	PRINTING	1,049	1,350	2,200	2,200	0%
502600	ADVERTISING	1,615	837	2,000	2,000	0%
503200	OFFICE SUPPLIES	529	2,149	2,000	2,000	0%
503300	DEPT SUPPLIES	5,559	5,789	6,700	7,500	12%
504500	CONTRACT SERVICES	143,116	127,948	144,342	150,342	4%
504704	BANK SERVICE CHARGES	-	297	-	-	0%
504705	PENALTIES & INTEREST	657	-	-	-	0%
505300	DUES/SUBS	1,321	1,741	2,100	2,100	0%
505600	CASH OVER/SHORT	6	-	-	-	0%
505700	MISCELLANEOUS	(1,436)	(123)	700	700	0%
506000	INSUR-GENERAL	268,861	265,270	313,437	313,437	0%
506001	PUBLIC OFFICIALS	38,422	38,716	40,833	40,833	0%

SUBTOTAL

922,732	929,461	1,001,601	1,027,952	3%
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Human Resources

446

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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SUMMARY

PERSONNEL	286,713	314,608	313,061	443,554	42%
OPERATIONS	47,408	48,322	63,670	63,720	0%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL

334,121	362,930	376,731	507,274	35%
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DETAIL

500200 SALARIES	139,418	140,215	137,716	137,716	0%
500202 SERVICE BENEFITS	-	-	-	1,324	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500400 TEMPORARY SALARIES	-	-	-	9,360	0%
500500 FICA	9,846	9,623	10,545	11,369	8%
500600 INSURANCE	18,664	23,194	23,366	25,270	8%
500601 DISABILITY INS	103	122	102	102	0%
500602 RETIREE INSURANCE	95,865	127,563	123,456	240,000	94%
500604 UNEMPLOYMENT INS	11,835	616	5,000	5,000	0%
500700 RETIREMENT	6,793	9,060	8,745	9,282	6%
500701 SUPPL RETIREMENT	4,188	4,216	4,131	4,131	0%
500800 TRAINING	1,103	1,750	2,500	2,500	0%
500801 TUITION ASSISTANCE	-	-	600	600	0%
500810 ORG DEV	3,629	6,852	15,000	15,000	0%
501000 CONFERENCES	1,131	908	425	425	0%
501100 POSTAGE	99	252	525	525	0%
501400 TRAVEL	115	125	550	550	0%
501600 M&R EQPMT	-	-	450	-	-100%
502100 RENT	1,261	1,047	1,500	1,500	0%
502500 PRINTING	(46)	116	750	750	0%
502600 ADVERTISING	7,035	4,511	7,500	7,500	0%
503200 OFFICE SUPPLIES	135	336	700	700	0%
503300 DEPT SUPPLIES	1,262	1,280	1,650	1,650	0%
504500 CONTRACT SERVICES	24,242	21,417	23,200	22,200	-4%
505300 DUES/SUBSCRIPTIONS	568	806	820	820	0%
EMPLOYEE					
505710 RECOGNITION	6,875	8,922	7,500	9,000	20%
507400 EQUIPMENT			-	-	0%
SUBTOTAL	334,121	362,930	376,731	507,274	35%

Information Technology

447

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	170,341	175,588	172,965	262,779	52%
OPERATIONS	494,438	672,024	667,070	755,596	13%
CAPITAL OUTLAY	17,463	37,301	28,750	108,750	278%

TOTAL	682,242	884,913	868,785	1,127,125	30%
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DETAIL

500200 SALARIES	135,879	136,789	134,805	203,676	51%
500202 SERVICE BENEFITS	-	-	-	704	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	10,094	10,136	10,330	15,599	51%
500600 INSURANCE	13,412	15,428	14,973	22,749	52%
500601 DISABILITY INSURANCE	256	290	253	282	0%
500700 RETIREMENT	6,618	8,832	8,560	13,680	60%
500701 SUPPL RETIREMENT	4,082	4,113	4,044	6,089	51%
500800 TRAINING	125	9,138	4,800	7,200	50%
501000 CONFERENCES	-	-	750	750	0%
501100 POSTAGE	-	43	-	-	0%
501200 TELEPHONE	44,917	61,602	75,380	75,580	0%
501400 TRAVEL	-	-	500	500	0%
501600 M & R EQUIP	41,698	16,088	32,050	32,050	0%
501700 M & R VEH REPAIR	16	552	350	350	0%
503100 FUEL	284	391	725	591	-18%
503200 OFFICE SUPPLIES	1,097	1,005	1,000	1,000	0%
503300 DEPT SUPPLIES	2,836	3,018	3,125	25,125	704%
COMPUTERS &					
503305 PERIPHERALS	175,490	235,059	221,000	228,300	3%
503307 VEHICLE SUPPLIES	-	-	-	-	0%
504500 CONTRACT SERVICES	227,975	342,967	323,290	380,050	18%
505300 DUES/SUBS	-	2,161	4,100	4,100	0%
507400 EQUIPMENT	17,463	37,301	28,750	108,750	278%
507400- 44700 TRAFFIC COUNTERS	-	11,719	-	-	
SUBTOTAL	682,242	896,632	868,785	1,127,125	30%

Police Department

POLICE - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	2,714,734	2,784,760	2,770,125	2,774,400	0%
OPERATIONS	298,555	288,140	350,726	366,255	4%
CAPITAL OUTLAY	112,936	107,669	226,800	141,120	-38%
TOTAL	3,126,224	3,180,568	3,347,651	3,281,775	-2%

Police— Administrative Support

510

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	448,928	456,201	452,785	460,816	2%
OPERATIONS	21,104	25,590	32,625	40,223	23%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	470,033	481,791	485,410	501,039	3%

DETAIL

500200 SALARIES	325,640	328,475	321,242	303,236	-6%
500202 SERVICE BENEFITS	-	-	-	3,713	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500400 TEMPORARY SALARY	9,093	1,518	12,480	12,480	0%
500500 FICA	26,395	26,110	24,610	24,476	-1%
500600 INSURANCE	37,318	42,192	38,538	42,500	10%
500601 DISABILITY INSURANCE	517	583	491	535	0%
500700 RETIREMENT	15,664	21,237	21,329	20,939	-2%
500701 SUPPL RETIREMENT	14,446	14,586	14,240	13,340	-6%
500703 EARLY SEPARATION	19,854	21,500	19,855	39,597	99%
500800 TRAINING	2,278	6,328	5,804	10,704	84%
501000 CONFERENCES	398	-	600	600	0%
501100 POSTAGE	445	378	650	650	0%
501200 TELEPHONE	2,209	2,348	2,892	2,892	0%
501600 M&R EQUIPMENT	89	150	800	800	0%
501700 VEHICLE REPAIR	867	661	1,192	2,045	72%
502100 RENT	1,708	1,540	1,680	1,680	0%
502500 PRINTING	1,067	848	1,300	1,300	0%
503100 FUEL	2,918	5,899	5,640	8,286	47%
503200 OFFICE SUPPLIES	2,554	1,875	2,000	2,000	0%
503300 DEPT SUPPLIES	5,209	5,097	5,136	5,136	0%
503307 VEHICLE SUPPLIES	-	-	846	-	0%
503600 UNIFORMS	773	-	2,596	2,596	0%
504500 CONTRACT SERVICES	-	72	1,077	1,077	0%
505300 DUES & SUBSCRIPTIONS	590	395	412	457	11%
507401 VEHICLES	-	-	28,000	-	0%
SUBTOTAL	470,033	481,791	485,410	501,039	3%

Police – Patrol

511

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	1,546,029	1,545,676	1,517,970	1,482,146	-2%
OPERATIONS	179,943	189,631	225,436	238,359	6%
CAPITAL OUTLAY	84,977	29,937	168,000	105,840	-37%

TOTAL

1,810,950	1,765,243	1,911,406	1,826,345	-4%
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DETAIL

500200 SALARIES	1,135,377	1,099,583	1,083,096	1,025,513	-5%
500201 OVERTIME	18,336	13,132	21,970	21,970	0%
500202 SERVICE BENEFITS	-	-	-	5,003	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	87,014	83,051	82,947	80,632	-3%
500600 INSURANCE	163,165	190,030	178,126	189,203	6%
500601 DISABILITY INSURANCE	1,213	1,200	1,190	1,161	-2%
500700 RETIREMENT	56,119	71,996	69,426	70,914	2%
500701 SUPPL RETIREMENT	57,748	55,754	54,155	52,375	-3%
500703 EARLY SEPARATION	27,059	30,930	27,060	35,375	31%
500800 TRAINING	23,793	25,242	28,527	28,527	0%
501200 TELEPHONE	3,755	3,644	3,840	5,740	49%
501600 M & R EQUIP	5,303	2,137	3,802	3,607	-5%
501700 VEHICLE REPAIR	29,273	21,025	12,000	26,580	122%
503100 FUEL	52,864	62,000	85,235	81,872	-4%
503200 OFFICE SUPPLIES	2,295	207	585	585	0%
503300 DEPT SUPPLIES	25,496	19,552	29,010	29,609	2%
503307 VEHICLE SUPPLIES	6,596	14,870	14,127	10,791	-24%
503600 UNIFORMS	21,046	20,317	26,526	26,526	0%
504500 CONTRACT SERVICES	9,433	20,248	21,620	24,358	13%
505300 DUES/SUBSCRIPTIONS	90	390	164	164	0%
507400 EQUIPMENT	-	-	-	-	0%
507401 VEHICLES	52,090	27,280	168,000	105,840	-37%
507402- 51100 OTHER CAPITAL ASSETS	32,887	2,656	-	-	0%
SUBTOTAL	1,810,950	1,765,243	1,911,406	1,826,345	-4%

Police – Community Services

512

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	321,071	385,866	380,630	429,622	13%
OPERATIONS	54,058	41,334	46,198	39,668	-14%
CAPITAL OUTLAY	-	52,867	-	35,280	0%

TOTAL

375,129	480,067	426,828	504,570	18%
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DETAIL

500200 SALARIES	245,308	286,976	281,695	300,993	7%
500201 OVERTIME	991	1,204	3,030	3,030	0%
500202 SERVICE BENEFITS	-	-	-	2,072	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	18,342	21,429	21,566	23,439	9%
500600 INSURANCE	31,818	42,750	41,876	48,901	17%
500601 DISABILITY	304	418	333	289	-13%
500700 RETIREMENT	11,979	18,649	18,050	20,582	14%
500701 SUPPL RETIREMENT	12,329	14,441	14,080	15,201	8%
500703 EARLY SEPARATION	-	-	-	15,115	0%
500800 TRAINING	4,131	4,233	3,780	3,780	0%
501000 CONFERENCES	-	656	1,700	1,700	0%
501200 TELEPHONE	2,911	2,836	3,000	3,593	20%
501600 M & R EQUIP	18	325	1,140	1,140	0%
501700 VEHICLE REPAIR	4,338	3,211	1,384	3,700	167%
503100 FUEL	7,761	13,172	15,582	14,196	-9%
503200 OFFICE SUPPLIES	272	-	316	316	0%
503300 DEPT SUPPLIES	10,452	7,790	9,061	4,495	-50%
503307 VEHICLE SUPPLIES	-	1,490	-	650	0%
503600 UNIFORMS	10,687	760	9,493	2,500	-74%
504200 SEIZURES EXPENSE	12,976	6,225	-	-	0%
504500 CONTRACT SERVICES	391	420	500	382	-24%
505300 DUES/SUBSCRIPTIONS	120	215	242	3,216	1229%
507401 VEHICLES	-	52,867	-	35,280	0%
SUBTOTAL	375,129	480,067	426,828	504,570	18%

Police – Investigations

515

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	347,000	343,767	364,323	347,003	-5%
OPERATIONS	35,634	23,293	36,118	37,515	4%
CAPITAL OUTLAY	27,958	24,865	27,300	-	-100%
TOTAL	410,592	391,926	427,741	384,518	-10%

DETAIL

500200 SALARIES	261,598	251,794	259,573	245,855	-5%
500201 OVERTIME	2,204	4,293	13,125	13,125	0%
500202 SERVICE BENEFITS	-	-	-	1,656	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	19,344	18,707	19,882	19,950	0%
500600 INSURANCE	37,383	39,670	42,180	35,773	-15%
500601 DISABILITY INSURANCE	203	171	207	162	-22%
500700 RETIREMENT	12,946	16,411	16,492	17,533	6%
500701 SUPPL RETIREMENT	13,323	12,721	12,864	12,949	1%
500800 TRAINING	1,420	3,530	4,400	4,400	0%
501200 TELEPHONE	1,270	1,319	1,320	2,320	76%
501400 TRAVEL	62	-	250	250	0%
501600 M & R EQUIP	174	131	1,230	1,230	0%
501700 VEHICLE REPAIR	4,678	523	3,000	2,600	-13%
502500 PRINTING	-	-	-	-	0%
503100 FUEL	7,432	7,216	10,249	9,650	-6%
503200 OFFICE SUPPLIES	590	202	1,000	1,000	0%
503300 DEPT SUPPLIES	7,284	6,892	8,389	7,500	-11%
503307 VEHICLE SUPPLIES	998	654	780	780	0%
503600 UNIFORMS	2,394	-	-	2,285	0%
504200 SEIZURES EXPENSE	66	-	-	-	0%
505700 MISCELLANEOUS	9,266	2,825	5,500	5,500	0%
507401 VEHICLES	27,958	24,865	27,300	-	-100%
SUBTOTAL	410,592	391,926	427,741	384,518	-10%

Police – Animal Control

518

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	51,705	53,250	54,417	54,813	1%
OPERATIONS	7,815	8,292	10,349	10,490	1%
CAPITAL OUTLAY	-	-	15,750	-	0%
TOTAL	59,520	61,542	80,516	65,303	-19%

DETAIL

500200 SALARIES	35,929	35,676	35,831	35,831	0%
500202 SERVICE BENEFITS	-	-	-	248	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	2,365	2,223	2,741	2,760	1%
500600 INSURANCE	10,508	11,850	11,683	11,683	0%
500601 DISABILITY INSURANCE	76	127	73	73	0%
500700 RETIREMENT	1,749	2,302	2,297	2,426	6%
500701 SUPPL RETIREMENT	1,078	1,071	1,792	1,792	0%
500800 TRAINING	355	-	400	400	0%
501200 TELEPHONE	246	81	-	-	0%
501600 M & R EQUIP	-	-	83	83	0%
501700 VEHICLE REPAIR	121	329	300	300	0%
503100 FUEL	968	1,846	1,987	2,128	7%
503200 OFFICE SUPPLIES	-	-	100	100	0%
503300 DEPT SUPPLIES	125	35	600	600	0%
503307 VEHICLE SUPPLIES	-	-	479	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	59,520	61,542	80,516	65,303	-19%

Fire and Rescue

FIRE - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	2,060,523	2,231,596	2,139,075	2,219,345	4%
OPERATIONS	323,280	257,440	262,560	286,414	9%
CAPITAL OUTLAY	44,480	-	-	25,200	0%
TOTAL	2,428,282	2,489,036	2,401,635	2,530,959	5%

Fire and Rescue - Supervision

530

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	115,795	119,006	118,257	119,229	1%
OPERATIONS	25,142	22,775	29,218	32,269	10%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	140,937	141,781	147,475	151,498	3%

DETAIL

500200 SALARIES	79,298	79,890	79,081	79,081	0%
500202 SERVICE BENEFITS	-	-	-	248	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500300 PART-TIME SALARY	16,547	16,890	17,254	17,254	0%
500500 FICA	7,267	7,351	7,382	7,344	-1%
500600 INSURANCE	5,484	6,181	6,121	6,564	7%
500601 DISABILITY INSURANCE	29	30	29	29	0%
500700 RETIREMENT	4,692	6,261	6,018	6,337	5%
500701 SUPPL RETIREMENT	2,382	2,403	2,372	2,372	0%
FIREFIGHTER'S PENSION					
500705 FUNDS	96	-	-	-	0%
500800 TRAINING	-	-	-	-	0%
501000 CONFERENCES	997	824	1,000	1,000	0%
501100 POSTAGE	251	242	300	300	0%
501200 TELEPHONE	4,431	4,228	5,250	5,250	0%
501600 M & R EQUIP	-	-	250	250	0%
501700 VEHICLE REPAIR	372	701	300	1,300	333%
502500 PRINTING	105	83	400	400	0%
503100 FUEL	1,829	2,281	3,541	2,742	-23%
503200 OFFICE SUPPLIES	2,619	2,110	2,750	3,000	9%
503300 DEPT SUPPLIES	-	59	-	-	0%
503307 VEHICLE SUPPLIES	-	-	-	-	0%
504500 CONTRACT SVCS	11,971	9,781	12,397	14,897	20%
505300 DUES & SUBSCRIPTIONS	2,569	2,467	3,030	3,130	3%
SUBTOTAL	140,937	141,781	147,475	151,498	3%

Fire-Rescue – Fire Suppression

531

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	1,878,447	2,043,524	1,952,409	2,031,507	4%
OPERATIONS	281,655	222,851	215,688	238,110	10%
CAPITAL OUTLAY	18,455	-	-	25,200	0%
TOTAL	2,178,557	2,266,375	2,168,097	2,294,817	6%

DETAIL

500200 SALARIES	1,401,850	1,491,482	1,420,642	1,449,199	2%
500201 OVERTIME	25,199	32,441	32,000	32,000	0%
500202 SERVICE BENEFITS	-	-	-	12,857	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	104,001	110,620	108,856	114,470	5%
500600 INSURANCE	231,126	261,126	253,079	273,710	8%
500601 DISABILITY INSURANCE	1,368	1,429	1,392	1,392	0%
500700 RETIREMENT	69,618	98,401	90,211	99,833	11%
500701 SUPPL RETIREMENT	42,916	45,799	42,619	44,436	4%
FIREFIGHTER'S PENSION					
500705 FUNDS	2,369	2,223	3,610	3,610	0%
500800 TRAINING	20,522	24,046	33,040	33,040	0%
501100 POSTAGE	-	5	-	-	0%
501600 M & R EQUIP	13,251	15,752	26,636	31,136	17%
501700 VEHICLE REPAIR	25,611	38,554	23,325	26,925	15%
502500 PRINTING	-	14	-	-	0%
503100 FUEL	14,012	22,527	25,567	27,933	9%
503300 DEPT SUPPLIES	123,436	40,747	49,426	52,626	6%
503300-					
53001 CAR SEAT PROGRAM	2,065	(179)	2,500	2,500	0%
503307 VEHICLE SUPPLIES	1,063	-	1,006	762	-24%
503310 EMS SUPPLIES	-	-	-	7,000	0%
503600 UNIFORMS	30,769	27,494	41,188	43,188	5%
504500 CONTRACT SVCS	39,134	42,795	-	-	0%
505800 MEDICAL EXAMS	9,114	9,437	9,956	9,956	0%
506002 PROGRAM INSURANCE	2,679	1,660	3,044	3,044	0%
507400 EQUIPMENT	9,200	-	-	-	0%
507401 VEHICLES	9,255	-	-	25,200	0%
SUBTOTAL	2,178,557	2,266,375	2,168,097	2,294,817	6%

Fire-Rescue – *Fire Prevention and Safety*

532

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	66,281	69,066	68,409	68,609	0%
OPERATIONS	16,483	11,814	17,654	16,035	-9%
CAPITAL OUTLAY	26,025	-	-	-	0%
TOTAL	108,789	80,880	86,063	84,644	-2%

DETAIL

500200 SALARIES	50,639	51,468	50,918	50,918	0%
500202 SERVICE BENEFITS	-	-	-	-	0%
500500 FICA	3,694	3,737	3,901	3,902	0%
500600 INSURANCE	7,928	8,939	8,800	8,800	0%
500601 DISABILITY INSURANCE	30	48	29	29	0%
500700 RETIREMENT	2,468	3,326	3,233	3,432	6%
500701 SUPPL RETIREMENT	1,522	1,548	1,528	1,528	0%
501700 VEHICLE REPAIR	4,567	(381)	1,000	1,700	70%
502500 PRINTING	372	415	450	750	67%
503100 FUEL	3,951	3,539	3,734	3,585	-4%
503200 OFFICE SUPPLIES	1,210	1,789	1,500	2,000	33%
503300 DEPT SUPPLIES	5,595	3,976	8,470	5,500	-35%
503307 VEHICLE SUPPLIES	787	-	-	-	0%
503600 UNIFORMS	-	-	-	-	0%
SUBTOTAL	109,201	80,880	86,063	84,644	-2%

Planning

PLANNING - DEPARTMENTAL TOTAL

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
SUMMARY					
PERSONNEL	974,869	1,017,143	991,699	1,033,654	4%
OPERATIONS	123,322	115,060	172,321	201,334	17%
CAPITAL OUTLAY	26,922	-	28,000	9,190	0%
TOTAL	1,125,113	1,132,203	1,192,020	1,244,178	4%

Planning – Supervision

540

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
SUMMARY					
PERSONNEL	461,283	488,577	455,260	453,943	0%
OPERATIONS	28,613	38,327	54,221	170,306	214%
CAPITAL OUTLAY	-	-	-	9,190	0%
TOTAL	489,896	526,904	509,481	633,439	24%

DETAIL

500200	SALARIES	364,466	380,232	347,603	343,306	-1%
500202	SERVICE BENEFITS	-	-	-	1,611	0%
500203	LUMP SUM PAYMENT	-	-	-	-	0%
500400	TEMPORARY SALARY	-	-	-	-	0%
500500	FICA	26,074	26,982	26,639	26,424	-1%
500600	INSURANCE	41,312	44,897	47,803	48,556	2%
500601	DISABILITY INSURANCE	714	710	714	608	0%
500700	RETIREMENT	17,762	24,229	22,073	23,139	5%
500701	SUPPL RETIREMENT	10,954	11,527	10,428	10,299	-1%
500800	TRAINING	402	1,521	4,000	4,000	0%
501000	CONFERENCES	261	1,769	4,500	4,500	0%
501100	POSTAGE	1,547	1,500	1,500	1,500	0%
501400	TRAVEL	1,124	481	700	700	0%
501600	M & R EQUIP	-	-	100	100	0%
501700	VEHICLE REPAIR	15	166	-	-	0%
502100	RENT	3,675	4,115	4,000	4,000	0%
502500	PRINTING	901	491	2,050	2,050	0%
502600	ADVERTISING	3,012	2,340	2,300	2,300	0%
503100	FUEL	245	400	250	-	-100%
503200	OFFICE SUPPLIES	33	1	1,000	1,000	0%
503300	DEPT SUPPLIES	3,171	5,376	5,000	5,000	0%
503600	UNIFORMS	-	-	100	100	0%
504500	CONTRACT SVCS	11,539	18,339	17,031	27,556	62%
504536	ENGINEERING SVCS				90,000	0%
504500-						
54004	RAIN DEMO GARDEN	791	182	-	-	0%
505300	DUES & SUBSCRIPTIONS	1,897	1,646	2,500	2,500	0%
505700	MISCELLANEOUS	-	-	9,190	25,000	0%
507400	EQUIPMENT	-	-	-	9,190	0%
	SUBTOTAL	489,896	526,904	509,481	633,439	24%

Planning – Zoning

541

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	272,277	279,808	294,072	333,477	13%
OPERATIONS	82,722	65,384	101,478	13,757	-86%
CAPITAL OUTLAY	-	-	28,000	-	0%
TOTAL	354,999	345,192	423,550	347,234	-18%

DETAIL

500200 SALARIES	208,702	211,130	218,183	242,702	11%
500202 SERVICE BENEFITS	-	-	-	1,824	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	15,014	15,279	16,708	18,736	12%
500600 INSURANCE	31,864	33,151	38,496	46,319	20%
500601 DISABILITY INSURANCE	258	259	285	257	0%
500700 RETIREMENT	10,170	13,642	13,855	16,358	18%
500701 SUPPL RETIREMENT	6,270	6,348	6,545	7,281	11%
500800 TRAINING	115	1,400	2,000	2,000	0%
501000 CONFERENCES	-	-	3,000	3,000	0%
501100 POSTAGE	111	714	500	500	0%
501200 PHONES	164	-	-	-	0%
501400 TRAVEL	6	24	300	300	0%
501600 M & R EQUIPMENT	-	-	630	630	0%
501700 MOTOR VEH REPAIR	26	33	600	600	0%
502500 PRINTING	693	664	1,500	1,500	0%
502600 ADVERTISING	243	69	500	500	0%
503100 FUEL	107	129	617	557	-10%
503200 OFFICE SUPPLIES	3	1	200	200	0%
503300 DEPT SUPPLIES	245	866	1,400	1,400	0%
53307 VEHICLE SUPPLIES	-	-	846	-	0%
503600 UNIFORMS	-	-	400	400	0%
504500 CONTRACT SVCS	-	-	600	600	0%
504536 ENGINEERING	80,134	60,239	87,000	-	-100%
505300 DUES & SUBSCRIPTIONS	875	1,245	1,385	1,570	13%
507401 VEHICLES	-	-	28,000	-	0%
SUBTOTAL	354,999	345,192	423,550	347,234	-18%

Planning – Inspections

542

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	241,309	248,757	242,367	246,234	2%
OPERATIONS	11,987	11,349	16,622	17,271	4%
CAPITAL OUTLAY	26,922	-	-	-	0%
TOTAL	280,218	260,106	258,989	263,505	2%

DETAIL

500200	SALARIES	190,401	191,813	186,364	186,364	0%
500202	SERVICE BENEFITS	-	-	-	1,983	0%
500203	LUMP SUM PAYMENT	-	-	-	-	0%
500500	FICA	14,101	14,180	14,274	14,441	1%
500600	INSURANCE	21,476	24,212	23,978	24,968	4%
500601	DISABILITY INSURANCE	330	386	326	326	0%
500700	RETIREMENT	9,279	12,395	11,834	12,561	6%
500701	SUPPL RETIREMENT	5,723	5,771	5,591	5,591	0%
500800	TRAINING	991	1,022	4,500	4,500	0%
501000	CONFERENCES	1,526	2,049	2,200	2,200	0%
501100	POSTAGE	78	94	100	100	0%
501200	PHONES	1,170	1,350	1,400	1,400	0%
501400	TRAVEL	-	-	500	500	0%
501700	VEHICLE REPAIR	3,539	2,433	1,200	1,200	0%
502500	PRINTING	636	499	730	730	0%
502600	ADVERTISING	-	-	100	100	0%
503100	FUEL	1,745	2,028	2,177	2,526	16%
503200	OFFICE SUPPLIES	-	-	375	375	0%
503300	DEPT SUPPLIES	114	925	1,200	1,400	17%
503307	VEHICLE SUPPLIES	820	-	-	-	0%
503600	UNIFORMS	1,013	220	1,200	1,300	8%
504500	CONTRACT SVCS	-	-	400	400	0%
505300	DUES & SUBSCRIPTIONS	355	729	540	540	0%
507401	VEHICLE	26,922	-	-	-	0%
SUBTOTAL		280,218	260,106	258,989	263,505	2%

Transportation

543

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	1,032,835	1,032,825	1,064,150	1,240,000	17%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL	1,032,835	1,032,825	1,064,150	1,240,000	17%
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DETAIL

504500 CONTRACT SERVICES	1,032,835	1,032,825	1,064,150	1,240,000	17%
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SUBTOTAL	1,032,835	1,032,825	1,064,150	1,240,000	17%
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Public Works

PUBLIC WORKS - DEPARTMENTAL TOTAL

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	1,725,324	1,797,964	1,839,580	1,881,686	2%
OPERATIONS	1,233,362	1,317,537	1,503,811	1,571,821	5%
CAPITAL OUTLAY	360,104	650,594	451,490	281,725	-38%

TOTAL	3,318,790	3,766,095	3,794,881	3,735,232	-2%
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Public Works – Supervision

550

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	304,190	313,387	312,223	316,451	1%
OPERATIONS	12,659	21,373	29,479	32,670	11%
CAPITAL OUTLAY	-	28,747	-	-	0%

TOTAL	316,848	363,507	341,702	349,121	2%
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DETAIL

500200 SALARIES	232,630	234,124	231,567	231,567	0%
500201 OVERTIME	1,018	78	1,000	1,000	0%
500202 SERVICE BENEFITS	-	-	-	744	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500400 TEMPORARY SALARY	-	-	-	-	0%
500500 FICA	16,461	16,444	17,791	17,848	0%
500600 INSURANCE	35,344	40,199	39,810	42,258	6%
500601 DISABILITY INSURANCE	311	316	310	310	0%
500700 RETIREMENT	11,405	15,168	14,768	15,725	6%
500701 SUPPL RETIREMENT	7,021	7,058	6,977	6,999	0%
500800 TRAINING	1,087	2,001	3,600	3,600	0%
500900 PROFESSIONAL SERVICE	2,025	3,935	10,000	10,000	0%
501000 CONFERENCES	1,764	1,501	3,000	3,000	0%
501100 POSTAGE	225	262	375	375	0%
501600 M & R EQUIP	-	-	1,000	1,000	0%
501700 VEHICLE REPAIR	467	493	750	750	0%
502100 RENT	1,526	1,396	1,800	1,800	0%
502500 PRINTING	97	2,409	1,000	1,000	0%
502600 ADVERTISING	126	226	500	500	0%
503100 FUEL	1,928	5,455	2,904	2,382	-18%
503200 OFFICE SUPPLIES	1,514	531	1,500	5,500	267%
503300 DEPT. SUPPLIES	437	638	1,000	713	-29%
503307 VEHICLE SUPPLIES	-	868	-	-	0%
503600 UNIFORMS	601	510	750	750	0%
504500 CONTRACT SVCS	-	-	-	-	0%
505300 DUES&SUBS	861	1,149	1,300	1,300	0%
507400 EQUIPMENT	-	-	-	-	0%
507401 VEHICLE	-	28,747	-	-	0%

SUBTOTAL	316,848	363,507	341,702	349,121	2%
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Public Works – Street Maintenance

560

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	480,833	517,186	545,439	505,138	-7%
OPERATIONS	350,785	384,935	400,852	400,348	0%
CAPITAL OUTLAY	36,818	578,207	451,490	-	-100%

TOTAL

868,436	1,480,328	1,397,781	905,486	-35%
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DETAIL

500200 SALARIES	355,275	375,358	389,167	347,509	-11%
500201 OVERTIME	4,394	3,355	5,000	5,300	6%
500202 SERVICE BENEFITS	-	-	-	2,688	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	25,941	27,301	30,154	27,196	-10%
500600 INSURANCE	66,401	74,513	83,592	87,274	4%
500601 DISABILITY INSURANCE	408	750	672	546	0%
500700 RETIREMENT	17,577	24,502	25,030	23,960	-4%
500701 SUPPL RETIREMENT	10,837	11,407	11,825	10,665	-10%
500800 TRAINING	793	2,935	3,000	3,000	0%
500811 COMM DR LICENSE	110	288	200	200	0%
501600 M & R EQUIP	13,209	17,472	13,500	15,000	11%
501700 VEHICLE REPAIR	25,758	17,344	11,500	10,000	-13%
502100 RENT	1,725	1,551	3,500	3,500	0%
503000 UTILITIES	149,420	147,759	141,210	152,310	8%
503100 FUEL	13,980	18,865	26,576	25,648	-3%
503300 DEPTL SUPPLIES	55,462	68,902	76,400	70,864	-7%
503304 TRAFFIC CALMING	1,041	-	10,800	-	-100%
503307 VEHICLE SUPPLIES	1,029	1,862	-	-	0%
503600 UNIFORMS	3,069	3,075	4,000	4,520	13%
504500 CONTRACT SVCS	84,971	104,310	109,866	115,006	5%
505300 DUES & SUBSCRIPTIONS	220	572	300	300	0%
507400 EQUIPMENT	-	19,982	-	-	0%
507401 VEHICLES	36,818	61,679	-	-	0%
507402 OTHER ASSETS	-	496,546	451,490	-	0%
507404 TRAMORE PROJECT	-	-	-	-	0%
SUBTOTAL	868,436	1,480,328	1,397,781	905,486	-35%

Public Works – Solid Waste Management

580

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	314,146	325,887	335,869	341,991	2%
OPERATIONS	438,656	461,492	528,261	589,528	12%
CAPITAL OUTLAY	238,698	-	-	231,000	0%

TOTAL	991,499	787,380	864,130	1,162,519	35%
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DETAIL

500200 SALARIES	226,024	230,043	236,543	232,500	-2%
500201 OVERTIME	1,325	479	500	500	0%
500202 SERVICE BENEFITS	-	-	-	2,023	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	15,969	16,168	18,134	17,979	-1%
500600 INSURANCE	52,514	56,964	58,173	65,838	13%
500601 DISABILITY INSURANCE	398	396	356	259	-27%
500700 RETIREMENT	11,084	14,904	15,052	15,841	5%
500701 SUPPL RETIREMENT	6,832	6,934	7,111	7,051	-1%
500800 TRAINING	35	693	1,000	1,000	0%
500811 COMM DRIVERS LIC	176	55	150	150	0%
501600 M & R EQUIP	-	-	750	1,100	47%
501700 M&R VEHICLES	37,919	24,614	35,000	36,750	5%
502500 PRINTING	1,275	1,006	2,770	3,737	35%
503100 FUEL	41,147	56,158	75,475	78,195	4%
503300 DEPT SUPPLIES	5,587	6,439	8,380	6,605	-21%
503303 PUR FOR RESALE	-	-	4,400	9,265	111%
503306 YARD WASTE CARTS	2,820	5,195	4,700	5,200	11%
503307 VEHICLE SUPPLIES	1,604	-	1,006	1,006	0%
503600 UNIFORMS	2,521	2,753	2,800	3,000	7%
504701 LANDFILL FEES	345,572	364,579	391,830	443,520	13%
507401 VEHICLES	238,698	-	-	231,000	0%

SUBTOTAL	991,499	787,380	864,130	1,162,519	35%
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Public Works – Central Services

590

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	152,428	158,337	156,290	159,060	2%
OPERATIONS	252,301	281,109	297,967	310,245	4%
CAPITAL OUTLAY	60,629	-	-	-	0%

TOTAL	465,358	439,446	454,257	469,305	3%
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DETAIL

500200 SALARIES	116,211	118,194	115,516	115,516	0%
500201 OVERTIME	1,057	733	2,000	2,000	0%
500202 SERVICE BENEFITS	-	-	-	704	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	8,969	9,100	8,990	9,044	1%
500600 INSURANCE	16,452	18,543	18,364	19,849	8%
500601 DISABILITY INSURANCE	435	438	432	432	0%
500700 RETIREMENT	5,756	7,732	7,462	7,968	7%
500701 SUPPL RETIREMENT	3,549	3,599	3,525	3,547	1%
500800 TRAINING	-	430	500	500	0%
501200 TELEPHONE	5,623	5,679	6,000	8,582	43%
501600 M & R EQUIP	-	112	-	-	0%
501601 M & R BUILDINGS	62,051	90,880	77,550	80,050	3%
501700 M VEHICLE REPAIR	1,979	438	700	700	0%
502100 RENT	-	-	700	-	-100%
503000 UTILITIES	101,134	115,573	122,480	128,950	5%
503100 FUEL	2,690	3,050	4,153	3,773	-9%
503101 FUEL SYSTEM	1,020	840	-	-	0%
503300 DEPARTMENTAL SUPPLIES	17,314	14,673	18,510	18,469	0%
503307 VEHICLE SUPPLIES	484	-	-	-	0%
503600 UNIFORMS	1,272	1,097	1,404	1,400	0%
504500 CONTRACT SVCS	58,735	48,336	65,970	67,821	3%
507400 EQUIPMENT	12	-	-	-	0%
507401 VEHICLE	16,442	-	-	-	0%
507402 OTHER CAPITAL ASSETS	44,175	-	-	-	0%
SUBTOTAL	465,358	439,446	454,257	469,305	3%

Public Works – Fleet Maintenance

591

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	166,210	170,967	168,061	171,037	2%
OPERATIONS	23,631	19,328	39,763	31,885	-20%
CAPITAL OUTLAY	23,959	-	-	7,800	0%
TOTAL	213,800	190,294	207,824	210,722	1%

DETAIL

500200 SALARIES	128,407	129,640	127,190	127,190	0%
500201 OVERTIME	876	-	500	500	0%
500202 SERVICE BENEFITS	-	-	-	868	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	9,960	9,986	9,768	9,835	1%
500600 INSURANCE	16,452	18,722	18,391	19,849	8%
500601 DISABILITY INSURANCE	275	277	273	273	0%
500700 RETIREMENT	6,335	8,422	8,108	8,665	7%
500701 SUPPL RETIREMENT	3,906	3,919	3,831	3,857	1%
500800 TRAINING	38	975	2,150	2,250	5%
500811 COM DRIVERS LIC	-	55	165	-	-100%
501600 M & R EQUIP	1,349	3,182	2,000	2,000	0%
501700 MOTOR VEHICLE REPAIR	5,970	1,212	2,626	2,700	3%
503100 FUEL	2,323	3,076	4,447	4,091	-8%
503300 DEPT SUPPLIES	7,642	4,653	13,400	5,869	-56%
503307 VEHICLE SUPPLIES	725	-	-	-	0%
503600 UNIFORMS	1,248	1,135	1,400	1,400	0%
504500 CONTRACT SERVICES	4,337	5,039	13,575	13,575	0%
507400 EQUIPMENT	-	-	-	7,800	0%
507401 VEHICLES	23,959	-	-	-	0%
SUBTOTAL	213,800	190,294	207,824	210,722	1%

Public Works – Landscaping

592

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	307,518	312,201	321,697	388,009	21%
OPERATIONS	155,330	149,300	207,489	207,145	0%
CAPITAL OUTLAY	-	43,640	-	42,925	#DIV/0!

TOTAL	462,848	505,140	529,186	638,079	21%
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DETAIL

500200 SALARIES	223,346	218,340	224,069	266,069	19%
500201 OVERTIME	4,071	3,473	2,200	3,000	36%
500202 SERVICE BENEFITS	-	-	-	2,727	0%
500203 LUMP SUM PAYMENT	-	-	-	-	0%
500500 FICA	16,312	16,022	17,310	20,792	20%
500600 INSURANCE	43,574	51,051	54,683	68,680	26%
500601 DISABILITY INSURANCE	246	254	239	268	12%
500700 RETIREMENT	11,091	14,347	14,368	18,319	27%
500701 SUPPL RETIREMENT	6,836	6,674	6,788	8,154	20%
500702 RETIRE SETTLEMT	2,040	2,040	2,040	-	-100%
500800 TRAINING	1,692	1,185	1,500	1,500	0%
500811 COM.DRIVERS LICENSE	221	55	200	200	0%
501600 M & R EQUIP	16,262	8,087	9,000	9,000	0%
501602 M & R PARKS	-	1,200	2,500	2,500	0%
501603 M & R GROUNDS	-	425	1,000	1,000	0%
501700 VEHICLE REPAIR	6,025	5,743	7,500	7,500	0%
502100 RENT	60	294	1,000	1,000	0%
503000 UTILITIES	29	49	-	-	0%
503001 UTILITIES-PARKS	28,988	31,844	35,100	36,976	5%
503100 FUEL	10,668	13,731	19,009	19,471	2%
503300 DEPT SUPPLIES	17,718	17,634	27,000	24,448	-9%
503301 PARKS/SUPPLIES	16,444	8,422	31,000	29,770	-4%
503307 VEHICLE SUPPLIES	-	648	-	-	0%
503600 UNIFORMS	2,354	1,892	2,800	3,200	14%
504500 CONTRACT SERVICES	54,869	58,089	69,580	70,580	1%
505300 DUES AND SUBSCRIPTIONS	-	-	300	-	-100%
507400 EQUIPMENT	-	22,246	-	42,925	0%
507401 VEHICLES	-	21,394	-	-	0%
SUBTOTAL	462,848	505,140	529,186	638,079	21%

Recreation and Parks

RECREATION AND PARKS - DEPARTMENTAL TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	968,963	961,541	1,049,408	1,043,764	-1%
OPERATIONS	274,449	275,619	346,990	346,999	0%
CAPITAL OUTLAY	39,581	14,401	31,800	35,115	0%
TOTAL	1,282,994	1,251,561	1,428,198	1,425,878	0%

Recreation and Parks – Supervision

620

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	107,609	110,155	109,083	110,161	1%
OPERATIONS	11,186	12,549	18,104	19,104	6%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	118,795	122,704	127,187	129,265	2%

DETAIL

SALARIES	88,352	88,746	87,863	87,863	0%
SERVICE BENEFITS	-	-	-	248	0%
FICA	6,687	6,701	6,730	6,749	0%
INSURANCE	5,484	6,181	6,148	6,616	8%
DISABILITY INSURANCE	127	127	127	127	0%
RETIREMENT	4,304	5,733	5,579	5,922	6%
SUPL. RETIREMENT	2,654	2,668	2,636	2,636	0%
TRAINING	472	720	1,300	1,300	0%
CONFERENCES	-	160	500	1,500	200%
POSTAGE	300	76	550	550	0%
TELEPHONE	-	265	-	-	0%
RENT	6,052	5,586	6,000	6,000	0%
PRINTING	-	-	865	865	0%
OFFICE SUPPLIES	-	385	1,700	1,700	0%
DEPT SUPPLIES	666	964	1,989	1,989	0%
CONTRACT SERVICES	3,456	4,302	4,900	4,900	0%
DUES/SUBSCRIPTIONS	166	177	300	300	0%
CASH OVER/SHORT	75	(85)	-	-	0%
SUBTOTAL	118,795	122,704	127,187	129,265	2%

Recreation and Parks – *Playgrounds and Parks*

621

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	4,504	3,410	16,390	17,078	4%
CAPITAL OUTLAY	39,581	14,401	-	35,115	0%
TOTAL	44,085	17,812	16,390	52,193	218%

DETAIL

PROF SERVICES	-	-	7,000	7,000	0%
PHONE	1,114	977	1,050	-	-100%
M & R PARKS	1,077	560	2,870	3,920	37%
RENT	1,814	1,863	2,870	2,870	0%
ADVERTISING	-	-	500	500	0%
DEPT SUPPLIES	499	10	2,100	2,788	33%
OTHER CAPITAL ASSETS	39,581	14,401	-	35,115	0%
SUBTOTAL	44,085	17,812	16,390	52,193	218%

Recreation and Parks – General Programs

623

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	551,782	543,399	597,633	585,744	-2%
OPERATIONS	250,893	252,614	296,963	295,284	-1%
CAPITAL OUTLAY	-	-	31,800	-	0%

TOTAL

	802,675	796,013	926,396	881,028	-5%
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DETAIL

SALARIES	304,406	292,475	301,571	290,679	-4%
SERVICE BENEFITS	-	-	-	2,023	0%
TEMPORARY SALARIES	149,151	146,056	185,177	185,177	0%
FICA	33,528	32,724	37,261	36,593	-2%
INSURANCE	40,372	44,104	45,073	42,649	-5%
DISABILITY INSURANCE	355	337	354	310	-12%
RETIREMENT	14,828	18,904	19,150	19,592	2%
SUPL RETIREMENT	9,143	8,797	9,047	8,721	-4%
TRAINING	1,083	284	2,500	2,500	0%
POSTAGE	5,120	4,333	6,490	6,490	0%
TELEPHONE	597	688	680	680	0%
M & REQUIP	-	-	300	300	0%
VEHICLE REPAIR	254	673	1,050	1,050	0%
RENT	35,892	30,403	32,332	32,332	0%
PRINTING	14,151	13,154	22,000	22,000	0%
ADVERTISING	3,199	2,402	2,200	2,200	0%
FUEL	1,032	1,309	1,746	1,721	-1%
OFFICE SUPPLIES	683	1,087	1,400	1,400	0%
DEPT SUPPLIES	41,529	38,912	44,105	43,417	-2%
VEHICLE SUPPLIES	-	-	966	-	0%
UNIFORMS	22,075	27,100	25,322	25,322	0%
CONTRACT SERVICES	69,919	69,067	92,784	92,731	0%
COMMUNITY EVENTS	54,302	192	-	-	0%
54100 Carrboro Day	-	10,142	5,700	5,700	0%
54200 Music Festival	-	22,461	25,500	25,500	0%
54300 Poetry Alive	-	3,237	3,250	3,250	0%
54400 July 4th	-	18,540	19,200	19,200	0%
54600 Film Festival	-	7,480	7,750	7,750	0%
DUES/SUBSCRIPTIONS	1,056	1,152	1,688	1,741	3%
VEHICLES	-	-	31,800	-	0%
SUBTOTAL	802,675	796,013	926,396	881,028	-5%

Recreation and Parks – *Recreation Facilities*

624

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012/13 FROM 2011/12
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SUMMARY

PERSONNEL	309,572	307,987	342,692	347,859	2%
OPERATIONS	7,867	7,045	15,533	15,533	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	317,439	315,032	358,225	363,392	1%

DETAIL

SALARIES	149,189	144,264	157,735	157,564	0%
SERVICE BENEFITS	-	-	-	1,160	0%
PARTTIME SALARIES	76,251	78,693	77,503	77,427	0%
TEMPORARY SERVICES	27,388	22,718	35,532	35,532	0%
FICA	19,148	18,539	20,250	20,804	3%
INSURANCE	21,935	24,816	29,890	32,692	9%
DISABILITY INSURANCE	196	207	248	248	0%
RETIREMENT	10,984	14,410	14,625	15,523	6%
SUPL RETIREMENT	4,481	4,340	6,909	6,909	0%
TRAINING	535	1,500	1,500	1,500	0%
CONFERENCES	195	199	400	400	0%
POSTAGE	198	278	700	700	0%
TELEPHONE	304	242	510	510	0%
TRAVEL	381	104	800	800	0%
M & R EQUIP	681	581	1,490	1,490	0%
M & R BUILDINGS	-	215	1,200	1,200	0%
PRINTING	-	77	800	800	0%
ADVERTISING	469	50	800	800	0%
OFFICE SUPPLIES	282	656	1,000	1,000	0%
DEPT SUPPLIES	2,971	1,444	3,796	3,796	0%
CONTRACTUAL SVCS	-	589	600	600	0%
DUES/SUBSCRIPTIONS	1,851	1,111	1,937	1,937	0%
SUBTOTAL	317,439	315,032	358,225	363,392	1%

Nondepartmental

NONDEPARTMENTAL - TOTAL

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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SUMMARY

PERSONNEL	-	-	459,638	275,001	-40%
OPERATIONS	404,562	206,223	47,000	485,700	933%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	404,562	206,223	506,638	760,701	50%

Nondepartmental – General Nondepartmental

660

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
SUMMARY					
PERSONNEL	-	-	459,638	275,001	-40%
OPERATIONS	-	-	35,000	35,000	0%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	-	-	494,638	310,001	-37%

DETAIL

500202 SERVICE BENEFIT	-	-	51,000	-	-100%
500203 PAY PLAN ADJUSTMENTS	-	-	196,319	255,001	30%
500601 DISABILITY INS	-	-	-	-	0%
500603 HEALTH INSURANCE	-	-	159,971	-	-100%
505700 MISCELLANEOUS	-	-	52,348	20,000	0%
580000 CONTINGENCY	-	-	15,000	15,000	0%
581008 FUEL CONTINGENCY	-	-	20,000	20,000	0%
SUBTOTAL	-	-	494,638	310,001	-37%

Nondepartmental – Transfers

661

2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
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SUMMARY

PERSONNEL	-	-	-	-	0%
OPERATIONS	404,562	206,223	12,000	450,700	3656%
CAPITAL OUTLAY	-	-	-	-	0%

TOTAL	404,562	206,223	12,000	450,700	3656%
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DETAIL

595007	TRANSFER TO REVOLVING LOAN FUND			-	150,000	0%
592007	TRANSFER TO CAPITAL RESERVE	252,679	206,223	12,000	300,700	2406%
593007	TRANSFER TO CAPITAL PROJ FUND	151,883		-	-	0%
594009	TRANSFER TO BOND FUND				-	0%
597009	TRANSFER TO AFFORDABLE HOUSING				-	0%
	SUBTOTAL	404,562	206,223	12,000	450,700	3656%

Debt Service

662

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ADOPTED BUDGET	2012-13 ADOPTED BUDGET	% CHANGE 2012-13 FROM 2011-12
SUMMARY					
PERSONNEL	-	-	-	-	0%
OPERATIONS	1,477,718	1,511,630	1,402,111	1,430,681	2%
CAPITAL OUTLAY	-	-	-	-	0%
TOTAL	1,477,718	1,511,630	1,402,111	1,430,681	2%
DETAIL					
502102 EQP/VEHICLE - PRINCIPAL	799,443	713,441	595,275	650,354	9%
502103 EQP/VEHICLE - INTEREST	57,241	45,232	25,890	42,287	63%
504500 CONTRACTED SERVICES	19,949	11,118	29,018	15,000	-48%
571002 90 STREETS BOND PRINCIPAL	26,107	-	-	-	0%
571003 CENTURY CTR PRINCIPAL	169,580	176,043	182,708	189,624	4%
571004 MARTIN LUTHER KING PARK -PRINCIPAL	19,660	20,452	21,276	22,134	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%
571009 FIRE SUBSTATION - PRINCIPAL	108,333	216,667	216,667	216,667	0%
572002 90 STREETS BOND INTEREST	594	-	-	-	0%
572003 CENTURY CTR INTEREST	60,298	53,836	47,171	40,255	-15%
572004 MARTIN LUTHER KING PARK -INTEREST	5,013	4,221	3,397	2,539	-25%
572005 PUBLIC WORKS LAND - INTEREST	16,907	14,854	12,827	10,805	-16%
572007 ADAMS TRACT - INTEREST	18,040	16,400	14,760	13,120	-11%
572008 SIDEWALKS - INTEREST	19,281	22,573	45,146	28,738	-36%
572009 FIRE SUBSTATION - INTEREST	66,138	125,661	116,843	108,025	0%
SUBTOTAL	1,477,718	1,511,630	1,402,111	1,430,681	2%

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.

Governmental Funds – consists of the General Fund, Special Revenue Fund and Capital Project Fund.

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
- 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 objective 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.

Special Revenue Funds – Specific revenue sources (other than major capital projects) that are legally restricted expenditures for specific purposes.

Tax Levy - Revenue produced by applying a given tax rate to a property's assessed, or tax value.