



Town of Carrboro North Carolina



Adopted Budget 2023-24

TOWN OF CARRBORO
NORTH CAROLINA

ADOPTED BUDGET
FISCAL YEAR 2023-24

TOWN COUNCIL

Damon Seils, Mayor
Susan Romaine, Mayor Pro-Tempore
Barbara Foushee
Randee Haven-O'Donnell
Danny Nowell
Eliazar Posada
Sammy Slade

TOWN MANAGER

Richard J. White III, ICMA-CM

TOWN CLERK

Wesley Barker

DEPARTMENT HEADS

Chris Atack, Police Chief
Anne-Marie Vanaman, Interim Housing & Community Services
Julie Eckenrode, Human Resources
Jon Hartman-Brown, Economic Development
JG Ferguson, Recreation and Parks
Catherine Lazorko, Communication & Engagement
Arche L. McAdoo, Finance
Patricia McGuire, Planning
Will Potter, Fire Chief
Anita Jones-McNair, Interim Public Works
Andy Vogel, Information Technology

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Reader's Guide to the Budget Document

The Mayor and Town Council adopt a balanced annual 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.

In addition to presenting the town's annual budget, the budget document includes the multi-year, special revenue funds, the capital budget, and financial trends and projections for general fund revenues and expenditures to present a complete picture of the Council's commitments. The purpose of presenting this holistic picture is to assist the Town Council, town staff, and the community in understanding the impact that current decisions have on future resources and to assist with development of strategies to address potential changes or problems.

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 council. This section also includes the Town's budget ordinance appropriating projected revenues and expenditures for various funds.
- ☐ **Community and Organizational Profile** – This section of the budget document highlights the demographic, economic and cultural characteristics of the Carrboro community, and the goals of the community expressed by the elected Council. It also describes the Town's budget process, financial policies, and other pertinent information.
- ☐ **General Fund** - This is the Town's operating fund. The General Fund is organized around functional areas and sub-divided by department or expenditure category that is authorized within the budget ordinance. The General Government section includes numerous departments that support the Town's operations and other departments. Larger departments show divisions based on distinctive service provided along 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 spending history and budget.
- ☐ **Special Revenue Fund** – The Town currently maintains the following Special Revenue Funds: Revolving Loan Fund, Energy Efficiency Revolving Loan Fund, Emergency Loan Fund, Affordable Housing Fund, Powell Bill Fund, American Rescue Plan Act Fund, and Grants Fund.
- ☐ **Capital Projects Fund** – This fund includes all active capital projects of the Capital Projects Fund, Bond Fund, Facilities Rehabilitation projects, Capital Reserve Fund, and the Payment-in-Lieu Fund.

- ❑ **Enterprise Funds** – These are business type funds that are intended to generate sufficient revenues to become self-supporting. The Town has two Enterprise Funds: 1) Stormwater Utility Enterprise Fund supported by user fees for stormwater management and flood remediation activities; and 2) Parking Enterprise Fund currently supported by the General Fund for parking management.

- ❑ **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 2022-23 Through FY 2026-27*” (CIP) describes capital improvement projects and identifies funding sources and expenditures for the next five fiscal years. This document is available at the following link. <http://www.ci.carrboro.nc.us/250/Financial-Documents>

- ❑ **Line-Item Budget** – This section provides a detailed listing of proposed expenditures by departments for the current and upcoming budget year, along with actual amounts from the previous fiscal year audit.

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

Please direct comments or questions to:

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Town of Carrboro
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Budget information is also available for viewing on the Internet at:
www.ci.carrboro.nc.us/250/Financial-Documents



To: Mayor and Council Members:

I am pleased to submit the FY2023-24 Budget for the Town of Carrboro. This budget totals \$81.1 million for all Funds as follows:

General Fund	\$	29,330,449
Capital Projects	\$	41,465,910
Special Revenue	\$	9,122,838
Total Governmental Funds	\$	79,919,197
Storm Water Enterprise	\$	1,062,746
Parking Enterprise	\$	141,000
Total	\$	81,122,943

As we adjust to a post-pandemic environment, our lives continue to be affected by an uncertain economic future. The U.S. Congress must raise the country's debt limit to avoid a possible default on its obligations with the potential for increased economic consequences. There continues to be talk of a possible recession. Competition for people, supply chain issues, rising fuel costs, and overall inflationary pressures continue to influence the state and local economies and in turn, local government budgets.

As we continue to make operating adjustments in the post-pandemic landscape, budgeting continues to be a challenge. We have, however, produced, as best we can, a balanced budget based on revenue projections that are not overly aggressive, nor unduly regressive. Since the national economy is still a bit uncertain, the Town may be required to make budget adjustments as the year progresses, depending upon the direction of the economy.

The General Fund is the Town's operating budget. This FY24 budget is expected to increase by 3.8% over the FY23 budget. This increase is attributable to additional debt service, increases in personnel salary and benefits, and inflation factors for supplies and materials.

Property and sales tax revenues make up 75.0% of total general fund revenues in FY24. There is no proposed property tax rate increase for FY24. The property tax rate will remain at 0.5894 per \$100 of valuation for the General Fund, and 0.0150 per \$100 of valuation for the Affordable Housing Fund. Through thoughtful and careful planning and execution, the Town continues to remain in strong financial condition.

The Adopted Budget for FY24 is centered round the Town Council's 13 Strategic Priorities adopted in February 2023 that addresses implementing *Carrboro Connects*. Employee recruitment and retention continues to be a high priority in the upcoming fiscal year due to the increased

Town of Carrboro
Adopted Annual Budget
Fiscal Year 2024

competition for talent in the local government employment sector. In the fall of 2023, the Town implemented the recommendations of the compensation and classification study. For FY24, the adopted budget includes a 5% across-the-board salary increase.

We will change our Health insurance provider from BCBS to Aetna to minimize cost. BCBS provided a renewal rate increase of 20.1%. After bidding our insurance, Aetna provided a 9.9% increase, a cost savings of \$233,078.

With the adoption of *Carrboro Connects*, the five-year comprehensive plan, staff will continue to be engaged in implementing the new plan. The Town will continue to implement the Energy and Climate Protection Plan and the Community Climate Action Plan. The Energy and Climate Protection Plan seeks to reduce Town greenhouse gas emissions, become more energy efficient and generate more renewable energy. The Community Climate Action Plan articulates the Town's community greenhouse gas emissions reduction goals and emphasizes measures that the broader community is asked to take to achieve greenhouse gas reduction targets. Embedding race and equity in the organization and the community will continue.

Special Revenue Funds change from year to year depending upon revenues from grants, revolving loan funds, and other program specific revenues. The Affordable Housing Fund seeks to increase affordable housing in the Town, and this continues to be a major goal of the Town Council. To provide a steady and reliable revenue stream for affordable housing, the FY19, FY20, and FY22 adopted budgets, each included a ½ cent property tax increase to be dedicated exclusively for affordable housing activities. This 1.5 cent property tax provides 100% property tax funding for the fund and will continue for FY24.

The Town has received a subgrant award from Orange County Criminal Justice Resource Department to participate in the *Police and Mental Health Collaborations for Diversion Programs*. This is a comprehensive approach to Police and Mental Health Collaborations for Diversion Programs involving the Orange County Sheriff's Office, and the Police Departments of Chapel Hill, Carrboro and Hillsborough. Funds are provided for the hiring of a social worker by each police agency.

The American Rescue Plan Act (ARPA), signed into law on March 11, 2021, provides funding to state and local governments to help them meet COVID-19 pandemic public health emergency response needs and rebuild a stronger, more equitable economy as the country recovers. The Town has received \$6.7 million under this Act. The Town Council adopted a proposed spending plan in October 2022 which included the use of the total grant amount for the replacement of local government revenues for the provision of government services.

The Capital Projects Fund at \$41.4 million includes projects that will add new or renovate existing Town infrastructure. These include construction of greenways throughout the Town, the 203 Project, and renovation of existing Town buildings. The 203 Project, a joint development of the Town and Orange County, will house the Orange County Southern Branch Library, Orange County Skills Development Center, Town Recreation, Parks, and Cultural Programs, and other activities. Construction of this facility began in June 2022 at 203 S. Greensboro Street. The one addition to

this Fund in FY24 is the use of assigned fund balance for the planning and design of Town Hall renovations. This Fund also includes appropriations for the purchase of several replacement vehicles.

A financing plan needs to be created to undertake other Town building improvements over the next five years. A comprehensive facility assessment has been completed which will be the basis of defining the necessary renovations and cost estimates.

The Stormwater Utility Enterprise Fund, established in 2017, to comprehensively address stormwater management and flood remediation needs throughout the Town is supported by user fees. The current stormwater user fee uses a unit rate of \$90/lot which is then adjusted on a lot-by-lot basis based on the amount of impervious area on the lot. Staff plans to complete a comprehensive stormwater infrastructure assessment during FY24.

A Parking Enterprise Fund was created in FY21 to better manage and account for the costs to maintain “free parking” throughout the Town. A parking study has been completed and implementation recommendations have been prepared. These parking activities will continue to be supported by the General Fund in FY24. Funds are included in this budget to begin paid parking, parking enforcement, public engagement to consider establishing a downtown municipal service district.

On behalf of all Town of Carrboro employees, I want to thank the Mayor and Council Members for your leadership, vision and dedication to Carrboro’s unique identity and quality of life. I would also like to recognize and thank Department Directors, and especially Arche McAdoo, Finance Director, Langston Ramseur, Deputy Finance Director, and the entire Finance Team for their dedicated efforts in the development of the FY24 Town budget.

The accompanying Executive Summary provides additional highlights of the overall budget and strategies for fiscal year 2024.

Sincerely,



Richard J. White III, ICMA-CM
Town Manager

EXECUTIVE SUMMARY

BUDGET OVERVIEW

The budgeting process involves analysis and review of historical data and trends, the use of economic indicators and forecasting to estimate revenues for the upcoming fiscal year. At this time of year, the Town has typically collected the first six months of various revenues that are distributed by the State quarterly and/or monthly. Much of the narrative, on the following pages, speaks to the trends related to the first two quarters of revenues distributed by the State to the Town.

In the past year we have seen peak inflation within the economy, causing the prices of goods and services to drastically increase. Because of this, we have tried to be conservative in our approach but still optimistic that the economy will continue to steadily improve in the months ahead despite the inflationary pressures that currently exist.

According to the Bureau of Labor Statistics North Carolina's unemployment rate was 3.4% as of April, 2023 as well as compared to 3.4% nationally. Similar figures for the same time last year were 3.3% and 3.6% respectively. The dominance of the professional services sector and proximity to the University of North Carolina and Research Triangle Park helps keep the unemployment levels lower in the Carrboro area.

North Carolina sales tax collections remained a strong point for revenues at both the state and local levels. As of April 2023, the town has collected 65% of its projected sales tax revenue. It should be noted that in June 2018, the United States Supreme Court ruled that states have the authority to require online retailers without a physical presence in the state to collect and remit sales taxes (*South Dakota v. Wayfair, Inc.*)

Through April, general fund revenue collections for FY23 total \$22.4 million or 81.1% of the adopted budget. Property tax revenue collections to date are \$15.6 million compared to \$15.4 million this time last year. Local sales tax revenues total \$3.5 million compared to \$3.2 million at the same time last year.

A key factor related to collection of sales tax and intergovernmental revenues is the lag period between collection by the State and distribution to local governments. The North Carolina Department of Revenue distributes local sale tax revenues to localities three months after the month in which they are earned, and intergovernmental revenues three month after the end of the quarter.

The Town continues to maintain its conservative approach in estimating revenues. The FY24 budget is based on revenue projections that are not overly optimistic, nor unduly pessimistic. The Town assumes that the North Carolina General Assembly will take no actions during its 2023 session that would negatively impact the Town's existing revenue stream.

In Carrboro, the total number of residential building permits increased in 2022 from the prior year, the total value of those permits also increased. Commercial permits increased substantially, with the total value increasing sharply from the prior year.

<u>Fiscal Year Ended</u> <u>June 30</u>	Commercial	Permits	Residential	Permits
	<u>Number</u>	<u>Value</u>	<u>Number</u>	<u>Value</u>
2009	320	1,581,608	425	19,858,118
2010	228	14,177,902	547	23,614,500
2011	123	2,794,123	556	16,089,505
2012	531	18,534,892	594	20,328,808
2013	395	6,926,461	539	21,670,200
2014	319	8,424,490	564	16,305,265
2015	370	8,098,185	621	20,965,551
2016	348	6,449,249	607	17,125,298
2017	297	3,489,324	624	19,431,014
2018	303	27,118,248	579	23,384,464
2019	120	10,858,919	631	22,566,174
2020	121	2,287,336	673	21,710,878
2021	115	4,664,640	781	21,632,976
2022	179	5,672,679	1009	29,970,115

TOTAL TOWN BUDGET

In developing the FY24 budget, some operating expenses were increased due to inflationary demands. Capital item requests were re-prioritized, and some vehicle/equipment purchases deferred to future years. The major goals in developing the FY24 budget were to:

- Implement the Town Council’s strategic priorities.
- Retention of valued town staff.
- Development of a balanced budget.
- Manage costs while improving services to the residents,
- Conceptualize a long-term financial sustainability plan for the Town.

The total FY24 General Fund Adopted budget of \$29,330,449 is a 6% increase from the adopted budget of \$27,667,675 last year. When all other funds are considered, the total FY24 Town budget of \$81,122,943 is as follows:

BUDGET SUMMARY FY 2023-24

Fund	FY 2022-23	FY 2023-24	\$ Change	% Change
General Fund	\$27,667,675	\$29,330,449	\$1,662,774	6%
Capital Projects	\$50,825,396	\$41,465,910	-\$9,359,486	-18%
Special Revenue	\$11,156,649	\$9,122,838	-\$2,033,811	-18%
Total Governmental Funds	\$89,649,720	\$79,919,197	-\$9,730,523	-18%
Storm Water Enterprise	\$1,081,601	\$1,062,746	-\$18,855	-2%
Parking Enterprise	\$143,190	\$141,000	-\$2,190	-2%
Total	\$90,874,511	\$81,122,943	-\$9,751,568	-11%

BUDGET PROCESS

As traditionally, Departments are required to justify their operating budget for the continuation of services. The continuing budget includes adjustments for price increases in the cost of goods and services; and includes project and infrastructure expenditures reflected in the annual Capital Improvement Plan (CIP) which includes street resurfacing costs, replacement of vehicles and equipment, and debt service payments.

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, local sales taxes, other taxes/licenses, and intergovernmental revenues. Together these revenues comprise approximately 85.8% of total general fund revenues.

For FY24, total recurring revenues are projected to increase by 6% over the FY23 Adopted Budget. The projection for property tax revenues has increased 3% over last year’s budget due to steady increase in property taxes collected in FY 23.

Intergovernmental revenues, which comprise 5% of general fund revenues, are expected to remain steady from FY 23.

Recurring Revenues – General Fund

	FY2022	FY2023	FY 2024	\$	%
	Actual	Adopted	Projection	Change	Change
Revenues:					
Ad Valorem Taxes	\$15,527,154	\$15,340,000	\$15,800,200	\$460,200	3.0%
Local Sales Taxes	\$6,416,480	\$5,419,200	\$6,116,000	\$696,800	12.9%
Other Taxes/Licenses	\$1,726,261	\$1,652,822	\$1,726,261	\$73,439	4.4%
Intergovernmental	\$2,089,013	\$1,510,298	\$1,510,298	\$0	0.0%
Permit & Fees	\$1,127,067	\$1,299,813	\$1,312,811	\$12,998	1.0%
Sales & Services	\$227,120	\$184,700	\$184,700	\$0	0.0%
Other Revenues	\$444,430	\$276,120	\$276,120	\$0	0.0%
Fund Balance Appropriated	\$0	\$1,984,722	\$2,404,059	\$419,337	21.1%
Total Revenues	\$27,557,525	\$27,667,675	\$29,330,449	\$1,662,774	6.0%
Total Revenues & Transfers	\$27,557,525	\$27,667,675	\$29,330,449	\$1,662,774	6.0%

Property and sales tax revenues make up 75.0% of total general fund revenues in FY24. The total property tax valuation is estimated to be \$2,717,302,115 based on valuation by the Orange County Tax Administrator. The total property tax valuation net of exemptions is estimated at \$2,643,216,485. The property tax rate will remain at \$0.5894 per \$100 of valuation for the General Fund, and \$0.0150 per \$100 of valuation for the Affordable Housing Fund. Each penny of the tax rate is projected to generate approximately \$264,322. Property tax relief is available for the elderly, permanently disabled persons, and veterans who meet income and other specific exemption requirements.

Retail sales statewide in North Carolina continue to trend upward. Overall local sales tax revenues were \$3.5 million in April 2023 compared to \$3.2 million last year.

In FY 2015 the North Carolina General Assembly changed the method of distribution for electricity and piped natural gas sales.

Sales tax on piped natural gas statewide, on a percentage basis, declined sharply under the new distribution formula. Through the first two quarters of FY23, natural gas revenues have been \$21,096 or 47% of projected revenue.

For FY23, the Town has collected \$560,993 (58% of budget) in electricity tax revenues, and \$21,096 (46.0% of budget) in piped natural gas. In projecting electricity and natural gas tax revenues, it is important to remember that these revenues depend on weather, consumption, and

price of the utility. Significant fluctuations in local weather patterns and conditions directly affect consumption and may not mirror the statewide trend.

Telecommunications Sales Tax revenues statewide are expected to be 0.3% less than last year and projected to decrease statewide by 9.4% in FY24. Consumers are continuing to move away from landline telephone service to mobile telephone service. For the first two quarters of this fiscal year FY23 the Town has received revenue of \$54,695 or 45% of the adopted budget.

Local Video Programming revenue distributions continue to decrease statewide. The continuing revenue declines are due primarily to TV customers “cutting the cord” in favor of streaming services. The cable TV industry has responded with more streamlined cable packages that are more attractive to customers and seems to be slowing the decline rate. Projections of future video programming revenue vary. For the first two quarters of FY23, the Town has received revenue of \$32,888 or 53.3% of the adopted budget.

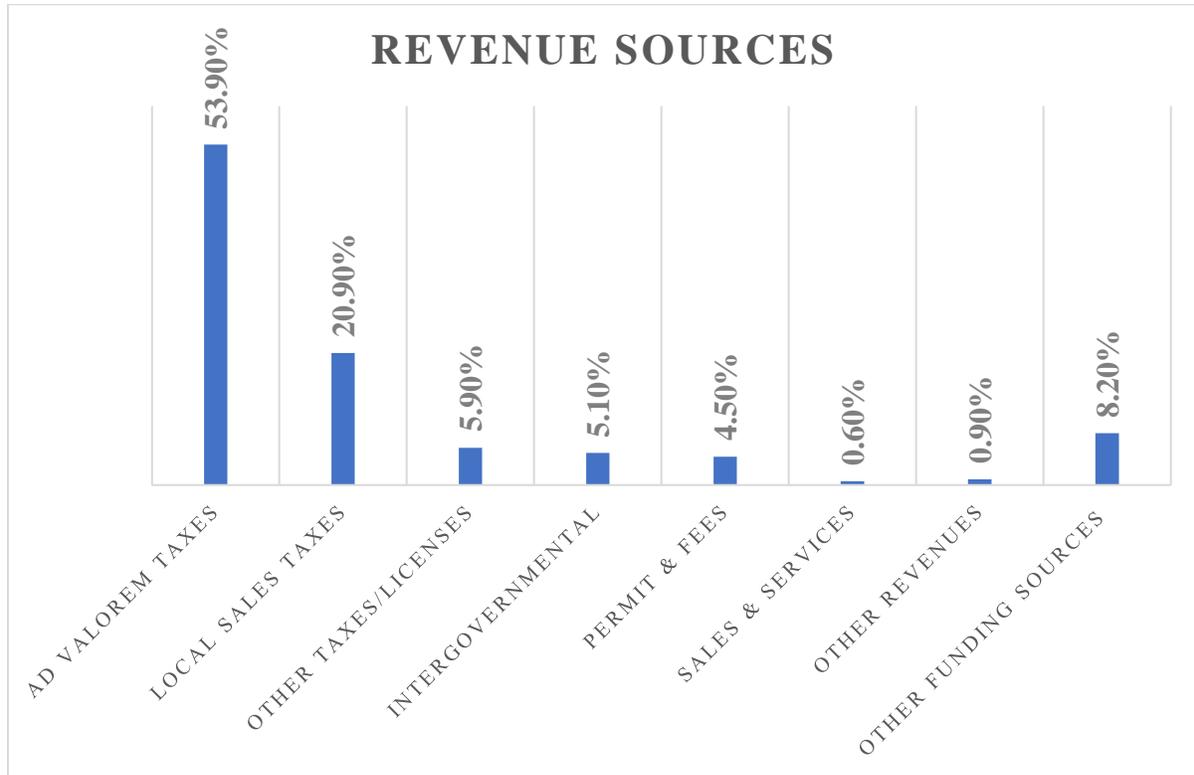
Beer and wine sales tax is an excise tax charged on the production of alcohol in North Carolina, and a portion is distributed to municipalities based on population. For FY23 state officials have indicated that beer and wine sales tax distributions will be 4.6% above than last year and a 2.1% increase is expected for FY24.

OTHER FINANCING

Other financing sources in the General Fund include inter-fund transfers, installment financing and fund balance appropriation. The Fund Balance Appropriation in the FY24 budget is \$2,404,059 or 8% of the total General Fund adopted budget. The Town has a policy that “fund balance appropriation is not to exceed 10.0% of the total General Fund operating budget in any given year”.

With uncertainty about actual revenues and expected increased expenditures, Fund Balance Appropriation fills the gap. Historically, the Town budgets Fund Balance Appropriation, but has seldom needed to use it for actual expenditures due to revenues exceeding expenditures.

FY 2023-24 GENERAL FUND REVENUE SOURCES
% of Total \$29,330,449



EXPENDITURES

For FY24, total General Fund operating expenses increased by 6% over FY23. Of the total budget, personnel costs account for 63.0%, while operating costs account for 36%.

	FY23 Adopted	FY24 Adopted	\$ Change	% Change
Personnel	\$16,876,654	\$18,549,164	\$1,672,510	10%
Operating	\$10,140,068	\$10,640,285	\$500,217	5%
Capital Outlay	\$319,600	\$0	(\$319,600)	-100%
Transfers	\$331,353	\$141,000	(\$190,353)	-57%
Total	\$27,667,675	\$29,330,449	\$1,662,774	6%

PERSONNEL

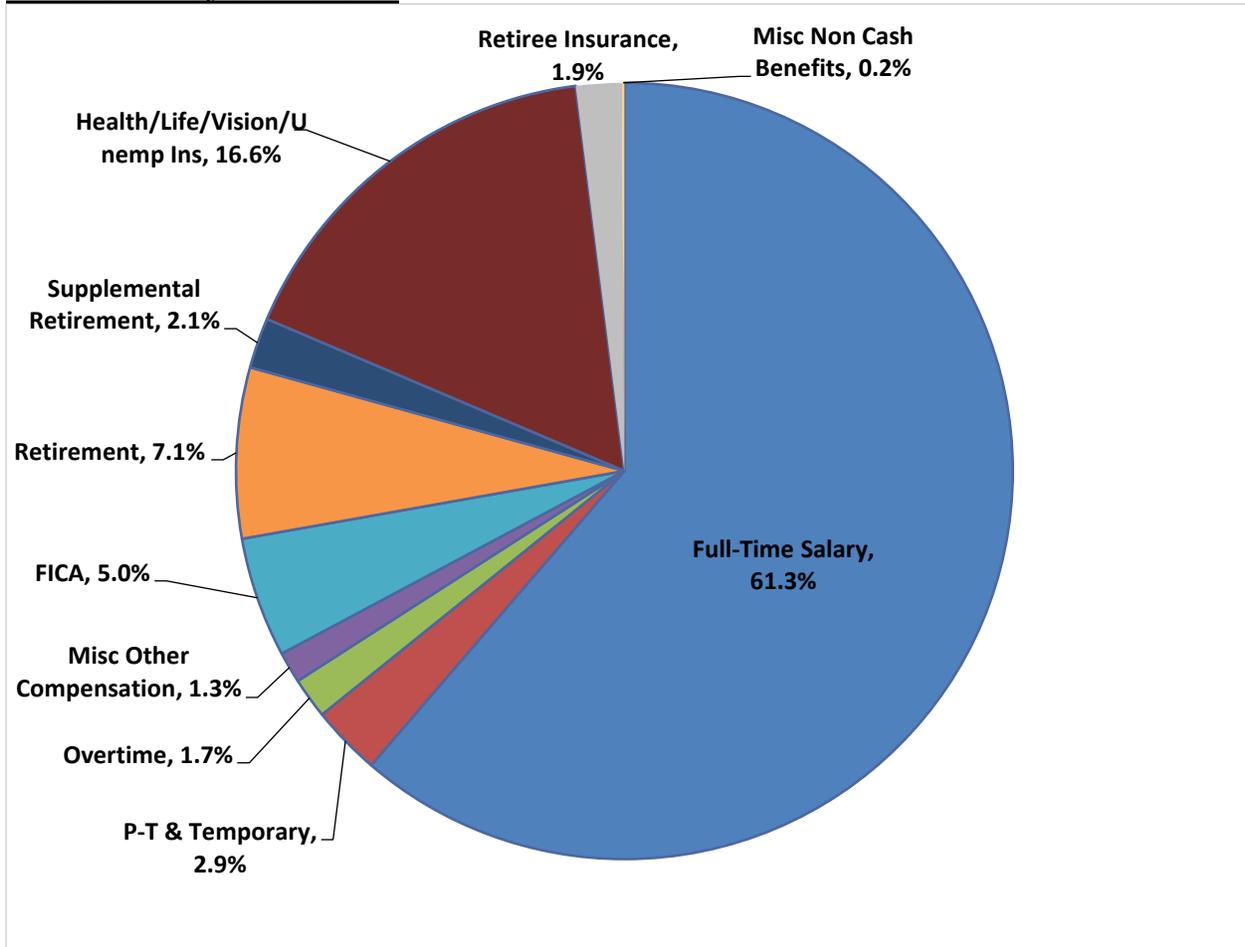
General Fund personnel costs are expected to increase by 10% accounting for all 175.0 Full-Time Positions. Funds to cover the salary adjustments and benefit cost increases are budgeted in the Non-Departmental budget.

To support the Town Council’s Race and Equity priority, two new positions are included, a Chief Race and Equity Officer and a Race and Equity Manager. These positions are located in the Town Manager’s Office.

Other factors affecting personnel costs include:

1. Projected 9.9% increase in health insurance premiums.
2. Increases in employer contribution rate to Local Government Employees Retirement System.
3. Across the board pay increase of 5% to permanent employees.

FY 2023-24 Pay and Benefits



Contribution rates for the Local Government Employees' Retirement System (LGERS) will increase to 12.90% for general employees; and, to 14.10% for law enforcement officers in FY24. Below is the schedule of contribution rates through FY24.

LGERS Employer Contribution Rate		
Fiscal Year	General Employees	Law Enforcement Officers
2020-21	10.20%	10.84%
2021-22	11.40%	12.04%
2022-23	12.10%	13.10%
2023-24	12.90%	14.10%

OPERATIONS EXPENSES

General Fund operating expenses in FY24 will increase by 5% from \$10,140,068 to \$10,640,825. In addition to maintaining the existing service levels, funds are budgeted for Employee and Organizational Development activities (e.g., risk management/safety, Government Alliance on Race and Equity (GARE) training, supervisor training, etc.). The Town will continue with the implementation of its Energy and Climate Protection Plan (ECPP) and the Community Climate Action Plan (CCAP). Particular attention will be given to new projects to incorporate energy savings strategies with the goal of reducing operating costs and greenhouse gas emissions.

CAPITAL OUTLAY

The biggest capital outlay in FY24 will be for replacement of vehicles. In addition to acquisition of the following vehicles, the Town will create an account in Capital Reserve Fund for the future purchase of fire apparatus.

Department	Vehicles/ Equipment	Cost Estimate
Police	Ford Hybrid Police Cruiser	\$58,000
Police	Ford Hybrid Police Cruiser	\$58,000
Police	Ford Hybrid Police Cruiser	\$58,000
Rec and Parks	Ford 350-Van	\$140,000
Rec and Parks	Ford F-150 Hybrid	\$40,000
Rec and Parks	Ford F-150 Hybrid	\$40,000
Public Works	Frontload Refuse Truck	\$490,000
Public Works	Ford F-150 Hybrid	\$40,000
Public Works	Ford F-150 Hybrid	\$40,000
	Total	\$964,000

SPECIAL REVENUE FUND

The Special Revenue Fund accounts for revenues and expenditures legally restricted or designated by the Town Council for specific program activities or services. Included in the Special Revenue Fund are the following:

1. Revolving loans for economic development.
2. Energy efficiency loans.
3. Business loan programs.
4. Affordable housing.
5. Powell Bill funds,
6. Grants administration.
7. American Rescue Plan Act.

The total budget for the Special Revenue Fund in FY24 is \$9.1 million dollars.

SPECIAL REVENUE FUND SUMMARY

	Adopted	Adopted		
	Budget	Budget	\$	%
	FY2022-23	FY2023-24	Change	Change
Affordable Housing	\$568,423	\$593,923	25,500	4.5%
Grant Administration	\$1,918,824	\$811,909	-1,106,915	-57.7%
Powell Bill	\$560,600	\$545,812	-14,788	-2.6%
American Rescue Plan Act	\$6,754,699	\$6,426,677	-328,022	-4.9%
Emergency Loans	\$636,063	\$131,600	-504,463	-79.3%
Revolving Loans for Energy Efficiency	\$205,227	\$205,227	0	0.0%
Revolving Loan Fund	\$512,813	\$407,690	-105,123	-20.5%
Total	\$11,156,649	\$9,122,838	-2,033,811	-18.2%

For FY24, 1.5 cents of the property tax will continue be dedicated to the Affordable Housing Special Revenue Fund. A General Fund transfer of \$188,193 will provide additional funding for the Affordable Housing Fund.

CAPITAL PROJECTS FUND

The Capital Projects Fund includes projects that are financed by the General Obligation Bonds, debt financing, and pay-go for the construction or acquisition of a capital assets. Capital projects (i.e., those costing more than \$100,000 or take more than one year to complete) are generally planned for in the Capital Improvements Plan (CIP). Capital projects are funded by the adoption

of a Capital Project Ordinance by the Town Council that requires a balanced budget (i.e., expenses equal anticipated revenues) and is in effect until completion of the project.

Contingent upon fund balance ratios in the Town’s General Fund being within the stated policy goal of 22.5% to 35.0%, the Town Manager may assign an amount above 35% for future capital projects.

The total Capital Project Fund budget for FY24 is \$42 million. The largest project remains the development of the facility at 203 South Greensboro Street. This is a joint project by Orange County and the Town at an anticipated cost of \$41.2 million. This project will house the Orange County Southern Branch Library, Orange County Skills Development Center, Town Recreation, Parks, and Cultural Resources administrative offices, and several other compatible uses. The one addition to this Fund in FY24 is the use of assigned fund balance for the planning and design of Town Hall renovations. This fund also includes appropriations for the purchase of several replacement vehicles.

	Adopted Budget FY2022-23	Adopted Budget FY2023-24	Amount Change	Pct Change
Fund:				
Capital Projects	44,557,221	35,907,914	(8,649,307)	-19%
GO Bonds, Sidewalks and Greenways	5,705,097	4,531,257	(1,173,840)	-21%
Facilities Rehab	562,853	458,597	(104,256)	-19%
Capital Reserves	100	568,032	567,932	0%
Payment In Lieu	100	110	10	10%
Other			-	
Totals	\$50,825,371	\$41,465,910	(9,359,461)	-18%

In the GO Bond Sidewalk and Greenways Fund, the Town has been able to leverage state/federal funding for several of the sidewalk and greenway projects.

	Life-to-Date Actuals	Adopted Budget FY2022-23	Adopted Budget FY2023-24	FY23 to FY24 Percent Change
Revenues:				
Interest Earnings	\$75	\$85	\$181,000	
Restricted Intergovernmental	\$1,974,299	\$5,128,146	\$3,153,847	
Other Financing Sources	\$1,708,652	\$576,866	\$1,196,410	
Total Revenues	\$3,683,026	\$5,705,097	\$4,531,257	-26%
Expenditures:	□ □ □			
Morgan Creek Greenway Ph1	\$477,154	\$1,742,500	\$1,265,346	
S Greensboro St Sidewalk	\$266,245	\$2,862,262	\$2,596,017	
Jones Creek Greenway	\$180,356	\$850,250	\$669,894	
Sidewalk Repairs	\$249,470	\$250,000	\$0	
Projects Closed in 2022	\$2,987,455	\$0		
Capital Expense Reserve	-	\$85	\$0	
Total Expenditures	\$4,160,680	\$5,705,097	\$4,531,257	-26%

Because capital projects can affect all categories of spending in the operating budget, it is important to have a systematic planning process to prioritize needs, as well as identify possible financing plan. The Town Manager is responsible for developing and maintaining a five-year Capital Improvement Plan (CIP) that includes long-term maintenance, infrastructure needs, and technology needed for the community. As part of the Town’s ECPP and CCAP, all capital projects are to be evaluated for energy savings and greenhouse gas emissions reductions. The CIP through FY 2027 can be reviewed on the Town’s web site at: www.ci.carrboro.nc.us/250/Financial-Documents

CONCLUSION

This budget was created with optimism that revenues will regain some momentum, but it was also developed using a conservative approach for the overall budget. Budgeted Town revenues for FY24 are above last year’s figures, and Town expenditures are slightly higher compared to FY23 to account for a portion of the inflationary increases.

The Town has begun to implement its energy and climate protection plan with the goal of not only saving energy, but also reducing operating costs as well. All capital projects, including vehicles and equipment, will be considered for energy saving measures that will also lead to reduced operating costs. As in the past, all investments in capital equipment will be analyzed from a cost-benefit analysis and to fully gain maximum use of the asset possible.

Careful and balanced choices are presented in the FY24 budget that provide for continued delivery of quality services, carrying out Town Council priorities, maintaining financial strength, and retaining talented and productive employees.

13 KEY STRATEGIC PRIORITIES

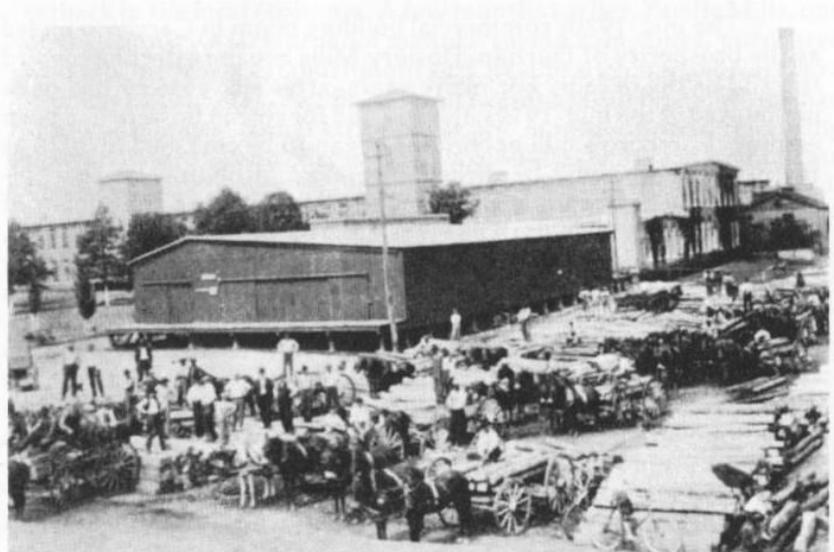
- 1) Race and Equity Initiatives
- 2) Community Action Plan
- 3) Zoning Amendments
- 4) Connectivity, Bicycle, Pedestrian
- 5) Comprehensive Plan
- 6) Safety Task Force
- 7) Affordable Housing
- 8) Develop/Achieve Operational Efficiencies
- 9) Strategic Plan/Performance Management
- 10) Town Building Renovations.
- 11) Infrastructure Improvements
- 12) Economic Development
- 13) 203 Project

ABOUT THE TOWN OF CARRBORO

Carrboro's roots began in 1882 when a branch of the North Carolina Railroad extended south to the edge of Chapel Hill, and the first local textile mill opened nearby. Informally known as West End and Lloydville, in 1911, the community incorporated as a town named Venable, for chemistry professor and University of North Carolina president Francis Preston Venable.

Two years later, the state legislature renamed the town Carrboro at the request of Julian S. Carr, a post-Civil War business leader. He was also an active and influential participant in Jim Crow era efforts to create a system of racial segregation. Although the town continues to bear his name, the values and actions of Carr do not represent Carrboro today.

In the 1970s, a group of Carrboro residents joined together to change the town's power structure and advocate for a community that fully included all residents. Thanks to their commitment, today Carrboro honors its working-class roots while reaching toward the goals of social equity, environmental harmony, and fiscal responsibility. For the first fifty years after its incorporation, Carrboro remained a small mill town with a slow, steady pace of growth. In 1960, approximately 2,000 people lived in the town.



Circa 1920 view of the cross tie market on East Main Street, in front of Durham Hosiery Mill No. 4. The frame cotton warehouse and the upper stories of the brick towers have been removed, and the east end of the mill has been extended with a brick addition. From copy in North Carolina Collection, UNC Library, Chapel Hill.

In the late 1960s, the town's population began to increase stemming from the growth occurring at UNC-Chapel Hill and growth in the Research Triangle Park. Enrollment at the University has increased 5.1%, from 30,092 in 2020 to 31,641 in 2021.

The Town of Carrboro is a small local government entity overseen by a Mayor and six Council Members, and professionally managed by a Town Manager under the Council-Manager form of government. The Town is located within Orange County in the north central portion of North Carolina. The area's topography is characterized by rolling hills. The Town is situated next to the Town of Chapel Hill home to the University of North Carolina and is near the Research Triangle Park.



The American Community Survey (ACS) provides 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 2016 to 2020 for smaller communities, including Carrboro, are used in this section. 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

Carrboro’s population in 2020 was 21,295. Since the last census in 2010, the population has grown by 1,713, or 8.7%. These residents constitute approximately 14.3 percent of the Orange County population of 148,696.

ETHNIC COMPOSITION

The chart below shows the changes in Carrboro’s ethnic composition since the 2010 Census.

Race and Ethnicity, 1990 to Present					
Sources: U.S. Census Bureau (decennial censuses)					
Year	Asian	Black	Hispanic *	White	All Other
2010	1592	1933	2706	12794	557
2020	1891	2142	2723	13238	1301
Year	% Asian	% Black	% Hispanic	White	% Other
2010	8%	10%	14%	65%	3%
2020	9%	10%	13%	62%	6%

* Any Race

AGE COMPOSITION

The age group of ages 18-64 accounts for 63.9% of the Town's population, which is the only age group above the national average for Carrboro.

<u>Age Group</u>	<u>Carrboro Population</u>	<u>% of Town</u>	<u>USA %</u>
Under 5 years	809	3.8%	6.0%
Under 18 years	4,408	20.7%	22.3%
Age 18-64	13,608	63.9%	55.2%
Age 65 and over	2,470	11.6%	16.5%

Source: census.gov/quickfacts

HOUSING

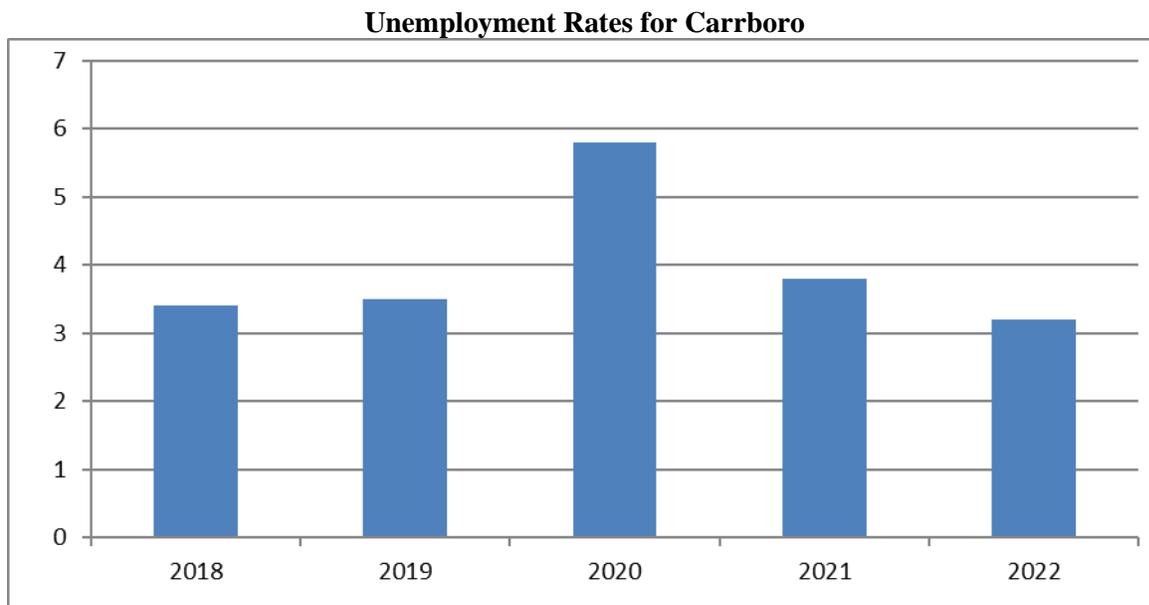
Carrboro continues to be mostly a community consisting of rental units as 57.4 percent of the housing stock is renter occupied with a median gross rent of \$1,152 per month. Owner-occupied housing is at 42.6 percent and the median value of an owner-occupied housing unit in Carrboro in 2020 was \$386,900, which is a 25.8 percent increase from \$307,600 in 2010.

INCOME

The 2020 median household income is \$67,469. Per capita income for 2020 was \$39,464 while 14.1% of the population were below the poverty level of income.

EMPLOYMENT

Employment levels in Carrboro reflect a slight decrease in the unemployment rate from 3.7% in June 2021 to 3.2% in June 2022.



Source: homefacts.com

Durham-Chapel Hill Employment by Industry Sector, May 2021

Occupation Type	Percent of Total Employment
All Occupations	
Management Occupations	7.6%
Business and Financial Operations Occupations	8%
Computer and Mathematical Occupations	7%
Architecture and Engineering Occupations	1.8%
Life, Physical, and Social Science Occupations	3.1%
Community and Social Service Occupations	1.2%
Legal Occupations	0.7%
Educational Instruction and Library Occupations	9%
Arts, Design, Entertainment, Sports, and Media Occupations	1.3%
Healthcare Practitioners and Technical Occupations	11.7%
Healthcare Support Occupations	4%
Protective Service Occupations	1.7%
Food Preparation and Serving Related Occupations	6%
Building and Grounds Cleaning and Maintenance Occupations	2.6%
Personal Care and Service Occupations	1.2%
Sales and Related Occupations	7.6%
Office and Administrative Support Occupations	10.9%
Farming, Fishing, and Forestry Occupations	0.1%
Construction and Extraction Occupations	2.3%
Installation, Maintenance, and Repair Occupations	2.8%
Production Occupations	3.6%
Transportation and Material Moving Occupations	5.8%

Source: US Bureau of Labor Statistics

Specific Data for Carrboro not available

The major employers within Orange County in 2021 (those with 500 or more employees) reflect the dominance of the professional services sector.

Employer	# of Employees
UNC Chapel Hill	13,029
UNC-Health Care System	12,078
Chapel Hill-Carrboro City Schools	2,000
Orange County Schools	1,272
Orange County Government	1,220
Town of Chapel Hill	857
Industrial Connections & Solutions ABB (formerly G.E.)	685

Key Intergovernmental Relationships

The Town of Carrboro has many relationships with surrounding communities, 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
- Considered the conduit for transportation improvement funds used to maintain roads
- Collects and distributes certain revenues 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 Town Council
- Maintains fire hydrants used by the Carrboro Fire Department

Orange County

- Provides mutual aid agreement for police services
- Provides recycling services to Carrboro
- 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

GOVERNMENTAL STRUCTURE

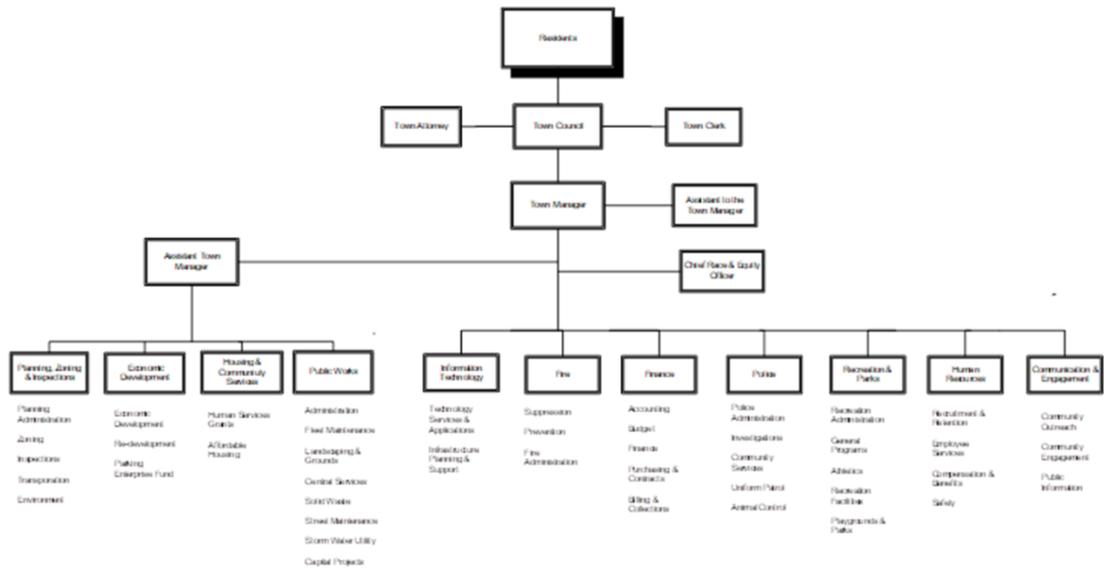
The Town of Carrboro has a council/manager form of municipal government. Under the council/manager form of government, the Town Council performs the legislative functions of the town: establishing laws and policies. The Town Council is an elected body by the residents of Carrboro which consists of a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

The Town Council also appoints a Town Manager who carries out the laws and policies enacted by the council. The Town Manager is responsible for managing the town's employees, finances, and resources. The Town has 175 permanent, full-time and part-time, employees with all departments reporting to the Town Manager (see chart below). The Town Council also appoints a Town Clerk to maintain official town records; and an attorney, who represents the town administration and Town Council in all legal matters.

Local governments in North Carolina exist to provide a wide range of basic services on which we all depend, including 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 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 (human resources, technology, finance, budget, purchasing, town clerk, communications 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 a Special Revenue Fund and Capital Projects Fund. These are multi-year funds and dedicated to specific programs/activities/projects. The Town's Stormwater Utility Enterprise Fund includes an operating and capital budget for stormwater related revenues and expenditures. The Parking Enterprise Fund includes operating expenses related to parking facilities.

The budget for the Town is largely supported by property and local sales taxes. The Town, facing growth in the Northern Transition Area, envisions the potential increase in the town's population to 24,000. The Town, in an effort to reduce the tax burden on residential property owners, is exploring ways to increase its commercial tax base as a percentage of its tax base.



TOWN COUNCIL PRIORITIES

The Town Council has not undertaken a formal strategic planning process. However, the Town Council has adopted and annually reviews 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 current Town Council priorities (in bold) and departmental goals and work plans (in italics) are listed below:

A. Diversify revenue stream to maintain ethnic and economic diversity

1. *Maximize use and revenue at recreation facilities. (Recreation & Parks)*
2. *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)*
3. *Create public/private partnerships for various special programs to maximize revenue and the marketing potential of the programming while minimizing program costs. (Recreation & Parks)*
4. *Offer diversified programs reflective of resident needs and promotes sensitivity to cultural diversity. (Recreation & Parks)*

B. Protect historic neighborhoods and maintain Carrboro's unique identity

1. *Evaluate and schedule completion of Comprehensive LUO review/update and evaluate need for strategic or comprehensive planning/update. (Planning)*

C. Improve walkability and public transportation

1. *Improve Quality of public transportation service. (Transportation)*
2. *Improve level of public transportation service. (Transportation)*
3. *Work with Chapel Hill Transit to manage current level of public transportation service more effectively 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)*
4. *Improve access to public transportation. (Transportation)*

D. Encourage development that is compact, dense, and appeals to diverse lifestyles and incomes

1. *Increase the number of affordable energy efficient housing units in the Town. (Economic and Community Development)*

E. Enhance and sustain quality of life/place issues for everyone.

1. *Reduce the number of known drug houses and street-level drug sales locations. (Police)*
2. *Maintain index crime clearance rates at or above the national average for comparable towns. (Police)*
3. *Ensure the safety of all employees and residents on town property. (Police)*

4. *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)*
5. *Provide fire education for schools, day care centers, and special interest groups. (Fire-Rescue)*
6. *Achieve a well-balanced public infrastructure. (Planning)*
7. *Help residents develop a human environment that promotes trust, mutual respect, acceptance, happiness, and well-being. (Planning)*
8. *Develop innovative approaches to support the community, particularly with regard to housing, transportation, energy production and consumption, and ecological restoration and protection. (Planning)*
9. *Provide timely, cost-effective maintenance of public streets, bike paths, storm drainage system and right-of-way. (Public Works)*
10. *Provide cost effective, reliable solid waste collection and disposal. (Public Works)*
11. *Provide park facility and ball field maintenance. (Public Works)*
12. *Provide classes, workshops, trips, camps, and other general recreational activities to meet the varied leisure interests and needs of the community. (Recreation & Parks)*
13. *Operates 10 parks and 1 indoor community facility. (Recreation & Parks)*

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

Departmental budgets are prepared and justified using two components - a continuation budget with proposed change and/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 Council 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 any pay adjustments for employees, and dependent and retiree health insurance, and numerous operating costs needed to provide daily services.

All other requests are categorized in a manner such that the Town Council 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 Town Council’s adopted goals as well as individual departmental goals and objectives.

Budget Development Calendar

Operating Budget Development Schedule for FY 2023-24 Revised

Tasks	Target Date
Town Council Strategic Planning Retreat	January 21, 2023
Management Team Retreat (Strategic Planning)	January 25, 2023
Preliminary Revenue Estimate by Finance	February 28, 2023
FY24 Budget Instructions Distribution	March 1, 2023
<i>Good Friday Holiday</i>	<i>April 7, 2023</i>
Department Directors submit Budget Requests to Finance	April 10, 2023
Department Directors present budget to Town Manager & Finance Officer	April 18-24, 2023
Town Council Budget Work Session on FY24 Budget	May 9, 2023
Notice of Required Public Hearing	May 9, 2023
Manager Presents FY 2023-24 Recommended Budget to Town Council	June 6, 2023
<i>Memorial Day Holiday</i>	<i>May 29, 2023</i>
Public Hearing on Recommended Budget	June 13, 2023
<i>Juneteenth Holiday</i>	<i>June 19, 2023</i>
Town Council Adopts FY 2023-24 Budget	June 20, 2023

GENERAL FUND REVENUES			
	FY2022-23	FY2023-2024	FY23 to FY24
	Adopted	Adopted	Percent
			<u>Change</u>
AD VALOREM TAXES			
PRIOR YEAR TAXES	\$60,000	\$60,000	0.00%
CURRENT YEAR TAXES	\$15,248,000	\$15,707,700	2.93%
PENALTY AND INTEREST	\$32,000	\$32,500	1.54%
AD VALOREM TAXES Total	\$15,340,000	\$15,800,200	2.91%

LOCAL SALES TAXES			
LOCAL OPTION SALES TAX 1% 39	\$1,701,000	\$1,698,000	-0.18%
LOCAL OPTION SALES TAX 1/2% 40	\$1,344,600	\$1,343,500	-0.08%
LOCAL OPTION SALES TAX 1/2% 42	\$867,000	\$867,000	0.00%
LOCAL OPTION SALES TAX 1/2% 44	\$32,400	\$31,000	-4.52%
CITY HOLD HARMLESS	\$1,474,200	\$2,176,500	32.27%
LOCAL SALES TAXES Total	\$5,419,200	\$6,116,000	11.39%

OTHER TAXES/LICENSES			
MOTOR VEHICLE LICENSES	\$386,000	\$390,000	1.03%
MOTOR VEHICLE LIC - TRANS ONLY	\$78,000	\$81,000	3.70%
MOTOR VEHICLE TAXES	\$1,100,000	\$1,100,000	0.00%
MOTOR VEHICLE (ROSS RECEIPTS	\$47	\$47	0.00%
REFUNDS - NCVTS	-\$32,500	-\$32,000	-1.56%
COLLECTION FEES - NCVTS	-\$40,000	-\$40,000	0.00%
BEER & WINE LICENSE	\$1,275	\$2,214	42.41%
HOTEL/MOTEL OCCUPANCY TAX	\$160,000	\$225,000	28.89%
OTHER TAXES/LICENSES Total	\$1,652,822	\$1,726,261	4.25%

UNRESTRICTED INTERGOVERNMENTAL			
FRANCHISE TAX	\$960,000	\$960,000	0.00%
PIPED NATURAL GAS TAX	\$45,000	\$45,000	0.00%
VIDEO SALES PROGRAMMING	\$62,000	\$62,000	0.00%
DIRECT-TO-HOME SATELLITE SALES	\$50,000	\$50,000	0.00%
WINE AND BEER	\$87,000	\$87,000	0.00%
NC DOT RIGHT-OF WAY REM	-	-	

SALES TAX-TELECOMMUNICATIONS	\$120,000	\$120,000	0.00%
EMS LOCATION	\$27,000	\$27,000	0.00%
UNRESTRICTED INTERGVMT Total	\$1,351,000	\$1,351,000	0.00%

RESTRICTED INTERGVMT Total			
SUPPLEMENTAL PEG CHANNEL SUPPORT	\$53,000	\$53,000	0.00%
POWELL BILL	-	-	
PLANNING WORK GRANT	\$20,000	\$20,000	0.00%
SOLID WASTE DISPOSAL TAX DIST	\$15,800	\$15,800	0.00%
RECREATION-MUNICIPAL SUPPLEM	\$35,898	\$35,898	0.00%
SEIZURES REVENUE STATE	\$5,000	\$5,000	0.00%
SCHOOL TRAFFIC CONTROL	\$10,000	\$10,000	0.00%
ABC BOARD GRANT	\$19,000	\$19,000	0.00%
DEPT JUSTICE BLOCK GRANT	\$600	\$600	0.00%
RESTRICTED INTERGVMT Total	\$159,298	\$159,298	0.00%

SALES & SERVICES			
BANNER REVENUES	-	-	
RECREATION FEES	\$152,000	\$152,000	0.00%
DISCOUNT-RECREATION FEES	-\$7,000	-\$7,000	0.00%
SALES-MERCHANDISE & CONCESSION	\$2,700	\$2,700	0.00%
TOWN CENTER FEES	\$55,000	\$55,000	0.00%
DISCOUNT-TOWN CENTER FEES	-\$18,000	-\$18,000	0.00%
SALES & SERVICES Total	\$184,700	\$184,700	0.00%

INVESTMENT EARNINGS			
INTEREST EARNED	\$15,000	\$15,000	0.00%
INVESTMENT EARNINGS Total	\$15,000	\$15,000	0.00%

PERMITS & FEES			
STREET CUTS	-	-	
ENCROACHMENT FEE	\$2,200	\$2,200	0.00%
TECHNICAL REVIEW-FUTURE EQUIPMT	\$60,000	\$60,000	0.00%
COURT COST OFFICER FEES	\$3,500	\$3,500	0.00%
PARKINGVIOLATIONS	\$1,400	\$4,200	66.67%
ANIMAL VIOLATIONS	\$6,800	\$7,000	2.86%
FIRE PERMITTINGFEES	\$1,850	\$2,000	7.50%
FIRE DISTRICT FEES	\$600,000	\$600,000	0.00%
SCHOOL RESOURCE OFFICER FEES	\$179,622	\$179,622	0.00%

CAR SEAT SALES	\$200	\$200	0.00%
BUILDING PERMITS	\$60,000	\$60,000	0.00%
ELECTRICAL PERMITS	\$58,000	\$60,000	3.33%
MECHANICAL PERMITS	\$68,000	\$70,000	2.86%
RE-INSPECTION FEES	\$225	\$400	43.75%
PLUMBING PERMITS	\$30,000	\$30,000	0.00%
HOMEOWNERS RECOVER FEES	\$100	\$100	0.00%
SIGN PERMITS	\$300	\$500	40.00%
REFUSE COLLECTION FEES	\$500	\$500	0.00%
REFUSE COLLECTION-DUMPSTER	\$53,600	\$57,000	5.96%
DEVELOPMENT REVIEW FEES	\$25,000	\$27,000	7.41%
DRIVEWAY PERMIT FEES	\$500	\$500	0.00%
STREET CLOSING	\$500	\$500	0.00%
TOWER REVENUE	\$142,316	\$142,389	0.05%
NETWORK HUT LEASE	\$5,200	\$5,200	0.00%
PERMITS & FEES Total	\$1,299,813	\$1,312,811	0.99%

OTHER REVENUES			
RENT-FARMERS MARKET	\$2,370	\$2,370	0.00%
ATM FEES	\$700	\$700	0.00%
CTDA CONTRIBUTION	\$98,400	\$98,400	0.00%
MISCELLANEOUS	\$18,600	\$18,600	0.00%
RISK MANAGEMENT/SAFETY REVENUE	\$20,000	\$20,000	0.00%
REFUSE CART SALES	\$4,000	\$4,000	0.00%
YARD WASTE CONTAINERS	\$4,000	\$4,000	0.00%
LARGE COMPOST BIN	-	-	
SMALL COMPOST BIN	-	-	
DONATIONS	\$50	\$50	0.00%
SALE OF LOTS	\$48,000	\$48,000	0.00%
SALE OF FIXED ASSETS	\$60,000	\$60,000	0.00%
SALE OF NON-FIXED ASSETS	\$5,000	\$5,000	0.00%
OTHER REVENUES Total	\$261,120	\$261,120	0.00%

OTHER FINANCING SOURCES			
TRF FROM CAPITAL PROJECTS FUND	-	-	
FUND BALANCE APPROPRIATED	\$1,984,722	\$2,404,059	17.44%
OTHER FINANCING SOURCES TOTAL	\$1,984,722	\$2,404,059	17.44%

Total	\$27,667,675	\$29,330,449	6%
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General Fund Revenue Descriptions

The following information briefly explains the major sources of revenue for the Town of Carrboro in the FY23 Budget.

AD VALOREM TAXES

The largest single source of revenue to municipalities in North Carolina is the Ad Valorem revenue which represents a tax paid by those owning property within the municipality. Ad Valorem Taxes or property tax income includes real property, motor vehicle and business personal property taxes. The General Assembly has approved various property tax exemptions for senior citizens aged 65 or older, and for residents, 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, and hotel and motel room occupancy tax.

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

Hotel and Motel Room Occupancy Tax – The occupancy tax implemented in 2013 is 3% of the gross receipts derived from the rental of any room, lodging, or accommodation furnished by a

hotel, motel, inn, tourist camp, or similar place within the Town that is subject to sales tax imposed by the State under G.G. 105-164.4(a)(3). The Town is required to distribute these receipts to the Carrboro Tourism Development Authority.

UNRESTRICTED INTERGOVERNMENTAL REVENUE

This category of revenue is primarily comprised of state-collected *local* revenues that are not directed to specific programs or services. This category of revenue was previously known as utility franchise tax.

Local Video Programming Revenues- Beginning January 1, 2007, local governments were no longer able to impose franchise taxes on video programming services. A sales tax on video programming services was added by the State that covered some of the same revenue received directly by local governments.

Electricity Sales Tax – As part of the tax reform legislation approved by the General Assembly in 2013, effective July 1, 2014, the general sales tax rate is applied to the sale of electricity. From the proceeds of that tax, 44 percent is allocated to be distributed to cities and towns. Each city receives a franchise tax share and an ad valorem share of these proceeds. The franchise tax share is equivalent to the electricity franchise tax distribution that each city received as its quarterly distribution in Fiscal Year 2013-14. If there is insufficient revenue to provide each municipality with the same distribution that it received in FY 2013-14, then every municipality’s distribution will be reduced proportionally. If there is excess sales tax revenue after distributing every municipality’s franchise tax share, then each municipality will receive an ad valorem share. The excess sales tax revenue will be distributed based on each city’s ad valorem taxes levied as a percentage of all cities’ ad valorem taxes levied [G.S. 105-164.44K].

Piped Natural Gas Sales Tax - As part of the tax reform legislation approved by the General Assembly in 2013, effective July 1, 2014, the general sales tax rate is applied to the sale of piped natural gas. From the proceeds of that tax, 20 percent is allocated to be distributed to cities and towns. Each city receives a franchise tax share and an ad valorem share of these proceeds. The franchise tax share is equivalent to the piped natural gas franchise tax distribution that each city received as its quarterly distribution in Fiscal Year 2013-14. If there is insufficient revenue to provide each municipality with the same distribution that it received in FY 2013-14, then every municipality’s distribution will be reduced proportionally. If there is excess sales tax revenue after distributing every municipality’s franchise tax share, then each municipality will receive an ad valorem share. The excess sales tax revenue will be distributed based on each city’s ad valorem taxes levied as a percentage of all cities’ ad valorem taxes levied [G.S. 105-164.44L].

Wine and Beer Tax – provides for the distribution of 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. This revenue is distributed on a per capita basis.

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 and maintenance. However, in FY22, an accounting change, adopted by the Town Council, moved this revenue source to a Special Revenue Fund so it is no longer being reported in the General Fund.

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 street 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 and traffic control management. One officer is stationed at McDougle Middle School and one at Carrboro High School.

Development Review Fees - Applicants wishing to receive a Zoning Permit, Special Use Permit A, or Special Use Permit B 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 are for the 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. The Town also offers for rent meeting rooms and facility space within the Century Center to the public for various functions.

INVESTMENT EARNINGS

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

OTHER REVENUES

Other Revenues are a very small portion of the Town's overall revenue stream. This revenue consists 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. Highlights include:

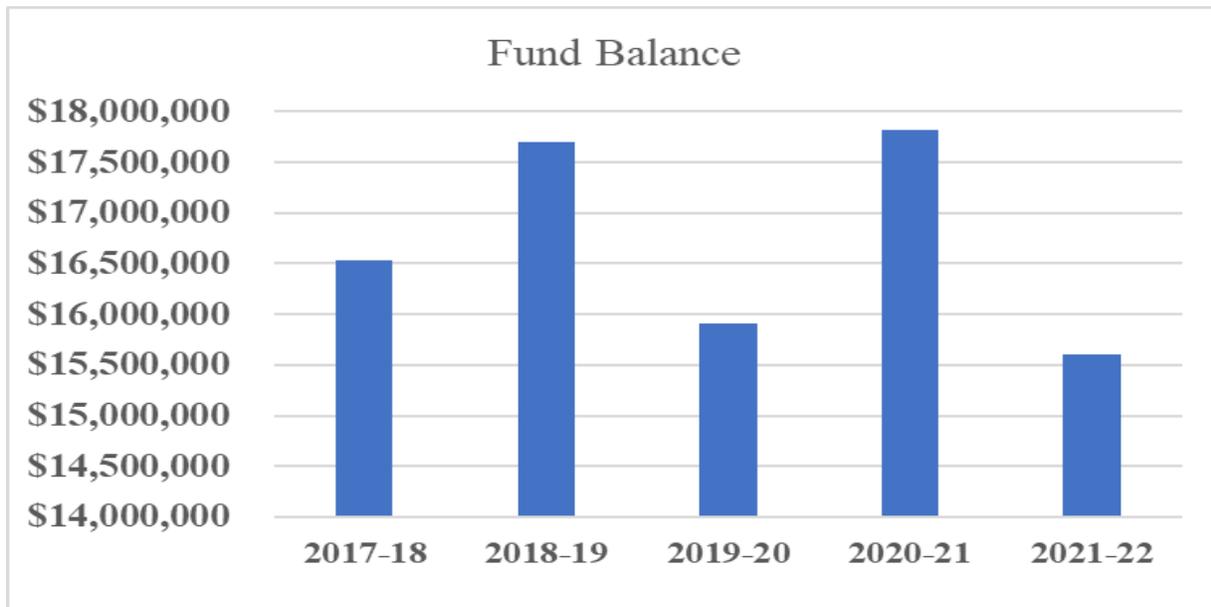
Lease-purchase – This represents the full cost of equipment or other major capital purchases that the Town obtains through installment financing. Following generally accepted accounting practices, the full cost of the financed equipment is budgeted (equipment purchased in that fiscal year) in addition 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 and 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 between funds.

FUND BALANCE APPROPRIATED

Funds accumulated when the receipt of total revenues exceed the total of actual expenditures results in the creation of fund balance or reserves. During the budget process, an appropriation of fund balance may sometimes be necessary to balance projected revenues with projected expenditures. An adjustment to fund balance may also occur during the fiscal year to account for unanticipated expenditures.

General Fund Balance as of June 30



Fund Balance at the end of FY. 2021-22 was \$15,601,262, which is a decrease of \$2,217,165 from FY. 2020-21.

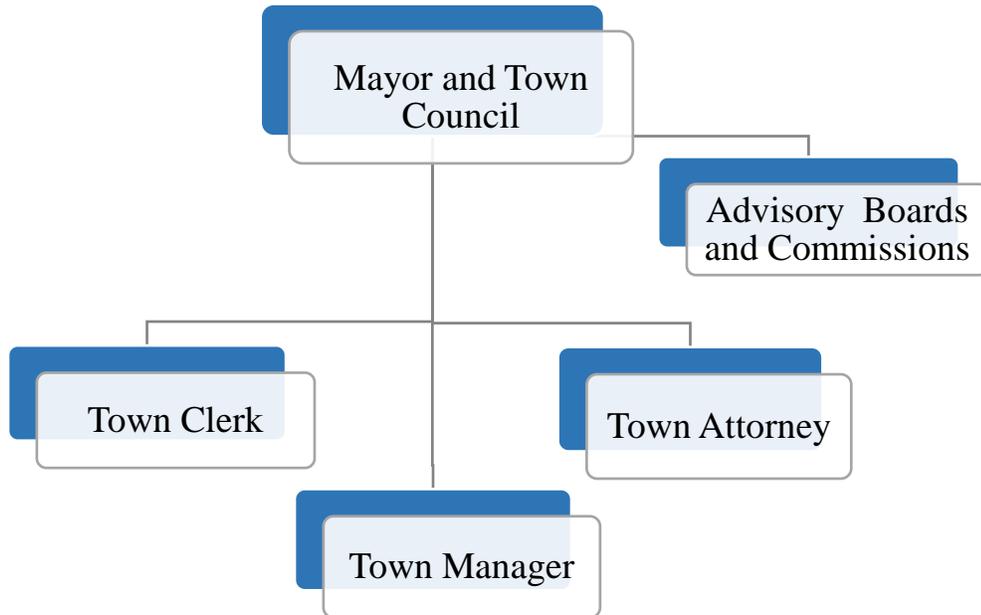
General Fund Budget Summary

General Fund Budget Summary			
	FY. 23 Adopted	FY. 24 Adopted	Pct Change
Personnel	\$16,876,654	\$18,549,164	
Operating	\$10,140,068	\$10,640,285	
Capital Outlay	\$319,600	\$0	
Transfers	\$331,353	\$141,000	
Total	\$27,667,675	\$29,330,449	6%

	Personnel Costs	Operating Costs	Transfers	Total
Mayor and Town	\$ 129,053	\$316,890		\$445,943
Advisory Boards		\$62,418		\$62,418
Town Manager	\$618,192	\$133,462		\$751,654
Race and Equity	\$270,886	\$150,000		\$420,886
Economic	\$118,524	\$290,568		\$409,092
Climate Action	\$195,989	\$41,263		\$237,252
Communication &	\$213,450	\$36,902		\$250,352
Housing &	\$272,486	\$359,563		\$632,049
Town Clerk	\$144,412	\$22,572		\$166,984
Finance	\$724,331	\$600,746		\$1,325,077
Human Resources	\$634,075	\$102,490		\$736,565
Information	\$454,114	\$1,583,296		\$2,037,410
Police	\$4,013,527	\$289,494		\$4,303,021
Fire	\$3,051,493	\$300,659		\$3,352,152
Planning	\$1,460,482	\$267,862		\$1,728,344
Transportation		\$2,168,917		\$2,168,917
Public Works	\$2,575,541	\$1,614,457		\$4,189,998
Rec & Parks	\$1,467,068	\$573,476		\$2,040,544
Non-Departmental	\$1,304,711	\$804,550		\$2,109,261
Debt Service		\$1,821,530		\$1,821,530
Transfers			\$141,000	\$141,000
Total Expenditure	\$16,876,654	\$10,140,068		\$29,330,449

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MAYOR AND TOWN COUNCIL



PURPOSE

As elected officials within the framework of the council/manager form of town government, members of the Town Council 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.

PREVIOUS YEAR ACCOMPLISHMENTS

- Maintained Standard and Poor AAA (“triple A”) Bond Rating
- Tree City USA for 37th year
- Continued work on Historic Rogers Road Infrastructure
- Maintained Silver Level Designation from the League of American Bicyclists
- Maintained certification as Orange County Certified Living Wage Employer
- Continued work regarding stormwater utilities
- GARE training
- Adoption of the Carrboro Connects Comprehensive Plan 2022-2042, and identified/adopted 13 key strategic priorities from the Comprehensive Plan

UPCOMING FISCAL YEAR OBJECTIVES

13 Key Strategic Priorities Adopted by Town Council

- 1) Implement Race and Equity Initiatives
- 2) Community Action Climate Plan
- 3) Zoning Amendments (Housing)
- 4) Connectivity, Bicycle, Pedestrian
- 5) Implement the various projects of the Comp Plan
- 6) Safety Task Force Recommendations
- 7) Affordable Housing
- 8) Develop and achieve operational efficiencies.
- 9) Strategic Plan/Performance Management
- 10) Town Building Renovations
- 11) Stormwater and Infrastructure Improvements
- 12) Create and innovate economic development.
- 13) 203 Project

Budget Summary- Mayor and Council Members

Department	FY 2023 Adopted	FY 2024 Adopted
MAYOR AND TOWN COUNCIL		
Personnel Exp	\$129,053.00	\$129,053.00
Operating Exp	\$307,660.00	\$316,890.00
TOTAL	\$436,713.00	\$445,943.00

ADVISORY BOARDS AND COMMISSIONS

PURPOSE

The Advisory Boards and Commissions advised the Town Council on issues and policy decisions as provided for in the Carrboro Town Code.

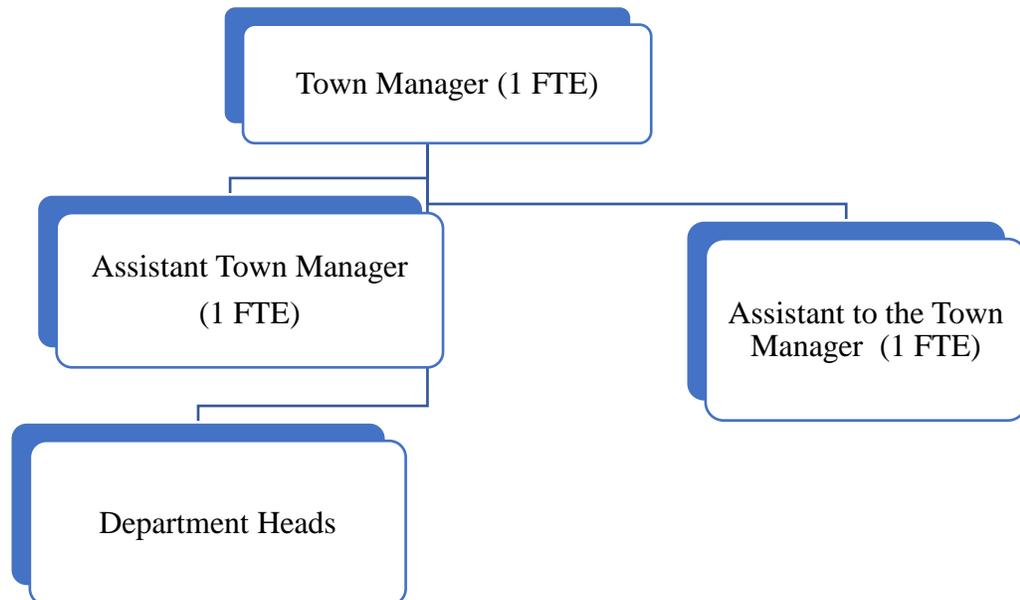
SERVICES PROVIDED & ACTIVITIES

- Review and make comments to the Town Council on proposed policies, plans and ordinances.
- Make recommendations to the Town Council as to the need for policies and ordinances.

Budget Summary- Advisory Boards and Commissions

Department	FY 2023 Adopted	FY 2024 Adopted
ADVISORY BOARDS		
Personnel Exp	\$ -	\$ -
Operating Exp	\$60,600	\$62,418
TOTAL	\$60,600	\$62,418

Town Manager



PURPOSE:

The Town Manager serves as primary advisor to, and implements the policies of, the Mayor and Council Members. The Town Manager communicates these policies to residents and staff, and effectively organizes and manages staff and resources to respond to the community and resident's needs. All Department Directors report directly to the Town Manager and the Assistant Town Manager. The Assistant Town Manager oversees the Planning, Zoning, and Inspections Department; Housing and Community Services; Economic Development; and Public Works Departments. The Town Manager is further assisted by an Assistant to the Town Manager. The Town Manager's Office also contains the Race and Equity Division composed of the Chief Race and Equity Office and the Race and Equity Manager who work to implement racial equity training to ensure equitable outcomes.

GOALS:

- To lead an organization that functions well internally and implements Council policies in a timely, effective, efficient, and friendly manner.
- To give well-informed, helpful advice to the Council Members on Policy options and other matters.
- To facilitate effective Council 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.
- To communicate Town policies, decisions, and activities clearly and efficiently to residents and staff.

- To coordinate and facilitate embedding racial equity into Town policies, practices, and services.

Council’s 13 Strategic Priorities and Deliverables:

- Ensure Implementation of Priorities and Deliverables

Services and Program Activities

- Provide general guidance and support to town departments in achieving townwide goals and objectives.
- Seek capital improvement strategies to meet the needs of the town and organization.
- Provide regular reports and updates to the Town Council.
- Study, develop, and implement policy and program recommendations at the direction of the Town Council.
- Provide support for the Town Council.
- Represent the town’s interests on local, regional and state-wide bodies dealing with issues important to Carrboro.
- Conduct and facilitate public communication with the Town Council, residents, employees, and other users of town services.
- Serve as staff liaison to Racial Equity Commission and the Community Safety Task Force

Previous Year Accomplishments

- Hired six new staff approved in FY24 Budget including Assistant Town Manager and Assistant to the Town Manager
- Completed and implemented Compensation and Class Study
- Finalized American Rescue Plan Act (ARPA) Spending Allocation Plan
- Created a regular reporting and feedback loop to the Town Council (Follow-Up Report, Council-Manager Update)
- Conducted GARE racial equity training for all Town Staff
- Added space on the agenda cover sheet for compliance with Council’s race and equity plans.
- Completed 203 financing and started construction.

Upcoming Fiscal Year Objectives

- Continue focus on staff recruitment, retention, and organizational development.
- Adopt strategic plan including organizational vision and mission statements and core values.
- Develop and adopt a performance management plan.
- Complete the 203 Project
- Finalize Town Hall Renovation Design
- Manage Carrboro Connects implementation.

Racial Equity Assessment

The Town Manager's Office has several inclusion goals that have been established. The primary goal is to carry out the Government Alliance on Race Equity (GARE) training for all employees. This training seeks to educate employees on how they play an important role in promoting equity for all and how to view and frame their decision making as they carry out their normal duties. The Town Manager's office also contains the Race and Equity division which includes the positions of Chief Race and Equity Officer and the Race and Equity Manager. These two positions work diligently to promote equity and inclusion, to ensure that the policies practices and procedures for the town are equitable, and to continue to offer trainings for employees.

The Town Manager's Office has had several successes related to racial equity and inclusion goals. As previously mentioned, the most significant accomplishment is the completion of GARE training by all employees. This training sets our employees on a path of continuously including race and equity in decision making. Another significant success is the confirmation of our Chief Race and Equity Office and the hiring of a Race and Equity Manager. These two positions round out the Race and Equity division and allow for the appropriate amount of attention and staff energy dedicated to this work. Another success is including the race and equity assessment pocket questions to all agenda items. This allows for council to make better decisions given the potential equity impacts of the agenda items presented to them.

The critical factors affecting the department's ability to address racial equity and inclusion are staff time, the policies and procedures that originate from the Town Manager's Office, the ongoing effort to recruit and retain diverse employees, and carrying out the policy decisions of the Town Council in an equitable manner.

Many of the current and future projects of the Town Manager's Office address race and equity. The ongoing effort to fill several interim department head positions with diverse candidates is one example. The TMO is also working on updating the administrative policies and procedures for the Town to ensure that they promote equity and inclusion. The TMO also has the overall responsibility of implementing Council's 13 priorities and the Comprehensive Plan, many of which include race and equity projects.

Strategic Energy and Climate Protection Plan

The Town Manager's Office has several climate and sustainability goals that they support. As the central hub for the Town, the TMO supports all climate and sustainability goals. The most significant ones are the implementation of the comprehensive plan and all the sustainability goals that are included. The most significant climate and sustainability goals accomplished to date for the TMO is the passage of the comprehensive plan and the establishment of Council's 13 priorities which will guide the work of the Town for the next 12-18 months. Critical factors that will determine the TMO's ability to address climate change and sustainability are mainly staff capacity and the ability to remain aligned with the comprehensive plan as time goes on.

Budget Summary- Town Manager

Department	FY 2023	FY 2024
TOWN MANAGER	Adopted	Adopted
Personnel Exp	\$618,192	\$618,192
Operating Exp	\$129,575	\$133,462
TOTAL	\$747,767	\$751,654

ECONOMIC DEVELOPMENT

1FTE



PURPOSE

To support the economy, arts and culture; foster a business friendly and supportive environment that encourages local enterprises and social businesses to expand in and new businesses to locate in Carrboro; increase awareness of Carrboro as a arts and entertainment destination; support the travel and tourism industry; and encourage light manufacturing and enterprises.

GOALS

- Create a more inclusive (occupation, wages, education level, etc) economy.
- Develop a more place-based, resilient, and more walkable economy.
- Grow the arts and entertainment sector.
- Transition our economy to one based in the green industry-sector.
- Reduce friction and barriers to redevelopment.
- Encourage more business start-ups and growth, preferably in the tech industry.
- Create more racial equity in business growth and start-ups.
- Promote travel and tourism in Carrboro and raise awareness of Carrboro as a destination.
- Seek to provide adequate parking in the downtown to support existing and potential businesses.

SERVICES PROVIDED & ACTIVITIES

- Be a resource for developers and new or expanding businesses to facilitate location of vacant space, the project review process and project implementation.
- Administer the Revolving Loan Funds including the application processing and billing.
- Provide staffing and administrative support to the Economic Sustainability Commission.
- Provide staffing and administrative support to the Carrboro Tourism Development Authority.

- Be the liaison to the Carrboro Business Alliance.
- Serve on the Chapel Hill Orange County Visitor Bureau Board as Town staff liaison.
- Update and implement the action items of the Economic Sustainability Plan.
- Promote Carrboro through the Carrboro Tourism Development Authority.
- Provide business assistance and support to new and expanding businesses.
- Manage leases for town leased public parking.

PREVIOUS YEAR ACCOMPLISHMENTS-Reevaluating and revamping the Town’s Revolving Loan Program to make it more accessible to all types of businesses.

- Facilitated negotiations for leased and structured parking in the downtown.
- Finalized parking study services with the Walker Parking Consultants.
- Initiated the Disparity Study.
- Developed and began hosting dialogs with BIPOC Businesses and Owners to find ways to support BIPOC businesses as they start and grow.
- Partnered with Durham Tech to bring small business and entrepreneurial training to Carrboro.

UPCOMING FISCAL YEAR OBJECTIVES

- Beginning implementation of Economic Sustainability portions of the Comprehensive Plan.
- Continue to seek out and execute leases for short term and long-term parking needs in the downtown.
- Continue to develop and maintain a commercial real estate database for Carrboro.
- Continue to collaboratively work and partner with Chapel Hill, Orange County, and Chamber Economic Development Staff to resolve regional ED issues.
- Continue to work with the Carrboro Business Alliance.
- Continue outreach to entrepreneurs, encourage makers, and support freelance workers.
- Increase minority business outreach efforts by continuing an annual CBA scholarship program for membership in the CBA.
- Develop an Economic Sustainability Dashboard to continually monitor economic metrics.
- Complete a town-wide disparity study.
- Implement the parking study recommendations.

COUNCIL PRIORITIES

- Completion of the disparity study presentation of those recommendations to the council.
- Increase economic development strategies to strengthen BIPOC resiliency. This undergirds local living economy.
- Equitably support existing and attract new businesses.
- Create equitable opportunities to obtain living wage jobs and careers.
- Implement parking study recommendations.

OBJECTIVES

- 1) 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.
- 2) Support entrepreneurs, makers and freelancers development, including services, infrastructure, and job development.
- 3) Support locally owned and operated businesses for a strong local economy.
- 4) Create a more inclusive (occupation, wages, education level, etc) economy.
- 5) Develop a more place-based, resilient, and more walkable economy.
- 6) Grow the arts and entertainment sector.
- 7) Transition our economy to one based in the green industry-sector.
- 8) Reduce friction and barriers to redevelopment.
- 9) Encourage more business start-ups and growth, preferably in the tech industry.
- 10) Create more racial equity in business growth and start-ups.

PERFORMANCE MEASURES

	FY 20-21 ESTIMATED	FY 21-22 ESTIMATED	FY 22-23 PROJECTED	FY 23-24 GOAL
Number of Retention Visits		26	40	52
BIPOC Business		6	12	17
Non-BIPOC Bus.		20	28	35
Median earnings for full-time, year-round workers (ACS)	\$52,902	\$55,793	\$59,394	
County Unemployment Rate	5.2%	3.5%	2.8%	
Ribbon Cuttings				5
New Commercial Development Groundbreakings			1	1

Racial Equity Assessment

1. *What racial equity and inclusion goals and objectives have been established for your department?*

The Department in conjunction with the Economic Sustainability Commission (ESC) have established the following goal: Create more racial equity in business growth and start-ups. Additionally, the Department hosts a Quarterly BIPOC Business Roundtable discussion where BIPOC businesses can come together to learn from each other and learn about resources the Town and our partners offer. The Department is also in the process of redeveloping the Business Revolving Loan Fund Policy to ensure that the funds can be more accessible to entrepreneurs of any background with or without existing assets.

2. *Describe racial equity and inclusion accomplishments to date.*

In FY 2022, the Town continued to host the BIPOC Business Roundtable discussions series and implemented a series of the group's recommendations including: launching a Business Resource Center, continuing to hold BIPOC Business Roundtable discussions, prioritizing BIPOC businesses in grants and programs, and providing start-up training specifically targeted at the needs to BIPOC entrepreneurs.

3. *Based on assessment(s), what are the critical factors affecting the department's ability to address racial equity and inclusion, internally and/or externally?*

Currently, none. We are working towards incorporating racial equity in all of our programming and policies to the maximum extent that we can. Long-term, there may be financial challenges as we look to develop more target BIPOC business support such as physical space or supplementing membership fees to support programs.

4. *How does the current project address racial equity and inclusion? Please provide specific examples.*

As I mentioned in our goals, we are working to provide more resources and targeted programming and policies that will be more inclusive and help provide more equity between households of various races. This programming is reflected in our budget, such as providing for entrepreneurial training and prioritizing and providing one-on-one assistance for BIPOC businesses in order to ensure they have a solid foundation.

Strategic Energy and Climate Protection Plan

1. *What climate change and sustainability goals and objectives have been established for your department?*

The Department in conjunction with the ESC have established the following goal: Transition our economy to one based in the green industry-sector. We'll be working with higher education centers to encourage them to focus on providing training for these sectors as well. Additionally, we are working to better market the Energy-Efficiency Revolving Loan program in conjunction with the Planning Department.

2. *Describe climate change and sustainability accomplishments to date.*

The ESC is working to develop a plan for higher density and better land-use in downtown which can have one of the biggest impacts in mitigating climate change, by providing homes, businesses, and employment centers closer together making walking and biking more of an option which reduces travel CO2 emissions for at least the life of the building (50+ years).

3. *Based on assessment(s), what are the critical factors affecting the department’s ability to address climate change and sustainability, internally and/or externally?*

While sustainable development is essential to the Department, one of the biggest challenges we have is finding the right tools (primarily financial) to encourage businesses and property owners to implement energy efficiency initiatives in their buildings.

4. *How does the requested budget address climate change and sustainability? Please provide specific examples.*

Most of the sustainability and climate change initiatives involving the Department or the ESC are more centered on developing partnerships such as with Durham Tech on transitioning our economy to one based in the green industry-sector and marketing the Energy-Efficiency Revolving Loan to ensure it is a true financial incentive businesses and landlords.

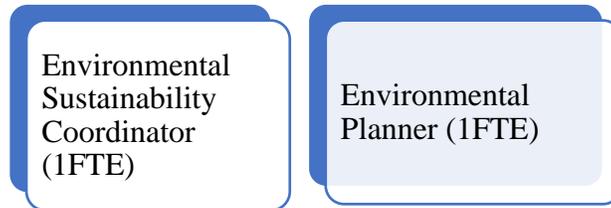
Budget Summary- Economic Development

Department

ECONOMIC DEVELOPMENT	FY 2023 Adopted	FY 2024 Adopted
Personnel Exp	\$113,811	\$118,524
Operating Exp	\$282,105	\$290,568
TOTAL	\$395,916	\$409,092

Climate Action

2 FTE



Purpose Statement:

The Climate Action budget, a high priority of the Town Council, is primarily guided by two Council accepted plans. The Energy and Climate Protection Plan (ECPP), accepted by the Town Council in 2014, was developed as a step in supporting the Town in reducing greenhouse gas emissions, becoming more energy efficient, and generating more renewable energy. The Community Climate Action Plan (CCAP), accepted by the Town Council in 2017, articulates the Town's community greenhouse gas emissions reduction goals and emphasizes measures that the broader community is asked to take in order to achieve greenhouse gas reduction targets.

Goals:

- The ECPP focuses on identifying opportunities, best practices, and planning through budgeting and the Capital Improvement Program.
- The ECPP outlines the Town's commitment to responsible municipal energy management and greenhouse gas reductions while also supporting the community sector.
- The ECPP outlines a goal of an 80% reduction in 2010 levels of municipal greenhouse gas emissions by 2030.
- The CCAP offers recommendations to reduce community greenhouse gas emissions while raising awareness of and involvement in solutions to global climate change and a post-carbon energy future, adaptation to changes, and enhancing ecosystem resilience.
- The CCAP outlines a goal of an 80% reduction in 2010 levels of greenhouse gas emissions by 2030, as supported by a broad community campaign.
- CCAP recommendations focus on themes of community integration, building energy efficiency, transportation, renewable energy, and ecosystem protection and restoration.
- Measures outlined in the CCAP to reduce greenhouse gas emissions not only contribute to overall climate change mitigation but can also provide the community with local benefits such as financial savings through energy efficiency, the creation of new jobs, improved air quality and public health, and healthier forests and streams.

Addressing Council's 13 Strategic Priorities

- Implementing Community Climate Action Plan with Funding
- Deliverables: Measured reductions in the Town's and Community's greenhouse gas emissions

Services and Program Activities:

- Continue implementation of the ECPP and CCAP.
- Provide climate action outreach to Carrboro residents.
- Pursue emissions reduction and sustainability in all Town efforts.

Previous Year Accomplishments:

- Presented ECPP and CCAP implementation reports to the Town Council.
- Served as staff liaison to the Environmental Advisory Board and Climate Action Team.
- Worked with Communications staff to develop climate action outreach messaging.
- Received a grant from the Orange County Community Climate Action Grant fund.
- Participated in collaborative initiatives and sustainability organizations.
- Released Request for Proposals for Town Fleet Alternative Fuels Analysis
- Completed racial equity assessment lenses for CCAP initiatives.
- Completed 2022 municipal and community greenhouse gas emissions inventories.
- Worked to launch the Green Neighborhoods Grant Program.
- Organized invasive species removal events and designed independent volunteer program.
- Completed annual Bee City USA and Mayors' Monarch Pledge reporting and outreach.
- Worked with volunteers to create and edit presentations for the Modules Project.
- Finalized an EV Charging Station Priority Areas Analysis with local jurisdictions.
- Worked to hire an intern and a staff monitor for Carrboro Farmers' Market organic waste collection.

Upcoming Fiscal Year Objectives

- To incrementally work towards ECPP, CCAP, and Comprehensive Plan goals.
- To continue incorporating racial equity into all climate action initiatives.
- To create a budgeting and accounting tool to track Town climate action activities.
- To maintain Green Neighborhood Grant Program and ensure equitable outreach.
- To renew an Interdepartmental Staff Climate Action Team.
- To explore curbside compost collection and continue compost bin sales.
- To redesign and relaunch the Energy-Efficiency Revolving Loan Fund.
- To recruit representatives for a task force to address aligning landlord and renter interests towards improved energy efficiency and renewable energy in rental units.
- To explore large-scale energy generation.
- To hold events and increase outreach related to food choices.
- To continue coordinating volunteer invasive species removal.
- To continue Bee City USA and Mayors' Monarch Pledge participation and outreach.

- To hire and support an intern position.
- To continue participation in collaborative initiatives and sustainability organizations.

Racial Equity Assessment

1. What racial equity and inclusion goals and objectives have been established for your department?
 - Evaluate all departmental policies, practices, and procedures using racial equity lens
 - Community Climate Action Plan (CCAP) Community Integration Recommendation #8:
 - The Town should utilize the Government Alliance on Race and Equity (GARE) racial equity toolkit to apply a racial equity lens when developing and implementing all climate action initiatives.
 - Community-based participatory research and participatory democracy concepts should be considered when deciding how best to work with community members to achieve goals.
 - The Town should utilize relevant mapping tools and other resources when evaluating projects and impacts.
 - In conjunction with the policies and procedures analyzed using racial equity toolkits through the GARE initiative, utilize racial equity impact assessments.
 - Implement proactive outreach procedures.
 - CCAP Appendix 6: *Racial Equity Toolkit: Evaluating the Town of Carrboro's Community Climate Action Plan* by Radhika Kattula, Amena Saad, and Helen Johnston. The report's three primary recommendations are:
 - Implement participatory budgeting in Carrboro, in which the citizens of Carrboro can decide how to divide the town's budget for the climate plan in the short-term
 - Set up a revolving loan fund with a more accessible application process to target public health concerns in Carrboro's marginalized areas
 - Initiate a community based participatory research program as a method for the town government and citizens to jointly assess existing programs and partners in the community
2. Describe racial equity and inclusion accomplishments to date.
 - The updated ECPP and CCAP goals (2020) were formulated using principles and research related to climate justice
 - Community Integration Recommendation #8 and Appendix 6 added in 2020
 - Targeted outreach performed for initial Green Neighborhoods Initiative events.
 - The Green Neighborhoods Grant Program rubric awards points for the following:
 - Applicant engaged low-income households or communities of color when developing the project
 - Households benefiting directly from the project exhibit a median home value below Carrboro's median home value (\$350,800) and/or a median rent below Carrboro's median rent (\$1,036/month)

3. Based on assessment(s), what are the critical factors affecting the department's ability to address racial equity and inclusion, internally and/or externally?
 - Disaggregated data showing the impacts of climate on the community by race is not presently available, however, nationwide, it has been identified that low-income households and communities of color are disproportionately impacted by the effects of climate change, e.g. living in aging, less-insulated and weatherized housing which will cost more to heat and cool and will be more susceptible to impacts from flooding and other environmental impacts. These groups will continue to be increasingly vulnerable without resources to adapt to the changing climate.

4. How does the current project address racial equity and inclusion? Please provide specific examples.
 - The Farmers' Market organics collection provides a free service for residents who do not have the ability to compost at home.
 - When performing outreach for the Green Neighborhoods Grant Program, staff plan to ensure consistency with Inclusive Carrboro and similar to that used most recently for Carrboro Connects. Direct outreach to people of color, immigrant, refugee, and other marginalized communities will include mailings, signs, and connections with neighborhood leaders/points of contact.

Targeted neighborhoods will include:

- Alabama Avenue
- Glosson Circle/Davie Road/Neville Road
- Carr Court
- Lloyd-Broad
- Lincoln Park
(Barnes/Prince/King/Queen Streets)
- Rogers Road
- Apartment Neighborhoods – NC Highway 54
- BPW Road

Other targeted outreach will include El Centro/CEL, the Refugee Community Partnership, and the Refugee Support Center. Planning Department staff are working with Communications and Engagement staff to ensure that outreach and engagement strategies are consistent with Inclusive Carrboro. Staff also expect to include the following:

- Reach out to apartment complexes, HOAs, faith-based organizations, non-profits, schools, and the Green Neighborhood interest list (from initial in-person meetings held pre-pandemic) through email
- Post signs and posters around Town
- Utilize the Orange County Climate Council, advisory boards, Town social media, Neighborhood Liaisons, Farmers' Market, and neighborhood information centers to help spread information
- Provide information at Earth Day event at Town Commons
- Advertise in the newspaper and WCHL radio

Strategic Energy and Climate Protection Plan

1. What climate change and sustainability goals and objectives have been established for your department?

The Environmental Sustainability Coordinator works to implement both the municipal Energy and Climate Protection Plan (ECPP) and Community Climate Action Plan (CCAP).

- Municipal goal: 80% reduction in 2010 levels of municipal greenhouse gas emissions by 2030
- Community goal: 80% reduction in 2010 levels of per capita greenhouse gas emissions by 2030

2. Describe climate change and sustainability accomplishments to date.

- ICLEI - Cities for Climate Protection Campaign (2001)
- County GHG Emissions Inventory (2005)
- Community GHG Inventory (2011)
- Municipal GHG Inventory (Yearly since 2012)
- Energy and Climate Protection Plan
 - Implementation in progress since 2014
- Updated Community Inventory (2015, 2019)
- Community Climate Action Plan (2017)
 - Implementation in progress since 2017
- Most recent [ECPP and CCAP implementation update to the Town Council](#) (2/28/23)

3. Based on assessment(s), what are the critical factors affecting the department's ability to address climate change and sustainability, internally and/or externally?

- Implementing the Town's ambitious climate action goals within the goal timeframe
- Staff time and workload

- A large share of emissions reductions needed to meet these goals are dependent on community action, for which the Town has very little ability to control.
4. How does the requested budget address climate change and sustainability? Please provide specific examples.

The requested budget addresses recommendations in the Energy and Climate Protection Plan (ECP) and Community Climate Action Plan (CCAP). Examples include:

- Expanding the Energy Efficiency Revolving Loan Fund (EERLF)
- Operational costs related to electric vehicle (EV) charging stations.
- Green Neighborhoods Grant Program
- Funding towards composting pilot projects
- Invasive species removal events
- Food choice and food waste reduction outreach/engagement
- Bee City USA participation and pollinator actions
- Participation in sustainability organizations including the Southeast Sustainability Directors’ Network (SSDN), Orange County Climate Council, and Local Governments for Sustainability (ICLEI)
- Administering second Community Climate Action Plan Survey

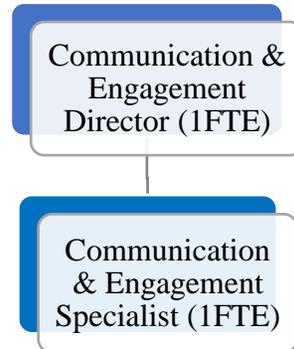
Budget Summary- Climate Action

Department

CLIMATE ACTION	FY 2023 Adopted	FY 2024 Adopted
Personnel Exp	\$177,785	\$195,989
Operating Exp	\$40,061	\$41,263
TOTAL	\$217,846	\$237,252

COMMUNICATION & ENGAGEMENT

2 FTE



PURPOSE

The Communication and Engagement Department works to provide public information, encourage participation, improve trust in local government, and enhance the Carrboro brand and reputation. Through implementation of the Inclusive Carrboro Communications and Community Engagement Plan, it strives to ensure accessible communications to serve our diverse community with new pathways for resident engagement.

GOALS

- To implement the Inclusive Carrboro Communications and Community Engagement Plan.
- To increase public awareness of and participation in Town decisions, programs and services.
- To create opportunities for stakeholders to provide feedback to the Town.
- To create internal systems to standardize and enhance communications.
- To coordinate and standardize emergency communications.

SERVICES PROVIDED & ACTIVITIES

- Manages the Town's communications and engagement platforms.
- Educates public on where to obtain information on Town services and programs.
- Seeks feedback and evaluation on current Town programs and services.
- Ensures culturally appropriate messaging and equitable access to information.
- Manages a permanent communications team.
- Controls overall town communication during emergency situations.
- Assists with efforts to recruit and train residents for service on advisory boards.
- Improves internal communications with Staff.

PREVIOUS YEAR ACCOMPLISHMENTS

- Received grant from Building Integrated Communities, a program of the Institute for the Study of the Americas at UNC-Chapel Hill.
- Completed the Town Website redesign, the first overhaul of the site since 2014.
- Recognized with awards from 3CMA, NC3C and NCLM for programs including the Town Information Centers, Citizen Participation and Most Creative with Least Dollars Spent.
- Coordinated with the Public Works Department to install five (5) additional Town Information Centers (TICs) for a total of nine (9) in the TIC Network with more to come.
- Completed update of Town Branding to introduce new government logo and secondary department logos, as well as associated stationery, business cards and email signature templates.
- Launched Carrboro in Motion, an engagement effort that provides Town departments and community partners an opportunity to connect with residents via community block parties.
- Coordinated with partners to market and plan events including Libba Cotten Day, The 203 Project Groundbreaking Ceremony, Pride Month, Juneteenth, Black History Month, BIPOC Elected Officials Poetry Reading.
- Conducted new communication surveys of Town departments, email subscribers to Town, and area media to identify areas of success and potential improvement.

UPCOMING FISCAL YEAR OBJECTIVES

- Develop Language Access Plan
- Lead the Bolin Creek Greenway public engagement process and ensure expansive, inclusive and representative input from all community members.
- Develop plan for selecting and installing digital signage using ARPA Funding.
- Create Engagement platform and townwide system (Public Input).
- Develop Carrboro Conversations program along with Neighborhood Liaison Program as part of community engagement efforts.
- Complete Town Style Guide including seasonal logos and Inclusive Language Guide.
- Create Downtown Banners for seasonal events and observances, secure Duke Energy approvals.
- Create Website Sub-sites for Recreation, Parks and Cultural Resources; the Carrboro Music Festival; the West End Poetry Festival; and the Carrboro Film Festival.
- Continue Carrboro In Motion community block parties (emphasis on underserved communities).

PERFORMANCE MEASURES

The Resident Survey is conducted biennially. Find results at <https://www.carrboronc.gov/1096/Citizen-Survey-Reports>

	FY2018-19	FY2020-21	FY2021-22	FY2022-23
Meet or exceed the Resident Survey results of respondents “satisfied” with access to information about Town programs and services.	64%	N/A	68%	N/A
Meet or exceed the Resident Survey results of respondents “satisfied” with experience engaging with Town Government process.	61%	N/A	59%	N/A
Meet or exceed the Resident Survey results of respondents “satisfied” with Town efforts to inform residents about local issues.	59%	N/A	59%	N/A
Town Information Centers	N/A	N/A	4	9
Email Subscribers to Town News (March data)		1,010	1,007	1,057
Email Subscribers to Carrboro This Week (March data)		128	428	614
Facebook Followers (March data)		4,216	5,500	6,001

Twitter Followers (March data)		7,262	7,797	7,715
Instagram Followers (March data)		3,053	3,942	4,617
LinkedIn Followers (March data)		N/A	178	387
Nextdoor Followers (March data)		6,765	7,556	8,134
YouTube Followers (March data)		182	277	387

Racial Equity Assessment

1. What racial equity and inclusion goals and objectives have been established for your department?

The Inclusive Carrboro Communications and Community Engagement Plan aims to increase access to information, resources and civic processes by people of color, immigrant, refugee and other marginalized communities.

The Inclusive Carrboro Communications and Community Engagement Plan promotes multiculturalism and full participation by all residents through:

- Acknowledgement of the barriers that people of color, immigrant, refugee and other marginalized communities experience in accessing Town government or participating in public processes.
- Recognition of diversity as both a strength and opportunity.
- Affirmation that a healthy democracy requires outreach and public engagement that takes into account our communities’ racial, cultural, and socio-economic complexity.

Strategies to improve engagement and inclusivity include:

1. Building upon successful strategies for generalized communications and engagement

2. Connecting with minority communities and building relationships
3. Adopting a grassroots approach
4. Ensuring culturally appropriate messaging and information

2. *Describe racial equity and inclusion accomplishments to date.*

- Town Information Centers – This year, we installed (thanks to Carrboro Public Works Department) five (5) new TICs at Dr. Martin Luther King Park, Baldwin Park, Simpson Street Mini Park, Wilson Park, and Henry Anderson III Community Park. We regularly update these message boards to reach people where they live and play, and to connect in non-digital ways.
- Google Maps offers opportunities for additional communications including geo-locating our TICs and ensuring that services are easily locatable for cell-phone users.
- Building Integrated Communities – The Communication and Engagement Department was successful in its grant application to this community planning and leadership initiative that partners with North Carolina local governments to create inclusive practices and policies for residents born in other countries. Local governments and community stakeholders work together to improve communication, public safety, mobility, entrepreneurship, and leadership of immigrant and refugee residents. We will be working toward a Language Access Plan during the course of the program.
- Language Access Plan – One of the Town’s core values is to provide equitable access to services and resources to residents who speak limited English, however we do not yet have a Language Access Plan, which would lay the groundwork to provide these services. Town of Carrboro departments currently consult with Carrboro’s Communication and Engagement on interpretation, translation and engagement strategies to effectively relay information to residents who speak limited English. We have a goal to ensure language access is an integral function of all Town programs, services and activities.
- Public Input – We are proposing to acquire a new engagement platform for the Town that identifies resident demographics to improve engagement; analyzes data to find trends in equitable engagement; maps participation data over areas like Qualified Census Tracts; and provides multilingual closed captioning and increases equity by keeping Linguistically Isolated Communities informed and allowing them to participate in their native language.
- E-newsletters are issued in a unique manner that drives readers to our website, where Google Translate is easily accessible
- Communications Calendar outlines messaging for religious holidays across cultures and a flag schedule for Black Lives Matter and Pride flags.
- *Related Stories and Updates:* BIPOC Business Roundtables, Immigrant Heritage Month, Carrboro Day including history, Elizabeth Cotten, Dr. Martin Luther King Jr.

Celebration, Racial Equity in Human Services Funding Program, Buy BIPOC in Carrboro, Minority Enterprise Development Week, Frederick Douglass Community Reading (video), PRIDE month events (multimedia).

3. Based on assessment(s), what are the critical factors affecting the department's ability to address racial equity and inclusion, internally and/or externally?

We use many strategies to engage residents. Most of our activities are community-wide, while others are focused on specific groups in their communities, such as renters or non-English speaking residents. We are more effective when working in partnership with other departments and community partners.

Community in Motion Fest/Festival de la Comunidad en Movimiento – These neighborhood block parties held at apartment complexes are designed to promote regular and effective participation with communities. Residents join neighbors, community, Town employees and elected public officials. These events support the Town's goals for equitable access and the opportunity for equal input by going where the people are and inviting them to participate in a free, government-sponsored event.

Residents come out for a Zumba class led by Oscar Garcia; a bike fix-it station where numerous bikes were repaired and biking needs identified; a Chapel Hill Transit bus with route and service info; a mobile health unit from El Centro Hispano; storytime readings for children from librarians; and a dance performance by Takiri Folclor Latino. We held events in October and November 2022 with additional events being held monthly from March to June 2023.

We also intend to work further on Carrboro Conversations. In connection with both Carrboro Conversations and Carrboro In Motion, we intend to develop an official list of neighborhood-based organization contacts in our town. In the future, we would combine outreach to neighborhood organizations and our existing lists of apartment complex managers and community partners.

The Town of Carrboro strives to create a neighborhood liaisons network, but has struggled to find broad involvement. While our town has numerous neighborhood associations and HOAs, other communities, such as renters or non-English speaking residents, are seldom included. Not all neighborhoods have the same social capital or organization infrastructure. How can we support neighborhood capacity building? Our goals would be for residents to identify and act on neighborhood priorities; to influence Town decisions on plans, policies, procedures, programs and services; and to increase resident involvement in civic and community life.

4. How does the current project address racial equity and inclusion? Please provide specific examples.

Through Carrboro Conversations, as this program evolves, we intend to engage with neighborhood organizations that are already – or could be formed in the future – meeting to discuss issues like housing developments, safety, racial equity and program development.

Carrboro is committed to having an equitable public participation system that enfranchises everyone. Communication and Engagement recognizes that there is much work to be done toward achieving this goal.

Strategic Energy and Climate Protection Plan

What climate change and sustainability goals and objectives have been established for your department?

Communication and Engagement strives to adopt Sustainable Marketing practices, as outlined generally below:

- Turn off the printer
Because we are striving to reach residents beyond digital methods, we are planning for more printed flyers and an annual direct-mail postcard.
- Re-think promotional items
We haven't really purchased promotional items yet but intend to be thoughtful about our choices. We are happy to work with other departments to consider standards.
- Ramp up e-marketing
We are very present on all social media platforms and email/text users.
- Reduce, Reuse, Recycle
We use recycled paper products. Our use of banners always considers messaging for reuse from year to year. Recently, we purchased paper lanterns instead of balloons for the Libba Cotten Day event. Following the event, many of the globes were collected from along the bikeway where they were displayed to reuse for a future event.
- Shop local
We always seek out local businesses for our small department's needs.

Describe climate change and sustainability accomplishments to date.

Communication and Engagement strives to improve Carrboro residents’ quality of life by promoting practices, services and ideas to protect the environment. Some of the Town stories and initiatives we have promoted include: the Mayor’s Monarch Pledge, Farmers Market, Earth Day, EV Charging Stations, and Tree Planting at Anderson Park. Additionally, we have added “Climate Action Plan” as a drop-down menu item under “Residents” on our new website redesign. Our hope is that this will make it easier to locate for website visitors while putting it in a place of prominence.

Based on assessment(s), what are the critical factors affecting the department’s ability to address climate change and sustainability, internally and/or externally?

Green marketing for the Town promotes environmental awareness and protection. As with many Town messages, finding simple key points to share with the public is important. We also want to find compelling ways to tell these stories and to increase their frequency.

We can also update, renovate and re-promote existing content to keep these topics at the public forefront. By creating campaigns and systems for a steady flow of content, we can reduce repetitive work to free employees to be more creative.

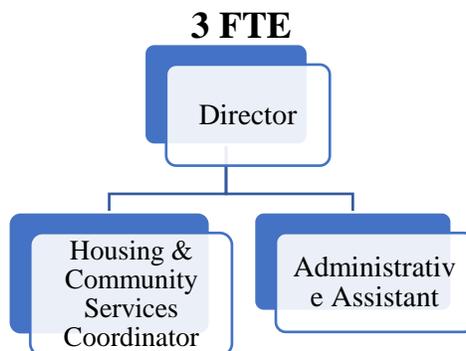
How does the current project address climate change and sustainability? Please provide specific examples.

A “current project” will be to create a sustained year-round campaign of messaging to inform and involve the community on Town’s climate action goals.

Budget Summary- Communication & Engagement

Department	FY 2023	FY 2024
COMMUNICATION & ENGAGEMENT	Adopted	Adopted
Personnel Exp	\$209,981	\$213,450
Operating Exp	\$35,827	\$36,902
TOTAL	\$245,808	\$250,352

Housing and Community Services



PURPOSE

The Housing and Community Services department works to implement the Town’s affordable housing goals and support its commitment to funding community nonprofits who provide human services. In addition, the department works to address the Town Council’s strategic priority areas:

GOALS

- To implement the Town’s adopted Affordable Housing Goals and Strategies.
- To increase the number of affordable units for both homeownership and rent in Carrboro.
- To preserve/maintain the units currently in the affordable housing stock.
- To provide annual funding to nonprofits that deliver community services to Carrboro households.
- To provide well-informed updates to the Town Council about progress toward its goals.
- To center racial equity in its work, policies, and programs.

Addressing Town council’s 13 strategic priorities

- Initial assessment on town-owned Pathway and Crescent parcels.
Deliverable: Site Assessments completed and community engagement. Next steps determined by the findings of the assessments.
Estimated cost: \$90,000. Funds requested in the AHSRF budget.
Critical factors for success: availability of funds, collaboration across departments.
- Continue repairs and weatherization for low-income homeowners.
Deliverable: Develop RFP and reporting criteria. Application. Selection, contracting.
Estimated cost: \$500,000 in ARPA funds allocated.
Critical factors for success: conducting the work through the Orange County Home Preservation Coalition to prevent redundancies, facilitate communication, and prevent double-dipping of resources. Collaborations across departments.

- Identify potentially transforming projects for Council-designated ARPA funds for affordable housing.
Deliverable: Develop RFP. Application. Selection, contracting. Project(s) initiated.
Estimated cost: Project-dependent. \$1M in ARPA funds allocated.
Critical factors for success: availability of possible projects in Carrboro that could lead to transforming or significant production of affordable housing; collaborations across departments.

SERVICES PROVIDED & ACTIVITIES

- Supports the Town’s Affordable Housing and Human Services Advisory Commissions.
- Collaborates with community nonprofits and neighboring jurisdictions to achieve Town goals.
- Connects residents to housing and human services resources.
- Manages the Affordable Housing Special Revenue Fund and its application process.
- Manages the Human Services application process.
- Research relevant policy and/or programmatic topics and presents information and recommendations to the Manager’s Office, Commissions, and Town Council as appropriate.

PREVIOUS YEAR ACCOMPLISHMENTS

- Supported the development of an American Rescue Plan Act (ARPA) funding strategy to support affordable housing and nonprofits who provide essential basic needs and services to people who have been impacted by the pandemic.
- Managed and reported on the \$900,000 Community Development Block Grant – Coronavirus funds for emergency housing assistance to benefit Carrboro residents.
- Managed the awards of special revenue funding to housing nonprofits to support the creation and preservation of affordable housing and homelessness prevention.
- Completed and reported on racial equity assessments of the Human Services program and Affordable Housing Special Revenue Fund.
- \$274,000 awarded to 50 community nonprofits to support Human Services in FY22-23.
- Issued RFQ for town-owned land site assessments as part of the use of town-owned land for affordable housing strategy.
- Worked with Chapel Hill, Hillsborough, and Orange County to draft an RFP for county-wide affordable housing blueprint – a synthesis of jurisdictional plans and studies to create crosswalks between shared resources and goals and to identify jurisdictional roles.
- Responded to resident housing-related calls and facilitated housing and fire inspections when the situation was warranted.
- Managed the Rogers Road Sewer Connection project.

UPCOMING FISCAL YEAR OBJECTIVES

- Increase the number of affordable units created and preserved in Carrboro.
- Continue to provide support and assistance to households facing eviction or homelessness.
- Continue to participate in long-term recovery from the pandemic.

- Develop an updated Affordable Housing Goals and Strategies document, in conjunction with the Comprehensive Plan.
- Draft a comprehensive tenant information guide and engage nonprofit groups to support tenant education activities.
- Administer community funding through ARPA allocations, as directed by Town Council.
- Develop a framework, centered in racial equity, to assist the Human Services Commission in the evaluation and scoring of funding applications.
- Continue to foster the preservation of the manufactured home communities.
- Continue to conduct a racial equity assessment using the adopted framework of departmental policies, practices, and procedures.
- Work to integrate and emphasize climate action priorities into departmental work.

Performance Measures

- Progress shown toward 2024 goal of achieving 85 affordable homeownership units and 470 rental units, as specified in the Town’s Affordable Housing Goals and Strategies document.
- Added a performance measure to track progress on the number of Naturally Occurring Affordable Housing (NOAH) units preserved.
- Number of Carrboro households receiving Emergency Housing Assistance (EHA). *Includes additional CARES and CDBG-CV funding.*
- Increase in resident satisfaction levels with affordable housing on the Community survey. *Survey conducted bi-annually; skipped FY20 due to pandemic, next survey possibly in FY24.*
- Continued successful implementation of the Affordable Housing Special Revenue Fund to meet housing goals, number of grants allocated, total funding amount.
- Continued successful completion of the Human Services annual application cycle; number of non-profits assisted.

	FY 2020-2021 ACTUAL	FY 2021- 2022 ACTUAL	FY 2022-2023 ESTIMATED	FY 2023-2024 PROJECTED *
# Affordable units - homeownership	74	75	76	80
# Affordable units - rental	377	380	381	383
# households receiving EHA	247* (COVID)	283	125	100
# NOAH units preserved (weatherization and repair)	59	64	68	70
% Satisfied with affordable housing efforts - Community Survey	N/A	53%	N/A	–

# Affordable housing grants awarded per year	7	8	4	6
\$ Affordable housing funds allocated per year	\$330,700	\$384,664	\$441,740**	\$582,923**
# Nonprofits assisted - Human Services per year	48 (+16, COVID)**	50	50	45

** Projected figures for affordable housing and human services do not include projects that may come through the ARPA application process.*

***Includes expanded requests from OCPEH and IFC*

Racial Equity

What racial equity and inclusion goals and objectives have been established for your department?

- Racial equity training for new staff and members of the Human Services and Affordable Housing Advisory Commissions. Existing staff and members engage in additional training as opportunities arise.
- Racial equity assessments of the human services and affordable housing funding programs completed in FY23. Use results of the assessments to inform possible changes to the funding processes to center racial equity. Continue to gather baseline data that tells us who we are serving and where the gaps are.
- Analyze new strategies and initiatives through a racial equity lens prior to development and implementation.
- Center racial equity in advisory board meetings – Human Services Commission and Affordable Housing Commissions.

Describe racial equity and inclusion accomplishments to date.

- Staff and the Human Services and Affordable Housing Advisory Commissions have received racial equity training.
- Racial equity assessments of the human services and affordable housing funding programs were completed in FY23. The department consistently and thoughtfully uses the 5 “pocket questions” in decision making and in its work.
- The department is currently represented on the GARE Core Team by Malia Summey. Malia is the department’s first contact for constituent services. She often receives calls and emails from residents who are low-income and are facing eviction, having issues with unresponsive or threatening landlords, facing discrimination, or who need financial assistance.

Based on assessment(s), what are the critical factors affecting the department’s ability to address racial equity and inclusion, internally and/or externally?

- One critical factor staff will need is historical data on racial inequities, including redlining, in Carrboro. Ideally, partnering jurisdictions will be able to assist in this research.

How do current projects address racial equity and inclusion? Please provide specific examples.

- Town-Owned Land: (1) prioritize housing for extremely low-income households which are disproportionately BIPOC; (2) engage women and BIPOC owned development firms to bid on contracted services. Engage BIPOC residents to inform the design of town-owned land projects.
- Funding programs: collect of demographic data to see who is being served and identify gaps. Inclusion of racial equity questions on the application to assess the level of racial equity work agencies have done. Center racial equity in deliberation discussions.
- ARPA funding: \$2.5M for nonprofits, repairs and weatherization for low-income homeowners, creation or acquisition of additional affordable housing units, and emergency housing assistance. Those most negatively impacted by the COVID pandemic were disproportionately BIPOC; applications will be assessed on several criteria, including whether those who have been most harmed will benefit from the projects.

Strategic Energy and Climate Protection Plan –

What climate change and sustainability goals and objectives have been established for your department?

Working toward the Town’s 20-year goal to reduce greenhouse gas emissions by 80% by 2030, our department will:

- Continue to prioritize affordable housing projects that utilize green building techniques and materials, and weatherization in repair and rehabilitation projects.
- Encourage flexible work schedules, as permitted, to reduce the number of commutes by automobile.
- Reduce the amount of department printer and paper use.
- Reduce energy usage related to heating and cooling in our office area.
- Town Sustainability staff also plan to work with the department to work to implement several recommendations in the Community Climate Action Plan

Describe climate change and sustainability accomplishments to date.

- Sustainability prioritized in the Affordable Housing Special Revenue Fund application:
 - Eligible use:
 - Repair, Rehabilitation, Weatherization & Preservation
 - Specific questions in application: Construction/Rehabilitation Detail.
 - List of Energy Efficiency measures included in the project (if applicable)
 - List of Universal Design principles included in the project (if applicable)

- Describe the use of energy efficient principles, universal design, and/or materials with extended life span.

- In FY22, supported the repair or rehabilitation and weatherization of 3 homes and 10 apartments will receive asbestos abatement.
- Active support and participation in the Orange County Home Preservation Coalition.
- Accept electronic submission of Human Services and AHSRF applications only.
- Created a report on the estimated cost of weatherizing homes owned by low-income households in Carrboro.
- Looking ahead – development of ARPA RFP for weatherization of low-income, owner-owned homes.

Based on assessment(s), what are the critical factors affecting the department’s ability to address climate change and sustainability, internally and/or externally?

- Available funds to support affordable housing weatherization and repair projects in the community.
- Town-wide commitment to allow a hybrid model of public meetings – in-person and virtual. Nonprofit agencies have appreciated virtual public hearings which reduced time spent in the car. Typically, the Town hears from 45-50 applicants every year.

How does the requested budget address climate change and sustainability? Please provide specific examples.

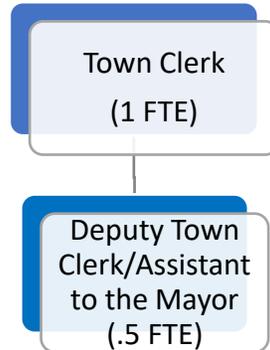
- Affordable Housing funds to support home weatherization for low-income Carrboro homeowners.
- Staff time to work with the Environmental Sustainability Coordinator to determine effective reporting criteria and methods to track the climate impact of weatherization and applicable critical repairs and green construction or features in new construction.

Budget Summary- Housing & Community Services

Department	FY 2023	FY 2024
HOUSING & COMMUNITY SERVICES	Adopted	Adopted
Personnel Exp	\$251,039	\$272,486
Operating Exp	\$349,090	\$359,563
TOTAL	\$600,129	\$632,049

TOWN CLERK

1.5 FTE



PURPOSE

Prepares Town Council meeting agendas and minutes and make them available to citizens and town staff; maintain official town documents and contracts; prepare and make available updates to the Town Code; receives and manages public record requests; manages advisory board and commission rosters & applications and provides support for the Town Council.

GOALS

- Serve the Council and the public by facilitating the production of meeting agendas and minutes in a clear, timely fashion.
- Maintain and organize official town documents, including resolutions, ordinances, town code amendments, and all town contracts for use by town staff, Council, and the public.
- Provide multiple public access points for all minutes and agendas, including the use of available technology in storage and retrieval of all town documents.
- Manage all town advisory boards & commissions rosters, applications, and coordination with staff liaisons for appointments.
- Work with town staff and town attorney on completion of public record requests in an efficient and timely manner.

SERVICES PROVIDED & ACTIVITIES

- Prepares minutes and agendas of Town Council meetings and makes these documents available electronically through the Town's website and stores the documents permanently.
- Posts video and audio of Town Council meetings to the website.
- Maintains updated Town Code and posts on the town website.
- Maintains an accurate record of all resolutions and ordinances approved by the Town Council.
- Point of contact for town public record requests, work with town staff and town attorney on completion of requests. Maintains record log of all public record requests.
- Maintains an accurate roster of advisory boards and commissions; facilitates the application and appointment process.
- Plans the annual advisory board recognition dinner.
- Research town records upon request.
- Indexes and stores all Town Contracts and/or agreements.

Performs other tasks as assigned by Town Council.

PREVIOUS YEAR ACCOMPLISHMENTS

Filed 100% of executed Town contracts and agreements.

Posted 100% of the updates to the Town Code on the Town's website.

Created and maintained a public record request record log and strengthened the public record request process internally.

Prepared agendas and minutes for Town Council meetings.

Timely finalization of resolutions, ordinances and proclamations approved at Town Council and routed to appropriate staff within one week of the meeting.

Successful maintenance of rosters and application processes of the Town's advisory boards and commissions by coordinating with over 100 members/applicants and staff liaisons.

UPCOMING FISCAL YEAR OBJECTIVES

To continue electronically indexing contracts and agreements.

To continue using Granicus agenda management software and expanding capabilities of each.

Implement new Granicus advisory board management software for easier tracking and application purposes.

Continuing meeting regularly with advisory board staff liaisons.

Continue to place emphasis on public record requests and work with departments to complete in a timely fashion.

Continue evaluation of department policies, practices and procedures using Racial Equity tools.

Re-launch of Carrboro Citizens Academy

TOWN COUNCIL PRIORITIES

Continue evaluation of department policies, practices and procedures using Racial Equity tools.

Council Procedures Manual adoption- aid Council on updates leading up to adoption.

Continue to work with Council as needed regarding Manager/Clerk evaluation process.

OBJECTIVES

Index and store all Town contracts and/or agreements.

Prepare minutes and make available on the website.

Increase the number of scanned contracts.

Increase the number of electronically indexed contracts.

Continue Granicus agenda, meeting, and minute management software.

PERFORMANCE MEASURES

	FY20 Actual	FY21 Actual	FY23 Actual <i>(estimated at 6/30/23)</i>	FY24 Projected
# Of Town Contracts (or agreements) on file with the Town Clerk	2160	2180	2600	2900
# Of Council Minutes Prepared by Town Clerk’s Office	37	37	25	30
# Employee Hours Spent Electronically Indexing Contracts	40	40	30	30
Average Employee Hours Per Set of Council Minutes Prepared	2.0	2.0	2.5	2.5
# Of Public Record Requests Received & Completed	n/a	n/a	45	45
Average # of Hours spent by Clerk per Public Record Request Received.	n/a	n/a	2.5	2.5
Average # of Hours spent Monthly re: Advisory Boards related tasks & correspondences	n/a	n/a	10 - 12	10 - 12

RACIAL EQUITY ASSESSMENT LENS

1. The Department continues to apply racial equity and inclusion techniques in every aspect of our work related to correspondences with town staff, Town Council, and the public. Since the Clerk’s office is inward & outward facing with Town staff and the public, a specific example is that the Clerk’s office fairly and equitably returns all voicemails and emails using the same informative response formats for everyone, and not selectively explaining an option to one specific person that may not be offered to another, because of their race, ethnicity, sexuality, or gender. This includes interpersonal communication and

digital communication means. The department strives to treat everyone with respect professionally and personally.

2. The Department has used the racial equity assessment lens tool to evaluate the advisory boards and commissions recruitment and appointment policy. Further, racial equity pocket questions have been utilized for agenda items. The Town Clerk continues to adhere by the Advisory Board Recruitment Policy regarding bringing diverse applicant pools forward to Council for appointments, and only does so when diverse applicant pools are achieved, unless quorum issues exist. The Town Clerk and Deputy Clerk have both attended GARE DRE training webinar offered early this year. The Town Clerk also completed the self-guided training offered by GARE upon their hire in 2022. The Town Clerk is a member of the Town’s CORE team and assists in reviewing Racial Equity Lens submitted by other Town departments.
3. Based on heavy workloads, standing meetings and meeting agenda preparations, the department would otherwise be able to evaluate the department policies and procedures using the Racial Equity Lens tool more efficiently. Due to these heavy workloads, it potentially prohibits the department from determining possible inequities that might exist once evaluating these policies and programs.
4. Current departmental projects will address race and equity as projects will be subject to the lens evaluations and/or pocket questions will need to be applied to check for any potential inequities.

STRATEGIC ENERGY & CLIMATE PROTECTION PLAN

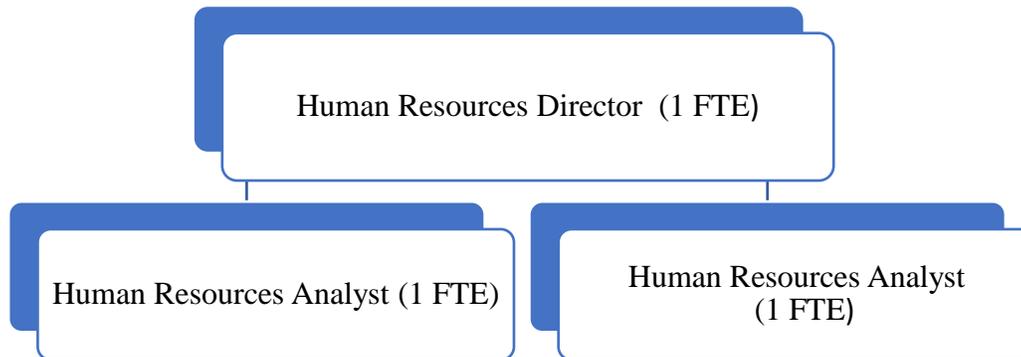
The Department continues to reduce use of paper and waste by using electronic methods for the bulk of the work to include email usage, digitally signed contracts, electronic indexing, online application submittals for advisory boards, use of the Granicus system for agenda materials, posting the large agenda packets online (often 75-100+ pages for each meeting). The Department will continue these methods during the next budget year and strive to keep digital records and department website up to date to ensure citizens can access information easily and reduce the need for printing.

Budget Summary- Town Clerk

Department	FY 2023	FY 2024
TOWN CLERK	Adopted	Adopted
Personnel Exp	\$125,325	\$144,412
Operating Exp	\$21,915	\$22,572
TOTAL	\$147,240	\$166,984

HUMAN RESOURCES

3 FTE



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

- Work with Town Manager and Management Team to maintain a fair, respectful, and effective work environment through Organizational Development work and initiatives, training, and communication.
- Research, review, and recommend competitive and cost-effective benefits.
- Research and review pay and position classification policies and programs that support the Board's goals for competitive, living wages that also provide employees with an affordable housing wage.
- Implement wellbeing program for employees in keeping with the Board's goal of enhancing quality of life for everyone.
- Provide a fair and equitable process for attracting applicants and retaining employees who have the education and experience commensurate with position requirements.

SERVICES PROVIDED & ACTIVITIES

- Provides organizational development assistance to Town Manager and Management Team
- Advertises vacant positions, receives employment applications, assists departments with interview process, background checks, and verifies employment eligibility (E-Verify)
- Conducts new employee orientations, including benefits enrollment sessions and surveys.
- Administers town-provided and voluntary benefits, including counseling all employees on benefits plans and options.
- Coordinates administration of DOT substance abuse testing, FMLA, EAP, and COBRA

- Counseling of supervisors and employees on performance issues and keeps supervisors abreast of legislative changes and guidelines that affect personnel administration; assists departments with personnel and employee relations issues.
- Maintains confidential personnel files in accordance with the General Statutes and completes reports according to state and federal regulations.

PREVIOUS YEAR ACCOMPLISHMENTS

- Conducted new employee orientation sessions, benefits enrollment seminars, and comprehensive benefits review.
- Held employee appreciation events and recognized service milestones.
- Completed and facilitated implementation of position classification and pay study and pay philosophy and policies.
- Provided direct communication to each employee on benefits deductions.
- Conducted several organization-wide safety trainings including fire drills and active shooter training.
- Implemented quarterly supervisory meetings and department spotlight events.

UPCOMING FISCAL YEAR OBJECTIVES

- Implement new performance management system that aligns with Town values.
- Provide training and development for department directors and supervisors that will enhance their leadership, operations management, and employee development skills.
- Increase applications of BIPOC individuals by 10%.

PERFORMANCE MEASURES

	FY2020-21 ACTUAL	FY 2021-22 ACTUAL	FY2022-23 PROJECTED	FY2023-24 PROJECTED
Positions Filled	21	59	52	TBD
Employee Appreciation Events and Rewards	4	4	4	16
Orientations, and other Information Sessions	30	28	30	30
Wellness Events	1	3	3	3
Individual Wellness Sessions, Referrals, Interventions	8	10	24	25

New Policies/Procedures/ Programs Revised or Developed	2	3	5	11
HR Staff - Trainings	2	4	5	5

Racial Equity Lens

1. What racial equity and inclusion goals and objectives have been established for your department?

- Increase BIPOC applicants to open positions by 10% in FY23-24.
 - Work with hiring managers to establish best practices and procedures for advertising open positions.
 - Identify and address any barriers to application process that could be impacting potential BIPOC applicants.
- Embed racial equity and inclusion best practices and lessons learned from GARE trainings into employee events and gatherings.
- Provide training to supervisors and employees that aligns with GARE initiative.
- Propose and implement benefit changes that support racial equity and inclusion.

2. Describe racial equity and inclusion accomplishments to date.

- Began working with hiring managers to find alternate ways to advertise open positions in an attempt to reach a broader applicant pool.
- Completed four (4) Racial Equity Assessment Lenses (Recruitment, Flexible Work Policy, Compensation Philosophy and Administrative Policies, and FY24 Proposed Benefit Changes).
- Scheduled an idea session with the GARE Core Team in May 2023 to find possible alternative benefits to the current Service Level Benefit.
- Collaborating with Race and Equity Division to embed racial equity and inclusion practices in monthly Departmental Recognition months, which will include open-ended employee roundtable discussions.
- HR staff has led a book club as part of the Continuing the Conversation series.

3. Based on assessment(s), what are the critical factors affecting the department’s ability to address racial equity and inclusion, internally and/or externally?

- Lack of diversity in applicant pools to open positions.
- Current labor market.
- Employee buy-in to racial equity and inclusion initiatives.
- Adhering to legal hiring practices.

4. How does current/future departmental projects address race and equity?

- Recruitment efforts are being analyzed and updated to ensure diverse applicant pools.
- Current Administrative Pay Policy should address any potential subjectivity in annual pay and promotions.
- GARE Core team is reviewing the nine proposed benefit changes for FY23-24.

- HR is including the GARE Core team in developing ideas for a proposed new benefit to replace the existing Service Level Benefit.
- Upcoming monthly departmental recognition events are intended to provide space for employees to “Continue the Conversation” on topics that impact racial equity and inclusion.

Strategic Energy and Climate Protection Plan

1. What climate change and sustainability goals and objectives have been established for your department?

- Move paper-based processes to online, paperless processes.
- Reduce waste at employee events.

2. Describe climate change and sustainability accomplishments to date.

- Implemented Flexible Work Policy on February 1, 2023, which is estimated to save approximately 106,600 miles per year in commuting costs and impacts and approximately 533,000 over the next five years.

3. Based on assessment(s), what are the critical factors affecting the department’s ability to address climate change and sustainability, internally and/or externally?

- Current onboarding process is primarily paper-based. Until a new HRIS is in place, the paper-based process is the only available option.
- Most Town employees live outside Carrboro limits and must commute to and from work.

4. How does the requested budget address climate change and sustainability?

- HR is working with IT to purchase and implement a new HRIS that will reduce paper-based processes.
- HR’s budget request includes funds for employee events; to address climate change and sustainability, HR will actively seek ways to use those funds to reduce waste at those events.
- HR’s budget request also includes funds for employee wellness initiatives; HR can partner with existing initiatives like the Mayor’s bike rides and walk to work days to encourage employees to walk and bike whenever possible.

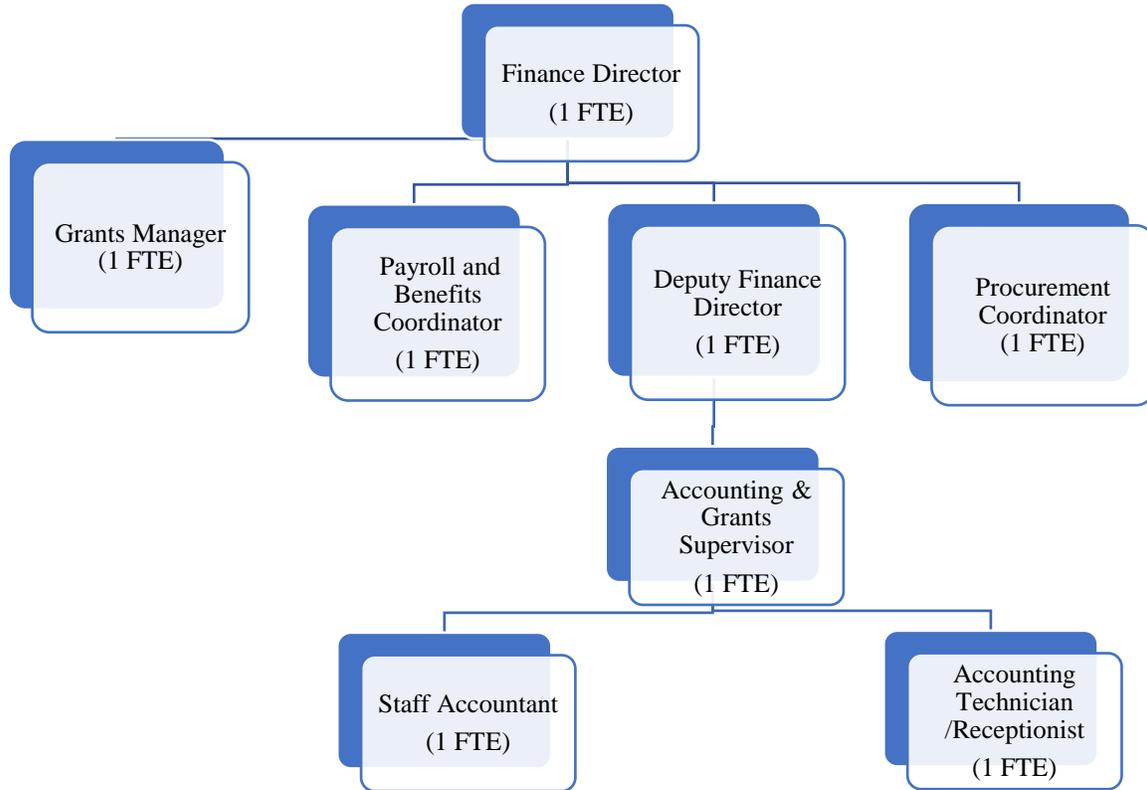
Budget Summary- Human Resources

Department

HUMAN RESOURCES	FY 2023 Adopted	FY 2024 Adopted
Personnel Exp	\$612,589	\$634,075
Operating Exp	\$99,505	\$102,490
TOTAL	\$712,094	\$736,565

FINANCE

8.0 FTE



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 Comprehensive Annual Financial Report.
- Coordinate development of operating and capital budgets.
- Provide financial reporting as required by state and federal law.
- Process payroll and accounts payables.
- General Billing for Retiree Health Insurance.
- 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.
- Issue purchase orders for goods and services, solicit bids, manage procurement card program, and manage service contracts.
- 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.

PREVIOUS YEAR ACCOMPLISHMENTS

- Completed successful audit for year ending June 30, 2022.
- Hiring of a new Grants Manager.
- Monitored and reported on multiple new grants for the Town, including American Rescue Plan Act, Community Development Block Grant COVID-19, etc.

UPCOMING FISCAL YEAR ACTIVITIES

- Financing for 203 South Greensboro Street Project.
- Secure favorable financing for vehicles and equipment replacement.
- Continue to increase knowledge among departments on the use of MUNIS financial system.
- Implement an upgrade for the Munis accounting software.
- Continue to identify strategies for streamlining administrative processes.
- Review and update policies and procedures.
- Coordinate annual audit and prepare Comprehensive Annual Financial Report.
- File all required financial reports with state and/or federal agencies.
- Increase use of EFTs with vendors.

TOWN COUNCIL PRIORITIES

The Finance Department supports all departments in their effort to meet Town Council priorities & objectives.

OBJECTIVES

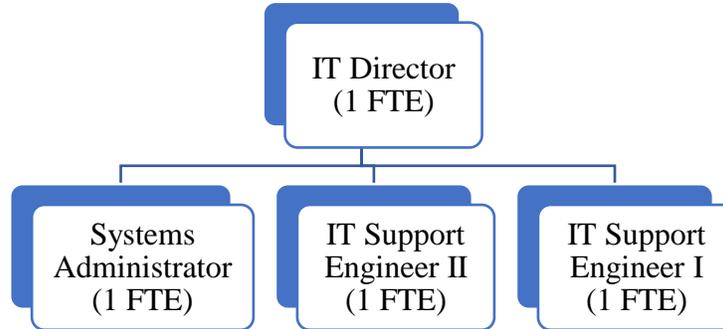
1. Process and record all transactions accurately and in a timely manner.
2. Utilize technology to ensure best business practices are effective and efficient.
3. Ensure Town's internal control system safeguards the Town's assets.
4. Ensure all grant and project ordinances are approved by the Town Council.
5. Ensure all transactions are completed and posted by the 5th working day of each month.
6. Monitor the Town's revenues and expenditures for compliance with the annual budget ordinance.
7. Develop annual operating and multi-year budgets by June 30.
8. Complete annual independent audit and prepare Comprehensive Annual Financial Report.

Budget Summary- Finance

Department	FY 2023 Adopted	FY 2024 Adopted
FINANCE		
Personnel Exp	\$715,831	\$724,331
Operating Exp	\$583,249	\$600,746
Total	\$1,299,080	\$1,325,077

INFORMATION TECHNOLOGY

4 FTE



PURPOSE

To deliver technology-based solutions that are cost-effective and increase the effectiveness and efficiency of many Town services. To work with various external and community organizations, as directed by the Town Manager, to discover mutually beneficial relationships, sharing technology infrastructure, resources and strengths.

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 align technology to business processes throughout Town government.
- To expand business continuity through the application of technology, secure systems and infrastructure redundancy.
- To work with county, municipal, educational and other agencies to share, cooperatively build and leverage existing infrastructure.
- To apply various technologies that enable staff, citizens and others to decrease their carbon footprint while working for the Town or interacting with the Town.

COUNCIL'S STRATEGIC PRIORITIES

- IT supports all departments in their efforts to fulfill the Council's Strategic Priorities. IT, as directed by the Town Manager, partners with local community organizations and other regional governmental bodies to leverage and share the Town's existing technology and technological knowledge to assist the underserved or unserved in the community.

SERVICES PROVIDED & ACTIVITIES

- Create a Town wide Information Technology Budget and facilitate long term planning through the Capital Improvements Program.
- Provide technology support services to all departments through helpdesk activities, education, upgrades, patching and maintain a replacement cycle for aging technology.

- Facilitate the collection, storage, security and integrity of electronic data while ensuring appropriate access.
- Maintain reliable historical data backups for discrete data loss incidents and catastrophic events.
- Provide technology purchasing expertise to all departments.

PREVIOUS YEAR ACCOMPLISHMENTS

- Implemented major Financial ERP, Planning and Police Evidence Library departmental software upgrades. Version upgrade of email system.
- Completed storage area network replacement.

UPCOMING FISCAL YEAR OBJECTIVES

- Implement major security refresh. Continue technology related assistance with the 203 Project.

PERFORMANCE MEASURES

	FY2020-21 ACTUAL	FY2021-22 ACTUAL	FY2022-23 ESTIMATED	FY2023-24 PROJECTED
# of Workstations, Laptops, iPads Supported	192	203	217	224
# of Emergency Services Mobile Terminals Supported	52	52	50	50
Average Hours per Month of Unplanned Application Downtime During Business Hours	<1	<1	<1	<1
# Unsuccessful Backups per Month	0	0	0	0

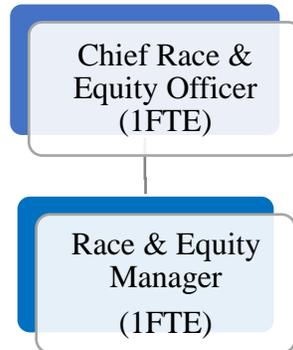
Budget Summary- Information Technology

Department

INFORMATION TECHNOLOGY	FY 2023 Adopted	FY 2024 Adopted
Personnel Exp	\$441,901	\$454,114
Operating Exp	\$1,537,181	\$1,583,296
TOTAL	\$1,979,082	\$2,037,410

RACE AND EQUITY

2 FTE



PURPOSE

The Town of Carrboro envisions being a community where race does not determine outcomes, and all have equitable opportunities and resources. We envision a time when participation in community events, programs and advisory boards represent community demographics. All will feel safe, secure, and know their voice is valued. We strive to be an inclusive and open-minded organization that has a culture created by its diverse staff, which serves the public through a social (racial) justice lens.

SERVICES PROVIDED AND ACTIVITIES

- Educate employees and community about advancing equity and establishing a sense of belonging.
- Facilitate racial equity into Town policies, processes, practices, and services.
- Serves as staff liaison to Community Safety Task Force and Racial Equity Commission.

THIRTEEN TOWN COUNCIL PRIORITIES/STRATEGIES

Council's key strategic area is to implement race and equity initiatives (collective and department driven) –

- Completion of the disparity study presentation of the recommendations from the disparity study to the Council (Economic Development)
- Agenda cover sheet for agenda items, the race equity lens and climate action plan – work from departments should include how the work touches Race and Equity and Climate/Pocket questions or completed lens summary (Race and Equity/All)
- Complete evaluation of Town's policies, processes and procedures using the REAL – All/CORE team and Racial Equity Commission
- Language Access plan completed and adopted (Communications and Engagement)
- Review as assessment plan to include more women and minorities as businesses and vendors (Economic Development/All)
- Staff is also reviewing hiring policies to hire more BIPOC (Human Resources)
- Community Safety Task Force Recommendations

GOALS

- Continue leading this initiative using the National Effective Practice – normalize, organize, and operationalize.
- Educate Carrboro Town employees and residence to provide understanding of and the ability to advance equity. (Infrastructure and Tools)
- Reduce racial disparities within Town government.
- Work to ensure Carrboro is a model employer and service provider by embedding racial equity in daily and long-term operations.
- Work with CORE TEAM, all staff, Racial Equity Commission, Community Safety Task Force, and community on safety, sense of belonging and everyone is valued.
- Help all residents in Carrboro live in a more just and equitable community.
- Update council agenda cover sheet and provide additional information as it relates to race and equity.
- Work to ensure that all department’s intent equals equitable impacts.

UPCOMING FISCAL YEAR OBJECTIVES

- Provide foundational training to all new employees.
- Continue to evaluate all practices, procedures, policies, and services using the REAL.
- Begin to formulate changes based on racial equity evaluation findings.
- Continue to work with the county, region, state and nationwide in fostering partnerships in advancing racial equity and a sense of belonging.
- Work with Racial Equity Commission, Community Safety Task Force, community, and departments on equity performance indicators.

PREVIOUS YEAR ACCOMPLISHMENTS

- Racial equity training provided to elected officials in Orange County.
- The OneOrange Racial Equity Framework was adopted by each jurisdiction in Orange County, NC.
- Approved funds for a disparity study that will inform changes to the Town's procurement policies to increase opportunities for minority- and women-owned business enterprises.
- Racial Equity Commission presented first year synopsis. This presentation included a proposed plan of action and community feedback from the Carrboro Day Survey. The Council approved a change to the commission membership - representative from the Farmer’s Market Board or BIPOC business owner.
- Departments began using the REAL to evaluate policies, practices, procedures, and services. Once the racial equity evaluation is completed, the CORE Team reviews the completed packets and provides recommendations. The Racial Equity Commission reviews nonoperational policies, practices, procedures, and services.

- Town Manager's appointment of Carrboro's first Chief Race and Equity Officer.
- Racial equity analysis was placed within the budget process and the ARPA funding program.
- New employees are required to go through the self-paced Advancing Racial Equity, the Role of Government training.
- Partnered with the Carrboro Cybrary in creating a brochure of racial equity resources available for staff and the public to check out to learn more about the importance of and normalizing race and equity work.
- Strengthening and developing community partnerships and opportunities in community.

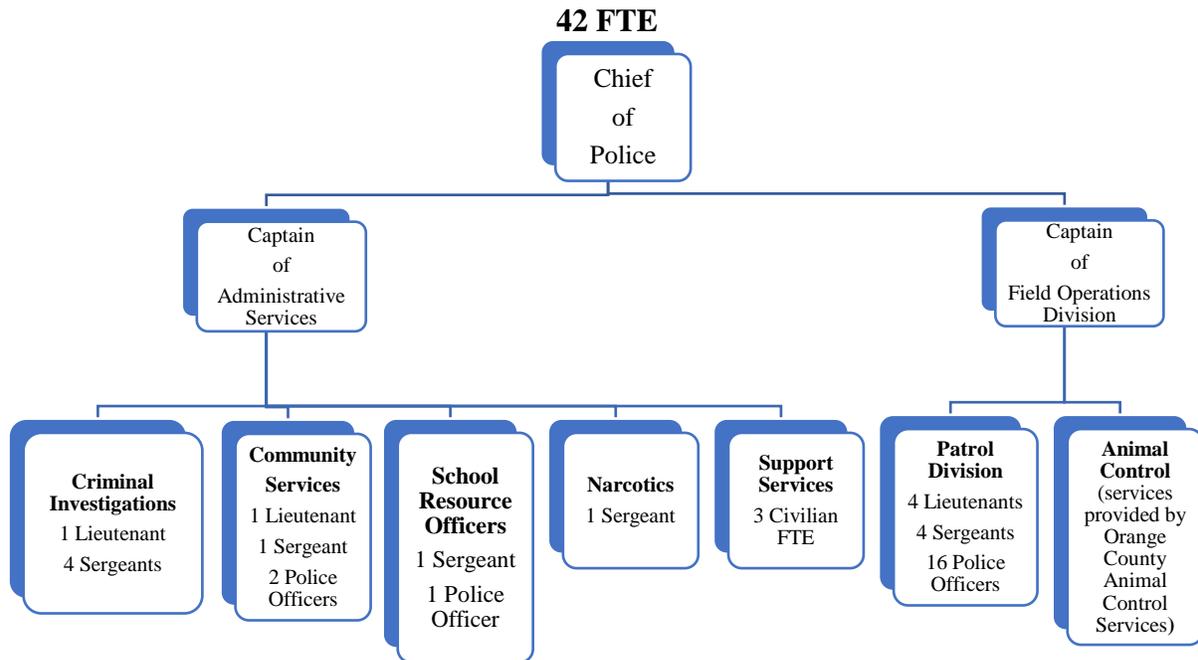
PERFORMANCE MEASURES

	FY 2022-2023 estimated
% of employees that completed foundational equity training	95%
% of completed policies, procedures evaluated by the racial equity assessment lens	23%
% of BIPOC employees hired	27%
% of BIPOC advisory board/commission members appointed	33%
% increase in affordable homeownership units	0%
% increase in identified BIPOC businesses	4.7%

Budget Summary- Race & Equity

Department		FY 2023 Adopted	FY 2024 Adopted
RACE & EQUITY			
Personnel Exp	\$	-	\$270,886
Operating Exp	\$	-	\$150,000
TOTAL	\$	-	<u>\$420,886</u>

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 to provide professional police services.

GOALS – COMPREHENSIVE PLAN

- 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.
- Recruit, hire, and retain diverse officers.
- 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.
- Increase our efforts in Community Policing.
- Continue to use social media to inform and involve the community.

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, email requests, and telephone inquiries; maintains incident reports and multiple departmental records (including but not limited to warrants, monthly FBI and SBI data reporting, etc.); administers Department budget; answers requests for statistics and analysis; ensures that Department personnel receive appropriate training and adhere to the Department's, Federal, and State policies and procedures; and provides support services to Board of Aldermen, Town staff and other agencies.

PREVIOUS YEAR ACCOMPLISHMENTS

- Met all mandated training goals.
- Continued emergence from the COVID-19 pandemic by increasing traditional outreach activities.
- Partnered with local law enforcement agencies, NC SBI, US Marshals, US Drug Enforcement Agency, and US Alcohol, Tobacco and Firearms during narcotics investigations thus reducing the number of drug houses and street-level drug sales locations.
- Continued directed patrols and speed enforcement campaigns involving Uniform Patrol Division and Community Services Division.
- All officers completed GARE in-service training.
- Participated in activities to address pedestrian and bicycle safety.
- Maintained service levels amid significant staffing shortages – hired five officers during fiscal year.

UPCOMING FISCAL YEAR OBJECTIVES

- Continue to increase community outreach programs.
- Maintain current fuel consumption.
- Meet mandated training goals.
- Maintain Carrboro's safety for residents, business owners/operators and visitors.
- Increase the number of directed patrols and speed enforcement campaigns involving Uniform

Patrol Division personnel.

- Increase pedestrian safety operations.
- Reduce the number of traffic accidents.
- Continue management/leadership training for supervisors.
- Reduce visible drug sales and locations.
- Continue to fill vacant positions and plan for succession.
- Continue partnership with Public Works and Recreation and Parks staff to provide a safe setting for all special events.
- Integrate grant funded Social Worker position to department.
- Increase social media usage.

COUNCIL PRIORITIES

- Connectivity, Bicycle, Pedestrian

Objectives

- Maintain Carrboro’s safety for residents.
- Reduce number of traffic accidents.
- Continue pedestrian safety operations.
- Continue bicycle safety operations.
- Maintain Carrboro’s safety for residents by reducing open-air drug market.
- Maintain Community Service outreach.

PERFORMANCE MEASURES

COUNCIL PRIORITIES	OBJECTIVES	PERFORMANCE MEASURES	FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 ESTIMATED	FY 2023-24 PROJECTED
		Workload:				
	Maintain Carrboro’s Safety for residents	Calls for Service	19806	16190	17,998 (+11%)	18,044 (+.25%)
	Reduce number of Traffic Accidents	Motor Vehicle Accidents	329	407	382 (-6.1%)	416 (+2.2%)
	Maintain Carrboro’s Safety for residents	Criminal Arrests	316	388	417 (+7.5%)	435 (+4.1%)
		Efficiency:				
	Increase Pedestrian Safety Operations	Pedestrian Crossing Citations Issued	0	2	3 (+50%)	9 (300%)
	Increase Bicycle Safety Operations	Bicycle Traffic Operations	0	0	0	10 (0%)
		Effectiveness:				
	Walkable Community	Pedestrian Safety Operations	0	0	0	12 (0%)
	Maintain Carrboro’s Safety for residents by reducing open air drug market	Narcotics Arrests	16	25	50 (+50%)	45 (-10%)
	Increase Community Service Outreach	Community Events Involvement	200	24	39 (+62.5%)	45 (+15.4%)
		Productivity:				
	Walkable Community	Pedestrian Safety Operations	100% Decrease	0 0% Change	13 0% Change	26 100% Change

	Increase Pedestrian Safety Operations	Pedestrian Crossing Citations Issued	0% Change	200% Change	+50% Change	0% Change
	Enhance Quality of Life	Bicycle Traffic Operations	100% Decrease 100% Decrease	0 0% Change	0 0% Change	0% Change

Budget Summary- Police Department

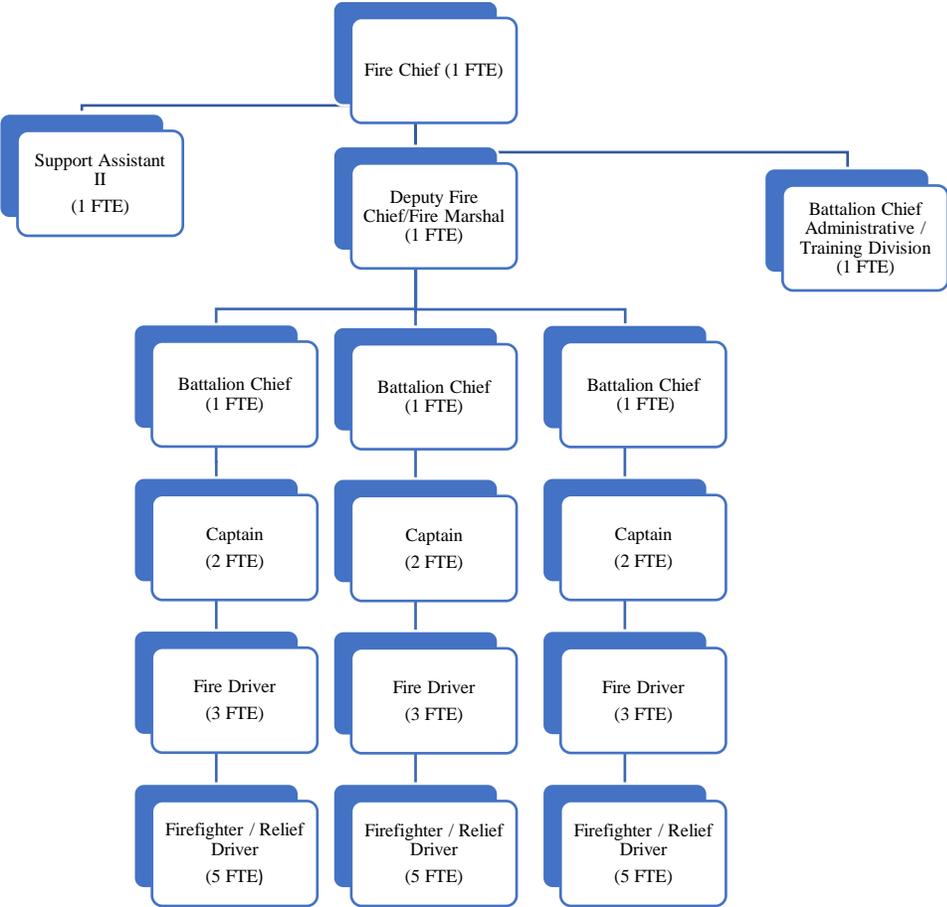
Department

POLICE

	FY 2023 Adopted	FY 2024 Adopted
Personnel Exp	\$3,932,339	\$4,013,527
Operating Exp	\$539,336	\$289,494
Capital Outlay	\$27,000	\$0
Total	\$4,498,675	\$4,303,021

FIRE AND RESCUE DEPARTMENT

37 FTE



PURPOSE

The Carrboro Fire-Rescue Department is dedicated to protecting the lives, property, and the community from the destructive effects of all hazards by providing community risk reduction and emergency response services.

GOAL

- Ensure that those that live, work, and visit Carrboro are safe by providing fire suppression, rescue, and emergency services that are consistent with industry best practices and exceeds the communities’ expectations.
- Ensure that Carrboro is a resilient community and is prepared for all types of disasters and emergencies.
- Provide a comprehensive Community Risk Reduction program to reduce risk to the community.

- Increase recruitment and retention efforts to ensure personnel are energetic, well-trained, and diverse.

COUNCIL STRATEGIC PRIORITIES

The Fire-Rescue Department will work to implement priorities identified in the Carrboro Connects comprehensive plan.

- Provide all hazards response in accordance with industry best practices.
- To provide community risk reduction services to foster an environment of awareness and collaboration in which risks are proactively reduced making our community safer.
- Identify the most common causes of personal injury and property damage locally and regionally to implement public education strategies to reduce risks due to identified causes.
- Provide comprehensive training to all personnel to maximize operational capabilities.
- Creation of a succession plan to prepare personnel for advancement as opportunities arise, and to assist with personnel retention.

SERVICES PROVIDED & ACTIVITIES

- Provide 24-hour all hazards response: fire suppression, rescue, and emergency medical services.
- Conduct fire investigations to determine the cause and origin of fires.
- Provide community risk reduction programs: code enforcement, plan review, fire prevention education, CPR and First Aid classes, Child Safety Seat program, and smoke alarm installations.

PREVIOUS YEAR ACCOMPLISHMENTS

- Implemented a new firefighter protective gear specification. The specification includes ensuring gear does not contain per- and polyfluorinated substances (PFAS) and provides better encapsulation to limit exposure to particulates and carcinogens.
- Implemented task books for all newly promoted personnel.
- Met all state and local training requirements.
- All personnel completed diversity, equity, and inclusion training.

UPCOMING FISCAL YEAR OBJECTIVES

- Continue to provide 24-hour all hazard response in accordance with industry best practices.
- Perform a community risk analysis to identify hazards and implement community risk reduction interventions to address identified risks.
- Quarterly and annually review incident and community risk reduction data to ensure services are provided in accordance with industry standards and best practices.
- Implement a new records management system to ease in collecting and analyzing data.

- Complete departmental efforts to ensure firefighting foam does not contain PFAS. Dispose of any foam supply that contains PFAS in accordance with state and federal guidelines.
- Ensure all personnel meet applicable annual training requirements.
- Implement a program for tracking of fire alarm systems, fire sprinkler systems, and other fire and life safety systems to maintain the operational capabilities of the systems.
- Ensure that 100% of life safety violations are documented and repaired within 90 days.

PERFORMANCE MEASURES

	FY2020-21 ACTUAL	FY2021-22 ACTUAL	FY2022-23 ESTIMATED	FY 2023-24 PROJECTED
Incident Response Metrics				
Total Responses	1,349	1,761	1,902	1,783
Fire & EMS Responses - Town	1,018	1,361	1,416	1,388
Fire & EMS Responses - County	219	246	241	252
90% of calls within Town limits will have a TOTAL response time of 6:30 or less*	07:16	06:59	07:13	7:12
90% of calls within the SO District will have a TOTAL response time of 10:00 or less*	10:24	10:25	10:48	10:32
Community Risk Reduction Metrics				
Fire Inspections	763	782	892	812
100% of life safety violations repaired and documented w/in 90 days	100%	100%	100%	100%
Smoke/CO Alarm Installation/Inspections	262	472	353	362
Community Risk Reduction Contacts	1,676	1,344	1,376	1,465
Training Metrics				
100% of FRD personnel will meet annual NC RRS training requirements	100%	100%	100%	100%
100% of FRD personnel will meet annual Emergency Medical Technician training requirements	100%	100%	100%	100%
100% of FRD personnel will meet annual safety training requirements.	100%	100%	100%	100%

- Note: Total Response time includes call processing time, which is handled by the Orange County Emergency Communications Center.

Racial Equity Assessment Lens

The Fire-Rescue Department (FRD) is dedicated to improving racial equity in the department and the town.

The FRD has two sets of goals or objectives pertaining to racial equity and inclusion. Internally, the FRD is striving to be more equitable and inclusive for current personnel. The department set an objective to have a departmental race and equity team. This team will work to further the department and the Town's race, equity, and inclusion goals. The team also allows for regular interaction with shift personnel and enables more effective communication regarding potential disparities. Another objective is the regular evaluation of promotional processes to ensure equity. The FRD is also working to improve recruitment effort to diversify the applicant pool for hiring processes. Externally, the FRD is working to ensure that the Community Risk Reduction (CRR) programs offered by the department are available to marginalized and underserved groups within the community. Marginalized and underserved groups within the community are often unaware of the various programs offered, meaning that those for which the programs would be most are not currently being served.

One of the most notable accomplishments of the FRD is the partnership with Chapel Hill High School's Fire Academy and the Chapel Hill Fire Department to create an implement a summer camp for high school females. The inaugural camp was held in June 2022, and half of the participants were racial minorities. Planning for camp in June 2023 is already underway, and over 60% of registrants are racial minorities. Another accomplishment were updates to promotional policies. These updates created the opportunity for advancement for multiple personnel that would not have been eligible under previous policies. The FRD has also implemented revised recruitment efforts, with an emphasis on diversification of the applicant pool. The department began advertising with local groups such as the local chapter of the NAACP, El Centro, and the Refugee Community Partnership, as well as national organizations including the National Minority Update, the International Association of Black Firefighters, the Women In Fire organization, and the International Association of Hispanic Firefighters. The FRD plans to continue partnering with these organizations and others to further the efforts of the department. Lastly, the FRD has begun to target marginalized and underserved groups with CRR programs. The FRD completed four smoke alarm canvasses and was able to connect with households that generally have not participated in our programs. The FRD recently partnered with Orange County Emergency Medical Services to provide CPR training for the Rogers Eubanks Neighborhood Association, and already has plans for fire safety and fire extinguisher classes with the group.

The most significant obstacle for addressing racial equity internally is that historically the fire service has lacked diversity even more than other local government departments. The FRD is working to improve and hopes to continue progress that has been made thus far. Also, the FRD has not actively sought engagement from marginalized or racial minority groups. The FRD plans to focus on engagement and feedback from these groups to guide CRR and recruitment strategies moving forward.

Strategic Energy and Climate Protection Plan

The Fire-Rescue Department (FRD) is actively working to combat climate change and increase the sustainability of the department.

Several objectives have been implemented by the department to further this effort. The first objective is to replace gas-powered equipment with battery-powered equipment when possible. This includes ventilation fans, saws, rescue tools, and generators. Another objective for the FRD is to replace older scene lighting with more energy-efficient alternatives, including battery-powered options. The FRD is also working to reduce apparatus emissions. This includes reducing idle time, replacement of older halogen lighting, and minimizing non-emergent apparatus utilization.

The most significant accomplishment to date for the FRD is the replacement of a fire engine that will be delivered in May 2023. The new fire engine is replacing an engine that is over 20 years old. The new engine has a diesel particulate filter system that the older engine does not. The new engine has energy-efficient lighting and will have battery-powered tools instead of the gas-powered tools that are on the older engine. The new engine will not have a diesel generator, which was made possible by improvements in energy efficiency. Another significant accomplishment is the replacement of gas-powered equipment with battery-powered alternatives. The FRD replaced a set of hydraulic tools with a battery-powered alternative. One gas-powered ventilation fan has already been replaced with a battery-powered fan, and an additional battery-powered fan was recently ordered. The FRD recently tested battery-powered saws and other equipment that will be purchased this FY. Lastly, the FRD is working to limit per- and polyfluorinated substances (PFAS) and other forever chemicals in our operations. The FRD switched to PFAS-free foam and is working the local and state agencies to dispose of foam containing PFAS in accordance with applicable regulations. The FRD implemented a new firefighter protective gear standard so that protective gear does not contain PFAS.

The biggest factor affecting the FRDs ability to address climate change has been the availability of more sustainable options. Until recently, battery-powered equipment was not a viable alternative for most fire, rescue, and emergency services applications. Now that there are more sustainable options the difficulty is replacement costs the FRD and the Town have made significant investments in the equipment and the replacements are oftentimes even more expensive. Additionally, PFAS-free foam and firefighter protective gear was not readily available and was not an affective alternative. Also, while fire apparatus are becoming more efficient, hybrid and electric fire apparatus are not yet a viable alternative for the department. The FRD will continue to research options to improve sustainability and combat climate change throughout the department.

The requested budget includes several items aimed at utilization of strategic energy and protecting the climate. Funds were requested to continue to work on the objectives listed including purchasing additional more energy-efficient and sustainable tools and equipment, as well as to

purchase additional firefighter protective gear and firefighting foam that does not contain PFAS or other forever chemicals.

Budget Summary- Fire & Rescue Department

Department	FY 2023 Adopted	FY 2024 Adopted
FIRE DEPARTMENT		
Personnel Exp	\$2,954,297	\$3,051,493
Operating Exp	\$291,901	\$300,659
TOTAL	\$3,246,198	\$3,352,152

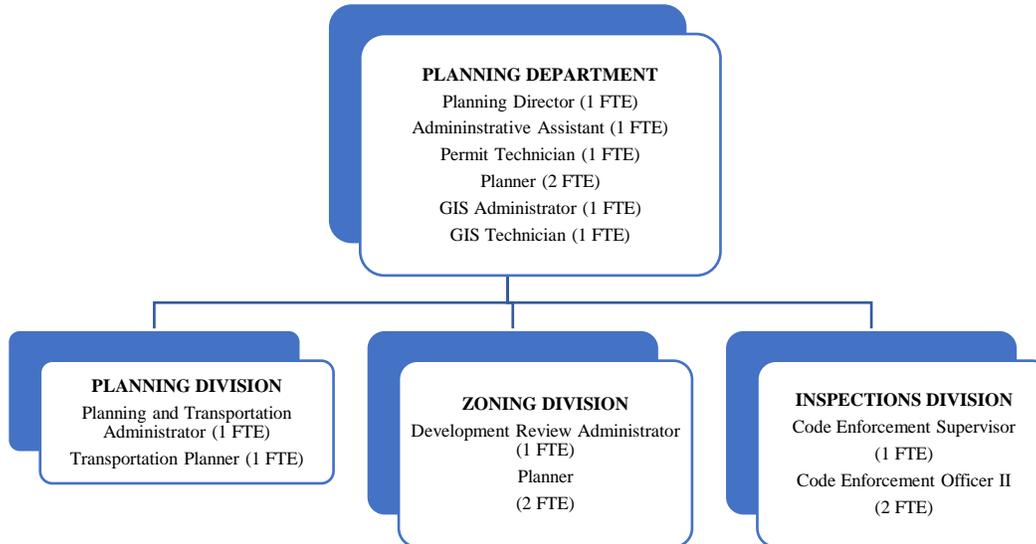
Budget Summary-Fire & Rescue Divisions

Department	FY 2023 Adopted	FY 2024 Adopted
FIRE SUPERVISION		
Personnel Exp	\$399,716	\$406,773
Operating Exp	\$48,350	\$49,801
TOTAL	\$448,066	\$456,574

Department	FY 2023 Adopted	FY 2024 Adopted
FIRE SUPPRESSION		
Personnel Exp	\$2,554,581	\$2,644,720
Operating Exp	\$243,551	\$250,858
TOTAL	\$2,798,132	\$2,895,578

PLANNING DEPARTMENT

15 FTE



PURPOSE/GOALS

The Planning Department helps the Town define and carry out its vision for sustaining existing and future populations, monitoring the availability and use of resources needed to maintain a balance of the built and natural environments and

- To support implementation of adopted plans, including Carrboro Connects, Town of Carrboro 2022-2042 Comprehensive Plan.
- To coordinate development of a well-balanced public infrastructure, including green infrastructure, to improve safety, walkability, and travel choices.
- To advance development that is context-sensitive, compact, energy-considerate, and ecologically appropriate, therefore promoting trust, mutual respect, and well-being.
- To excel in GIS technology and other means of access to Town information and services.
- To advance social justice so that race does not predict outcomes in service provision.
- To recognize a special responsibility for the needs of the disadvantaged and to promote racial, ethnic, and economic integration.
- To promote excellence in design that incorporates the diverse range and cultures of community members in the built environment.

SERVICES and PROGRAM ACTIVITIES

- Direct services including Short- and Long-Range Land Use Planning and Development Management, Engineering, Minimum Housing, Multi-trade inspections, Intergovernmental Relations
- Geographic Information Services and support to all Town departments, Transportation, and Environmental Sustainability/Climate Action Plan implementation
- Staff support for Town Council and advisory boards and commissions.

13 STRATEGIC PRIORITIES/Associated deliverables

<p>Implement Race Equity Initiative</p> <ul style="list-style-type: none"> ○ Council agenda Racial Equity analyses or pocket questions. ○ Complete evaluation of the Town policies and procedures, GARE Core Team 	<p>Completed lens and pocket questions</p>
<p>Implement Community Climate Action Plan with funding</p>	<p>See Climate Action (ORG 422)</p>
<p>Zoning amendments related to housing.</p> <ul style="list-style-type: none"> ○ Amend Land Use Ordinance to allow greater density near transit. ○ Parking minimums for residential near transit, including downtown (PH – September 2023) 	<p>Land use ordinance text amendments and/or map amendments; associated analyses.</p>
<p>Connectivity, Bicycle and Pedestrian</p> <ul style="list-style-type: none"> ○ Progress on 2020/2021 Bike Plan Update- 5 priorities identified. ○ Homestead Road Crossing (also ARPA) 	<p>Infrastructure improvements, including designated lanes, buffered lanes, pedestrian-activated signals. See also Capital Projects</p>
<p>Implement various projects of Carrboro Connects</p>	<p>Downtown Master Plan; BFC Application, Public Transit Access, and Options Engagement. See also Climate Action</p>
<p>Develop and achieve operational efficiencies.</p> <ul style="list-style-type: none"> ○ Technology to enhance service delivery and quality regarding inspections. ○ Approval processes ○ Respectful work environments ○ Partner with customers to identifies strategies for streamlining 	<p>Efficiency study, community engagement, service changes</p>

PREVIOUS YEAR ACCOMPLISHMENTS

- Racial equity analyses and CORE Team staff participation.
- Merritt Mill and Jones Ferry Road re-design/addition of new bike facilities
- Adoption of Comprehensive Plan, Carrboro Connects 2022-2042; 2022 Marvin Collins Outstanding Planning Award Recipient.
- Annexation Boundary Agreement Renewal
- Greene Tract Master Plan RFP release

UPCOMING FISCAL YEAR OBJECTIVES

- Coordinate completion of bicycle, pedestrian, and greenway design processes for Capital and ARPA-funded projects
- Coordinate downtown master planning process.
- Complete transition of PZI applications to Energov, including development of new Active Projects Report.

PERFORMANCE MEASURES

- The amount of land protected for natural resources per capita.
- The amount of land available for commercial, business, and mixed-use development.

- Number of BIPOC and low-income residents involved in transportation decision-making.
- The number of trades permits issued within five business days.

Racial Equity Assessment Lens

What racial equity and inclusion goals and objectives have been established for your department?

- Achieve social justice where race does not predict outcomes, including participation in all aspects of the operation of planning, zoning, inspections in Town governance.
- Expand choice and opportunity for all persons, recognizing a special responsibility for the needs of the disadvantaged and to promote racial, ethnic, and economic integration.
 - Examine practices, procedures, and policies using Racial Equity Evaluation Lens (REAL) and One Orange pillars of data development, community engagement, and
 - Engage the lived experience of community members of color who have been underrepresented in meetings, committees, and other actions.
- Promote excellence in design that incorporates the diverse range and cultures of community members in the built environment.

Describe racial equity and inclusion accomplishments to date.

- Participation in staff CORE team; four staff members have served to this point. Two in CORE cohort training and one in ‘train-the-trainer’ program.
- Staff RE analysis of policies, practices, and procedures actively underway since Fall 2022 in weekly meetings- Racial Equity Pocket question completion since March 2023 for applicable agenda items.
- Racial Equity – underpinning of Carrboro Connects: Comprehensive Plan in all aspects – e.g., scoping and developing process, community engagement, structure of the plan, and prioritization of implementation actions, including/not limited to:
 - Selection of task force members.
 - Development of direct contact notice for communication about plan, process, and meetings/hearings.
 - Mailed notice to historically Black neighborhoods of public meetings.
 - Posters announcing public meetings placed in historically Black neighborhoods.
 - Direct engagement with community leaders serving BIPOC residents with meeting flyers available in Spanish and English – review of plan elements.
 - Carrboro Connects logo and tagline created in English, Spanish, and Burmese.
 - Provision of Spanish translators at community meetings
 - Engagement sessions via YouTube Live with El Centro and Refugee Community Partnership in Spanish and Karen/Burmese languages
- Targeted recruiting for open staff positions to HBCUs, community colleges, professional associations, list serves.
- Training: Advancing Racial Equity: The Role of Government

- i. Planning Director on trainer/leader team
 - ii. Employees completed virtual/live training in 2021.
 - iii. Carrboro Connects task force and board and commission members trained in 2021.
 - iv. Employees completed virtual/self-paced training in 2022.
- i. Training: Decision-making for Racial Equity – All staff hired as of January 30 participated in training offered in January 2023.
- j. Continuing the Conversation Sessions for employees – planning subcommittee
- k. All CIP projects evaluated based on answers to racial equity questions.
- l. Town Practices, Procedures and Policies Document created and maintained. Development of initial crosstab of Strategic Priorities with PPP to frame Carrboro Connects implementation.
- m. Interactive Map of data layers relevant to race, equity, economics, housing, travel behavior.
- n. Race & Equity focus of Transportation Demand Management (TDM), efforts, emphasis on reinvest neighborhoods.
- o. Green Neighborhoods Grant Program; actions benefitting LMI residents.
- p. Service on Countywide Subcommittee developing Accountability and Evaluation Recommendations for One Orange Racial Equity Plan
- q. Attended the 2021 Annual GARE Meeting – “Democracy for All: Governing for Racial Equity”

Based on assessment(s), what are the critical factors affecting the department’s ability to address racial equity and inclusion, internally and/or externally?

- r. Workload, staff shortages, hiring new staff, training are critical factors affecting all service delivery for PZI. Equity evaluations require significant time for research, discussions, and writing to complete.
- s. Limitations on granularity of data documenting disparities.
- t. Methods of documenting race and ethnicity of participants in engagement opportunities rely on voluntary self-identification.
- u. Detailed guides and training resources are limited in availability. Learning /practice curve that results in additional time spent in earlier steps and for employees as they start preparing evaluations.

How does the current project address racial equity and inclusion? Please provide specific examples.

- v. Listed accomplishments describe steps and strategies completed since Town joined GARE and those still actively underway to address racial inequities.
- w. Key findings in the Affordable Housing chapter: cost burden is greater in households of color; projects to reduce housing cost burden, prevent displacement, and expand the supply of affordable units.
- x. The Climate Action and Environment chapter: increase access to renewable energy and explores how renters and homeowners can benefit from energy efficiency measures.

- y. The Transportation and Mobility chapter: barriers for BIPOC and low-income residents' participation, increasing mobility through iterative engagement and the avoidance of displacement, and reducing financial barriers to access energy efficiency and green infrastructure improvements.
- z. The Plan's Land Use Chapter: increasing the supply of affordable housing by promoting greater residential density on transit corridors and near greenways, providing new or refined zoning tools and streamlining development processes.

STRATEGIC ENERGY AND CLIMATE PROTECTION

1. What climate change and sustainability goals and objectives have been established for your department?
 - See Energy and Climate Protection and Community Climate Action Plans for project and programmatic goals and objectives to reduce greenhouse gas emissions and improve environmental resilience.
 - See Carrboro Connects, Town Council 13 Priorities, ARPA lists and other CIP/workplan projects, revisions to regulations, standards and processes that will be the focus of work in FY2024.
2. Describe climate change and sustainability accomplishments to date (see 422 for expanded report)
 - ICLEI - Cities for Climate Protection Campaign (2001)
 - Fare-free bus as 14 percent partner in Chapel Hill Transit (2002)
 - County GHG Emissions Inventory (2005)
 - Stream buffer and floodplain/resilience amendments (2007-present)
 - Community GHG Inventory (2011)
 - Municipal GHG Inventory (Yearly since 2012)
 - Energy and Climate Protection Plan (Implementation in progress since 2014; updated goals in 2020)
 - Updated Community Inventory (2015, 2019)
 - Conditional and Conditional Use Zoning Districts, especially B-1(g) and M-3 CU/C (2015 and 2017)
 - Community Climate Action Plan (Implementation in progress since 2017; updated goals in 2020)

- Land Use Ordinance text amendments to define clearly permitting requirements and therefore assist/streamline installations of energy producing arrays (2017)
 - Sol Smart Bronze designation (2017) for leadership in supporting alternative energy in Carrboro.
 - Sol Smart Gold designation (2018) for additional actions.
 - Establishment of Stormwater Utility (2018)
 - Updated Tree Cover Requirements (2019)
 - EV Charging Requirements (2021)
 - Expansion of environmental staffing – new Environmental Planner in FY 22.
3. Based on assessment(s), what are the critical factors affecting the department’s ability to address climate change and sustainability, internally and/or externally?
- Ambitious reduction goal and short timeline
 - Limited staff who are not committed to day-to-day service delivery.
 - Limited time to devote to conceptually and practically training staff and integrating service improvements related to addressing climate change and sustainability throughout all service delivery categories and actions.
 - A large share of emissions reductions needed to meet these goals are dependent on community action; Town’s ability to establish requirements that affect behaviors is limited.
 - Base data are limited, though the Town has some experience in activities and projects that can serve as models.
4. How does the requested budget address climate change and sustainability? Please provide specific examples.
- Efficiency and service delivery – staffing support and levels are critical to speed and timeliness of permit approvals and inspections, requests for information, preparation of reports and all related activities that can lead to improvements in processes and/or regulations to support and incentivize climate change and sustainability actions. Limitations in staffing can lengthen turnaround time for all activities: prevent self-assessments of efficiency/identification of streamlining improvements, in an uncertain economy, delays can cause applicants to modify or abandon projects, which could include choosing less efficient, but more expensive options, and which could otherwise often result in increases to the Town’s tax base. Delays can also cause applicants to proceed without permit approvals, which can lead to safety issues, additional costs.
 - Land use amendments – map and text amendments identified in Carrboro Connects or resulting from proposed Downtown Master Plan/Jones Ferry corridor.

- Transportation projects that provide for mode choice and substitute for vehicle trips, including bike plan implementation.
 - Construction of multi-use paths on Morgan Creek and Jones Creek.
 - Construction of a sidewalk on S. Greensboro Street
 - Bicycle infrastructure on Merritt Mill Road, S. Greensboro Street.
Expanded bicycle infrastructure on Jones Ferry Road and N. Greensboro Street.
 - Pedestrian safety infrastructure in numerous locations – N. Greensboro Street, Hillsborough Road, Jones Ferry Road, Homestead Road.
 - Departmental Vehicle purchases to be informed by outcome of Fleet Study.
- Continued funding for transit service, which is returning to more normal, pre-COVID pandemic levels.
- Traffic calming infrastructure and speed safety digital signs.
- Outreach events related to TDM, bicycling, pedestrian safety, transportation choices:
 - Celebrate Biking in May with partners (TOCH, bike shops, bike advocacy groups, and others!)
 - Open Streets
 - Transportation Demand Management (TDM) grant – increased funding
 - Safe Routes to Schools – grant for consultant assistance to expand program/relationship with schools and community; Bike and Walk to School
- Leadership in Energy and Environmental Design:
 - Comprehensive Plan: Green Stormwater, Climate Action and Environment, Recreation, Parks, and Cultural Resources, Transportation and Mobility, and Land Use Chapters, specifically. Linkages in all.
 - Cross-cutting themes and plan foundation of Climate Action
 - 203 Project – LEED Gold Equivalent design

Continued permit expediting for solar/review of process for opportunities to streamline/improve.

Budget Summary- Planning Department

Department

PLANNING DEPARTMENT	FY 2023 Adopted	FY 2024 Adopted
Personnel Exp	\$1,386,339	\$1,460,482
Operating Exp	\$260,059	\$267,862
TOTAL	\$1,646,398	\$1,728,344

Budget Summary- Planning Divisions

Department

PLANNING SUPERVISION	FY 2023 Adopted	FY 2024 Adopted
Personnel Exp	\$750,088	\$770,851
Operating Exp	\$235,984	\$243,064
TOTAL	\$986,072	\$1,013,915

Department

PLANNING ZONING	FY 2023 Adopted	FY 2024 Adopted
Personnel Exp	\$350,142	\$378,628
Operating Exp	\$7,950	\$8,189
TOTAL	\$358,092	\$386,817

Department

PLANNING INSPECTIONS	FY 2023 Adopted	FY 2024 Adopted
Personnel Exp	\$286,109	\$311,003
Operating Exp	\$16,125	\$16,609
TOTAL	\$302,234	\$327,612

TRANSPORTATION

PURPOSE

The Transportation Cost Center is used to account for expenditures associated with the partnership 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.

GOALS

- Improve quality of public transportation service.
- Improve level of public transportation service.
- Improve access to public transportation.
- Improve communication and feedback opportunities for Carrboro residents using and/or needing public transportation services.

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.

PREVIOUS YEAR ACCOMPLISHMENTS

Update of Orange County Transit Plan with funding allocations for local service and expansion, including Bus-Rapid Transit

Chapel Hill Transit overall:

- Service area of approximately 62 square miles.
- Statistics for calendar year 2021 are provided in the table below.

Service Consumption FY2021	Fixed Route	Demand Response
Annual Passenger Miles	3,267,778	—
Annual Unlinked Trips	1,597,066	—
Average Weekday Unlinked Trips*	6,248	
Average Saturday Unlinked Trips*	377	
Average Sunday Unlinked Trips*	418	
Service Supplied	Fixed Route	Demand Response
Annual Vehicle Revenue Miles	1,683,271	—

Annual Vehicle Revenue Hours	129,722	—
Vehicles Operated in Maximum Service	65	—
Vehicles Available for Maximum Service	112	—

Source: National Transit Database, FY2021

*Fixed Route and Demand Response combined for average daily unlinked trips

- In FY2020, the total system ridership was 4,751,977 million, ridership was greatly decreased from the previous year due to the impacts of the COVID-19 pandemic.
- Most recent surveying, completed in 2018, found that 89% of riders surveyed rate the overall quality of Chapel Hill Transit as either excellent or good.

PERFORMANCE MEASURES

	FY 2019-20 ACTUAL	FY 2020-2021 ACTUAL	FY 2021-2022 ACTUAL	FY2022-2023 PROJECTED*	FY2023-2024 PROJECTED
Average Daily Ridership (Boarding)	3,650	937	1600	3000	4000
Average Daily Ridership (Alighting)	3,390	861	1600	3000	4000
Cost Per Hour Fixed Route Service					New Measure for FY 24
Households within ½ mile of transit per Carrboro Connects					New Measure for FY 24
GHG Per Hour of Fixed Route Service					New Measure for FY 24
Transit service options per neighborhood					New Measure for FY 24

UPCOMING FISCAL YEAR OBJECTIVES

- Work with Chapel Hill Transit to more effectively manage current level of public transportation service.
- Continue to upgrade and replace, as needed, existing transit shelters, especially shelters in Carrboro (significant delays related to ordering/supply chain matters).
- Work with Chapel Hill Transit to extend service into areas of Carrboro that are currently not served by fixed route service or to provide expanded service on weekends as described in the Chapel Hill Transit Short Range Transit Plan; work on expanding language access to ensure clear communication with all users.
- Management /structure improvements that will result in clear communication, roles/expectations, and effective decision making to ensure transit service assists communities in meeting and exceeding needs and expectations of users for transportation choices, mobility, access and environmental sustainability.

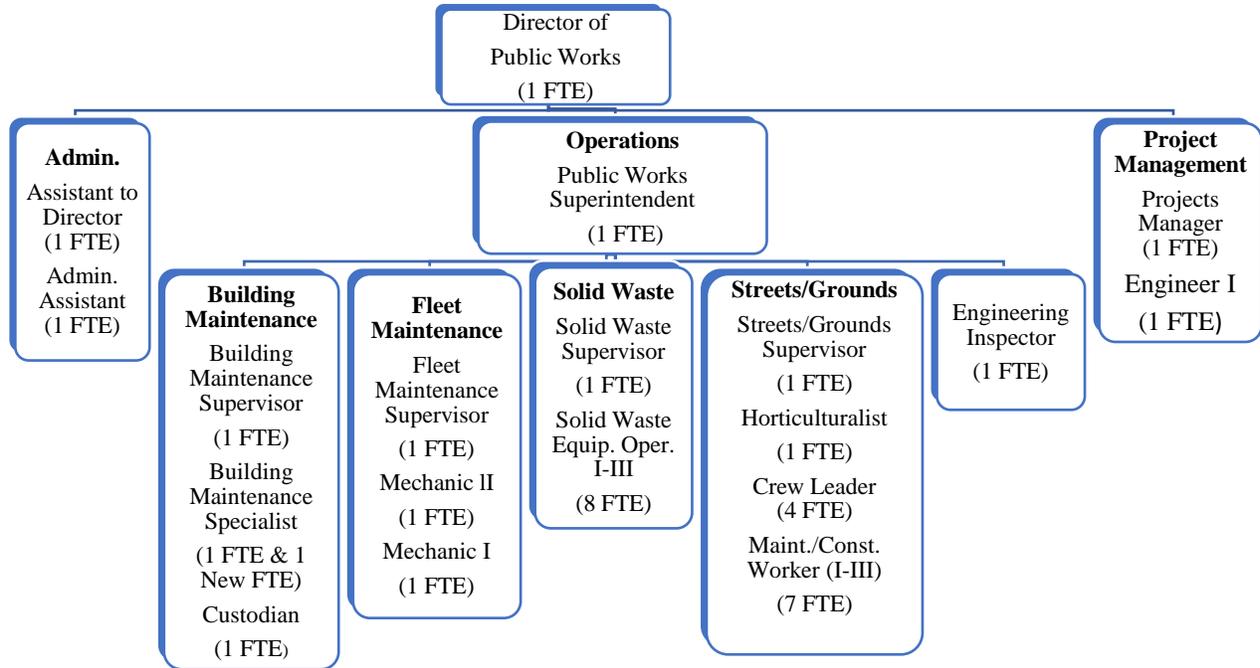
Budget Summary-Transportation

Department

TRANSPORTATION	FY 2023 Adopted	FY 2024 Adopted
Operating Exp	\$2,024,580	\$2,085,317
Capital Outlay	\$83,600	\$83,600
TOTAL	\$2,108,180	\$2,168,917

PUBLIC WORKS

36 FTE



PURPOSE

Promote a safe and healthy pleasing environment and community for residents and public through ever progressing projects, programs, and services.

STRATEGIC PRIORITIES & DELIVERABLES

- Connectivity, Bicycle, Pedestrian – Assist with 2020 Bike Plan including bike fix-it stations.
- Town Building Renovations - Prioritize Town Hall
- Develop Street Tree Masterplan
- 203 Project - Completion of 203 Building

GOALS

- Administer construction projects within budget and on schedule.
- Provide timely, cost-effective maintenance of public street systems including signage, storm drainage system, greenways, and right-of-way; Town's motor vehicles and equipment; and solid waste collection and disposal services.
- Maintain public buildings and grounds in an environmentally friendly manner.
- To achieve, and exceed where possible, climate and equity performance standards established by the Town.

SERVICE AND PROGRAM ACTIVITY

- Provide construction administration for Town projects, construction monitoring, and inspection of public improvements within private development projects.
- Provide engineering services to improve public health and safety for projects such as streets, stormwater, etc.
- Provide general street and right-of-way maintenance services including street repair, sign installation, pavement markings, tree maintenance, mowing, street sweeping and litter control.
- Provide Park facility and ball field maintenance at the Town's parks and assist with special events.
- Responsible for inclement weather street maintenance, e.g. ice and snow removal and other types of storm clean-up.
- Provide municipal solid waste collection (MSW) and yard waste collection to single family residences and duplexes and MSW to multi-family residences and commercial users who elect to use the Town's service.
- Continued leaf mulch pile operations following NCDEQ requirements.
- Provide building maintenance and repairs to Town facilities.
- Manage cemetery operations including selling and marking plots at the Town's two cemeteries.
- Maintain and repair Town vehicles and equipment.

PREVIOUS YEAR ACCOMPLISHMENTS

- Awarded construction contract and broke ground on the 203 S. Greensboro St Project.
- Completed townwide speed table improvement project.
- Continued improvements at the Bim Street facility including installation of ADA ramp, new walkway, and bike parking area.
- Contracted for Pavement Condition and Bike Path Condition Survey for future improvement planning.
- Completed sidewalk and curb ramp improvements to improve ADA compliance of pedestrian infrastructure.
- Assisted Communications Department with construction and installation of Town Information kiosks.
- Replaced 54 trees at MLK Park.
- Carrboro re-certified as a Tree City USA for its 37th year.

UPCOMING FISCAL YEAR OBJECTIVES

- Continue to provide Town services in the most efficient, safe, and quality manner.
- Improve and maintain existing infrastructure to protect the Town's assets, prioritizing Town Hall.
- Support the continued work on the 203 Project during construction as it moves towards completion.
- Continue improvements of Westwood Cemetery, including maintenance and beautification.
- Installation of ADA compliant bathroom at Bim Street facility.
- Improve landscaping at Town facilities with the use of native and pollinating plant species.

- Continue to coordinate and provide support on Town Council Strategic Priorities.
- Replace the Town’s underground fuel storage tanks with above ground fuel tanks to mitigate environmental pollution issues and make our critical infrastructure more resilient to flooding.
- Repave Fitch Municipal Parking Lot utilizing ARPA funding.
- Continue to work with NCDOT to improve the ADA compliance of pedestrian infrastructure.
- Continue to assist the Stormwater Division with engineering services for various stormwater management needs.
- Continue to incorporate the Town’s climate and racial equity and inclusion goals and objectives.

Racial Equity Assessment Lens

1. What racial equity and inclusion goals and objectives have been established for your department?

Public Works supports the goal of delivering services that help reduce disparities and promote service level equity and improve public participation within government for neighborhoods with higher percentages of BIPOC residents. These goals recognize the town wide interest in improved asset management, tracking and reporting, assessing disparities and promoting equity, participation, and leadership development for these neighborhoods/communities, and improving service levels and meeting the community’s public health and welfare goals.

2. Describe racial equity and inclusion accomplishments to date.

Public Works accomplishments to date include:

Staff Recruitment and Retention:

- Participating in diversity trainings to increase our capacity to serve the community.
- Continuing to create an inclusive and respectful work environment.
- 50% of employees hired and/or promoted are minorities.

Projects and Services:

- Implementing a workflow and asset tracking work management software that show locations of projects and services to ensure all neighborhoods are being serviced.
- Completed sidewalk and curb ramp improvements along W. Poplar Street including ADA improvements.
- Completed installation and walkway of ADA ramp at Bim Street facility.
- Supporting projects and services that enable all residents to have equal access.
- 23.5% of Public Works contracts were awarded to minority contractors.
- Completed bus shelter improvements.
- Assisted Town Departments with various messaging boards, banner displays, and flag hangings representing various organizations and groups.

Community Engagement:

- Providing ongoing community education around Public Works services.
- Coordinating with Communications Department to improve accessibility to communications.
- Redesign and translation of Public Works educational materials to improve language accessibility.

- Construction and maintenance of Town Informational Kiosks in various underserved communities.

Policies and Procedures

- Encouraging minority participation in all Town procurement activities.
 - Ensuring policies and procedures prohibit discrimination.
3. Based on assessment(s), what are the critical factors affecting the department’s ability to address racial equity and inclusion, internally and/or externally?

Critical factors affecting Public Works ability to address racial equity and inclusion include:

- Town policy and administrative direction and support to move forward with specific projects and initiatives.
 - Securing funding and financing to meet the desired program/service delivery and expansion.
 - Staff capacity, within Public Works and other departments with which the Public Works collaborates and relies upon.
 - Recruiting employees that that may not have access to the traditional job recruiting methods.
4. How does current/future departmental projects address race and equity?

Future departmental projects that address race and equity include:

- Installation of ADA compliant bathroom at Bim Street facility.
- Support the continued work on the 203 Project during construction as it moves towards completion.
- Implement installation of wayfinding signage.
- Continue to assist the Stormwater Division with engineering services for various stormwater management needs.
- Pursue outreach opportunities to neighborhoods with higher proportions of BIPOC and lower income residents.
- Continue to improve language accessibility for outreach and educational materials.
- Continue to assist the Town with various messaging boards, banner displays, and flag hangings.

Strategic Energy and Climate Protection Plan

1. What climate change and sustainability goals and objectives have been established for your department?

Public Works climate change and sustainably goals and objectives that have been established include:

- Reduce the Town’s energy usage and GHG emissions and pursue renewable energy projects.

- Reduce the Town’s use of fossil fuels and improve the efficiency of the motor vehicle fleet.
- Implement a Master Plan for Town Facilities including strategies to improve energy efficiency and sustainability.
- Partner with Orange County Solid Waste to implement recommendations in the new *Solid Waste Master Plan: Road to Zero Waste*.
- Incorporate energy and climate protection strategies and upgrades; and work with Environmental Sustainability Coordinator to identify other energy reducing projects.

2. Describe climate change and sustainability accomplishments to date.

Public Works climate change and sustainably accomplishments to date include:

- Replaced older gas-powered park and tree equipment with battery operated equipment.
- Aiding in the installation of EV charging stations at Martin Luther King Jr. Park and the Sunset Dr Municipal Parking Lot.
- Adding two hybrid electric vehicles to the Public Works fleet and more to the Police Department fleet, reducing overall fuel consumption and emissions.
- Installation of bike boxes on W. Main St. to make travel by bicycle safer and more accessible, creating a potential for reduced emissions from vehicular travel.
- Sidewalk maintenance, repair of trip hazards, and installation of ADA-compliant curb ramps to allow for safe and accessible pedestrian travel.
- Upgrade of two HVAC systems at Town Hall to high efficiency units and installation of nine wi-fi-connected thermostats at Town Hall, Fire Station 1, and Public Works, allowing for more precise control of heating and cooling schedules.
- Coordinated with Orange County Solid Waste and the Solid Waste Advisory Group to develop the new *Solid Waste Master Plan: Road to Zero Waste*.
- Continued leaf mulch pile operations following NCDEQ requirements.

Current Public Works projects not yet implemented but slated for completion by the end of FY 24:

- Asphalt repair project including practices intended to prolong the life of asphalt pavement before full resurfacing is required. These practices include installing barriers to inhibit damaging root growth under bike paths and utilizing microsurfacing, a technique which seals cracks and restores surface quality using a relatively small amount of material, on bike paths and streets.
- Construction of the 203 Project, a building designed to LEED Gold standards.
- Installation of solar panels at Public Works, Fire Station 1, and the roof of the 203 building.
- Installation of more efficient chiller and HVAC controls system at the Century Center.

3. Based on assessment(s), what are the critical factors affecting the department’s ability to address climate change and sustainability, internally and/or externally?

Critical factors affecting Public Works’ ability to address climate change include:

- Securing new funding and financing as needed to meet the desired pace of program/service delivery and expansion.
- Cost and lack of charging infrastructure to make transitioning to electric models of heavier equipment like dump trucks, excavators, etc. currently infeasible.
- Staff capacity.

4. How does the requested budget address climate change and sustainability?

Public Works FY 23/24 budget requests addresses the climate change by:

- Improve and maintain Town’s buildings and incorporate energy efficient and climate protection strategies and upgrades recommended by net zero consultant.
- Improve and maintain green space, and bicycle and pedestrian infrastructure including bike lane maintenance and improvements; landscaping improvements to help mitigate downstream flooding issues and make Carrboro more resilient to future climate events; park and cemetery maintenance and improvements; right-of-way tree maintenance and preservation; continuing the pollinator promoting vegetation plan; and continued implementation of invasive aquatic vegetation control.
- Maintain vehicles and equipment to keep them running efficiently and replace older gas-powered equipment with new battery-operated equipment to reduce greenhouse gas emissions.
- Coordinate with Orange County Solid Waste and the Solid Waste Advisory Group to implement recommendations in the new *Solid Waste Master Plan: Road to Zero Waste*, specifically food waste diversion.
- Continued leaf mulch pile operations following NCDEQ requirements.

In considering the Community Climate Action Plan, Public Works staff will continue to work to specifically address the below CCAP and associated Comprehensive Plan elements:

- Buildings Recommendation #1: 80% Challenge
- Community Integration Recommendation #1: Create Grass Roots Partnerships to Engage Community
- Community Integration Recommendation #2: Expand Public Partnerships to More Explicitly Consider Climate Action
- Ecosystem Recommendation #3: Accelerate/Expand Organic Waste Collection/Composting
- Ecosystem Recommendation #4: Tree Preservation, Protection and Conservation
- Transportation Recommendation #1: 80% Challenge
- Transportation Recommendation #6: Improve Bicycle and Pedestrian Infrastructure

PERFORMANCE MEASURES

	FY 2019-20 ACTUAL	FY 2020-21 ACTUAL	FY 2021-2022 ACTUAL	FY 2022-2023 Actual	FY 2023-2024 PROJECTED
Square feet of Building Space Maintained	61,317	61,317	62,599	62,599	62,599
Miles of Road Maintained	46.68	46.68	47.04	47.04	47.04
Miles of Roadways Resurfaced	3.57	0	1.85	1.12	2.25
Cubic Yards of Leaves Composted	3,165	5,730	3,845	14,100	10,000
MSW - Pounds/ Person/ Day	1.73	1.83	1.80	1.77	1.75

Budget Summary- Public Works Department

Department

	FY 2023 Adopted	FY 2024 Adopted
PUBLIC WORKS		
Personnel Exp	\$2,454,508	\$2,575,541
Operating Exp	\$1,567,434	\$1,614,457
Capital Outlay	\$35,000	\$0
TOTAL	\$4,056,942	\$4,189,998

Budget Summary- Public Works Divisions

Department

	FY 2023 Adopted	FY 2024 Adopted
PUBLIC WORKS SUPERVISION		
Personnel Exp	\$640,184	\$693,315
Operating Exp	\$49,666	\$51,156
TOTAL	\$689,850	\$744,471

Department		
PUBLIC WORKS STREETS & GROUND	FY 2023	FY 2024
	Adopted	Adopted
Personnel Exp	\$868,508	\$897,022
Operating Exp	\$575,813	\$593,087
Capital Outlay	\$35,000	\$0
TOTAL	\$1,479,321	\$1,490,109

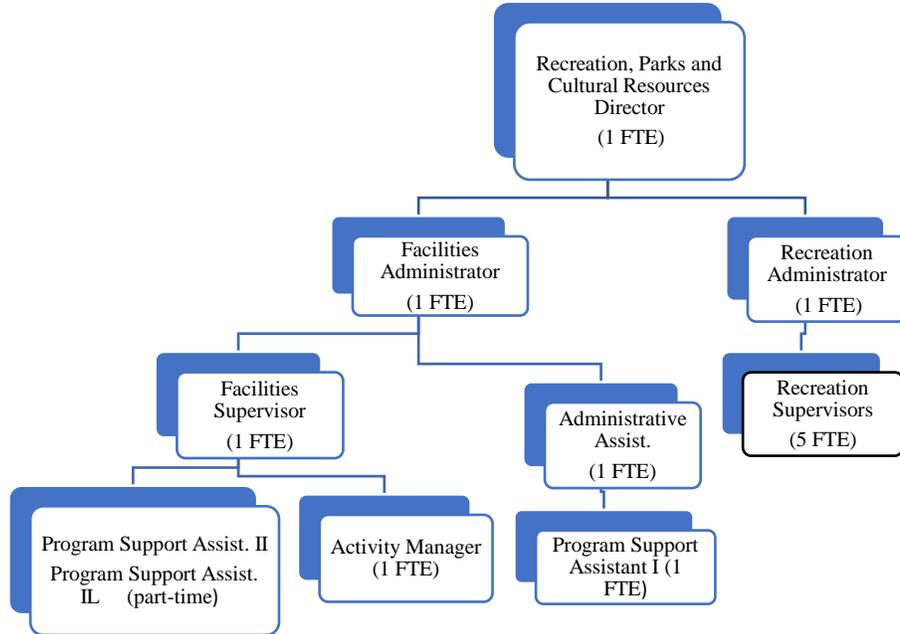
Department		
PUBLIC WORKS SOLID WASTE	FY 2023	FY 2024
	Adopted	Adopted
Personnel Exp	\$526,255	\$551,895
Operating Exp	\$511,020	\$526,351
TOTAL	\$1,037,275	\$1,078,246

Department		
PUBLIC WORKS CENTRAL SERVICES	FY 2023	FY 2024
	Adopted	Adopted
Personnel Exp	\$213,678	\$220,970
Operating Exp	\$390,220	\$401,927
TOTAL	\$603,898	\$622,897

PUBLIC WORKS FLEET MAINTENANCE	FY 2023	FY 2024
	Adopted	Adopted
Personnel Exp	\$205,883	\$212,339
Operating Exp	\$40,715	\$41,936
TOTAL	\$246,598	\$254,275

RECREATION, PARKS, AND CULTURAL RESOURCES DEPARTMENT

13.5 FTE



PURPOSE

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

GOALS

- Implement goals and strategies of the Carrboro Connects Comprehensive Plan
- Embed racial equity in departmental policies, processes, practices, and services.
- To enhance department marketing strategies to better inform the community of events, programs, and resources.
- Provide diverse recreational programs that address the needs of all residents.
- Continue work to implement department ARPA projects.
- Increase awareness and accessibility of parks and open spaces and identify new opportunities.
- Examine departmental operations to identify areas of opportunity for increased efficiency.

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.
- Provide parks and facilities that provide space to enjoy nature, build family unity, meet friends and build strong bodies.

- Demonstrate excellent customer service to citizens who register for programs and reserve or use recreation and park facilities.
- Facilitate the planning and implementation of programs and events that promote local arts and culture and enhance civic 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.
- Serve as staff liaisons to citizen-based committees, various community groups and organizations and internal town committees including Recreation and Parks Commission, Arts Committee, and Carrboro Farmers Market.
- Facilitate community-requested events through the Carrboro Special Events Committee.

PREVIOUS YEAR ACCOMPLISHMENTS

- Staff served on several community and regional committees, including Orange County Senior Games, Healthy Carolinians of Orange County, Durham Orange Community Tennis Association, the Orange County Master Aging Plan, the Safe Kids Committee, Intergovernmental Parks Workgroup, and others.
- Increased the number of recipients and points of distribution of the Program Brochure, Monthly Program Newsletter, and Poetry Newsletter and utilized the Program Brochure to help with promotion on Town initiatives, such as the Comprehensive Plan, Community Services, recruitment for Town Advisory Boards, and The 203 Project.
- Hosted a United States Congresswoman Valerie Foushee and nationally-known local cartoonist Keith Knight as special guest speakers for the annual Dr. Martin Luther King, Jr. Youth Event through partnership with NAACP Youth Council, Carrboro Youth Council, and Youth Advisory Board.
- Partnered with the Music Maker Relief Foundation, Carrboro Tourism Development Authority, and WUNC to offer professionally produced concerts for the Freight Train Blues Concert Series. Previous year shows aired on PBS NC.
- Offered a variety of programs with an emphasis on underserved populations and increasing cultural diversity.
- Partnered with the Orange County Community Remembrance Coalition and the BIPOC Elected Officials of Orange County to enhance Black History Month programming, hosting a talk with local leaders and a virtual poetry reading.
- Partnered with the Town of Chapel Hill, the NAACP Youth Council, and other community partners on the first-ever in-person local Juneteenth Festival at Hargraves Center.
- Expanded outreach to community by establishing community-based recreation events using the mobile play unit and programs in senior living facilities collaborating with staff to conduct on-site programming.
- Held Poets Party to honor outgoing Poet Laureate Fred Joiner and welcome new Poet Laureate Liza Wolff-Francis.
- Supported artists through creation of stipend for Carrboro Music Festival performers and the establishment of a new Black History Month Concert Series.

- Assisted the Farmer’s Market in providing staffing and assistance to administer the composting stations, helping with the Town’s Climate Action goals.
- Staff attended annual conferences, seminars and workshops and took advantage of some free opportunities on ideas related to the pandemic hosted by organizations such as NRPA, NCRPA, RSS, NCRPA Therapeutic Recreation, NCSU and NC Seniors Games.
- Replaced aging benches and picnic tables in multiple park facilities.
- Increased marketing and utilization of the old Carrboro Civic Club/Bim Street property.

UPCOMING FISCAL YEAR OBJECTIVES

- Work with Communications & Engagement Department to promote parks and open spaces for recreational opportunities through updates to park brochures and potential translation of documents using the Language Access Plan.
- Evaluate department policies, practices, procedures, and services using the One Orange Racial Equity Lens.
- Develop private, public, and neighborhood partnerships and sponsorships to support our recreational facilities and programs with a focus on agencies (El Centro, Refugee Support Center, and NAACP) that help to reach underserved populations.
- Identify potential partnerships for joint use of facilities to expand opportunities for local residents (ex. HOAs, Chapel Hill-Carrboro City Schools)
- Replace basketball court surface at Hank Anderson Park.
- Collaborate with local partners and Town staff to create multi-purpose, outdoor programs that provide educational opportunities and increase environmental awareness.
- Identify new funding sources, such as community partnerships, sponsorships, and grants, to broaden the Department’s revenue stream to maintain and enhance service levels.
- Utilize a broad range of evaluation criteria to ensure program offerings are meeting the needs of the participants.
- Expand recreational opportunities for underserved populations. (teens, seniors, immigrants/refugees)
- Work with facility partners to explore opportunities for collaboration in preparation for The 203 Project opening.
- Conduct evaluation of department programming to identify ways to achieve better operational efficiencies.

PERFORMANCE MEASURES

	FY2020-21 ACTUAL	FY2021-22 ACTUAL	FY 2022-2023 ESTIMATED	FY 2023-2024 PROJECTED
% Change in Volunteer Hours Supporting Programs	-73%	200	2%	2%
Revenue Driven Facility Usage Hours (External, Courses, Administrative)	24,906	22,073	30,417	31,025
Revenue Driven Facility Usage Hours Percent Change (External, Courses, Administrative)	24%	-11%	38%	2%
Non-Revenue Facility Usage Hours (Partnerships, Community/Informational Meetings)	1,647	575	675	689
Non-Revenue Facility Usage Hours Percent Change (Partnerships, Community/Informational Meetings)	32%	-65%	17%	2%
% Change in Program Division Revenue	-56%	159%	6%	3%
% Change in Programming Hours	-47%	103%	10%	2%
% Change of Operational Budget Supported by Program Revenue Generated	-25%	259%	6%	-3%
% Change in Enrolled participants	-46%	132%	5%	8%

RACIAL EQUITY ASSESSMENT

1. What racial equity and inclusion goals and objectives have been established for your department?

- Engage with and listen to the voices of community members who have been historically excluded.
- Create messaging and representation that creates more welcoming spaces for participation in programs and facility reservations.

2. Describe racial equity and inclusion accomplishments to date.

- Establishment of programs to celebrate Black History Month including a new Black History Month Concert Series.
- Partnered with the Town of Chapel Hill, the Chapel Hill-Carrboro City Schools Office of Equity & Inclusion, the Chapel Hill-Carrboro NAACP, and other community partners on the creation of an annual Juneteenth Celebration.
- Created mobile recreation opportunities to take programs into neighborhoods (ex. The Landings Tenants Association, apartment complexes, etc.) to provide recreational opportunities for residents.
- Partnered with the Town of Chapel Hill and other local arts and civic organizations on the creation of several community murals honoring Black citizens.
- Worked with the Communications & Engagement Department on the enhancement of Libba Cotten Day through a proclamation and “birthday party”.
- Worked with Music Maker Foundation on the Freight Train Blues Concert Series, honoring Elizabeth Cotten and showcasing and supporting African-American blues and roots artists.
- Worked with the Town Clerk’s office and several youth organizations, including the Chapel Hill-Carrboro NAACP Youth Council, establish an annual Dr. Martin Luther King, Jr. youth-led celebration.
- Expanded participant accounts to include race and ethnicity of family members. Data collected may be used to evaluate who the department is serving and who is underserved.
- Increased utilization of BIPOC vendors for events (ex. food trucks).

3. Based on assessment(s), what are the critical factors affecting the department’s ability to address racial equity and inclusion, internally and/or externally?

- It is critical to establish relationships with community members to help to build trust and facilitate further work on racial equity and inclusion.
- Established relationships that the community has with other service providers (ex. other community centers) creates a challenge for connecting with potential new participants.
- Public transportation routes and schedules do not always align with program site locations and event times. (ex. Anderson Park is not serviced by regular Chapel Hill Transit routes)

- Outcomes from assessment evaluations and information from the Comprehensive Plan have provided information on impact and need in programming and facilities.

4. How does the requested budget address racial equity and inclusion? Please provide specific examples.

- Community events such as Carrboro in Motion, Carrboro Day, etc. offer opportunities for outreach and collaboration with various community partners that help provide opportunities and services.
- Arts & Culture programming provides an opportunity to enhance programming for Black History Month, the Juneteenth event, the annual Frederick Douglass July 4th event, programs highlighting BIPOC artists/performers, educators, etc.
- Amenities such as benches and picnic tables can be strategically located in parks and any other areas identified that will address racial equity and inclusion for underserved areas identified in One Orange Racial Equity Lens assessment

STRATEGIC ENERGY AND CLIMATE PROTECTION PLAN

Strategic Energy and Climate Protection Plan

All operating budgets must consider energy sustainability measures to reduce or eliminate carbon footprint. Each department is to submit an addendum (no more than two pages) that addresses the following questions:

1. What climate change and sustainability goals and objectives have been established for your department?

Implement more sustainable use practices in the implementation of programs and events

- Reduce the use of single-use plastics during programs.
- Work with vendors and contractors to use compostable materials.

Reduce the overall carbon footprint of department operations

- Prioritize the use of local vendors within the guidelines of the Town’s procurement policies.
- Seek ways to reduce daily department vehicle usage.
- Explore alternatives for recreation programs that center on vehicle usage. (ex. parades)

Provide educational opportunities that advance overall Town sustainability goals

- Offer recreation classes and events that provide educational opportunities.
- Enhance existing events, such as Carrboro Day, Earth Day, and Open Streets, to further increase outreach and educational opportunities.
- Partner with the Carrboro Farmers Market on potential workshops on sustainable food and waste practices such as the purchase of local food, composting, etc.

- Work with community partners to have information tables at Town-Sponsored events to provide educational materials and outreach on various environmental sustainability opportunities.
- 2. Describe climate change and sustainability accomplishments to date.**
- Serve as the liaison department to the Carrboro Farmers Market.
 - Provided support to the Market to continue operations safely during COVID.
 - Currently serving in the lead role for the Farmers Market composting efforts for the Town until Planning can hire staff to take over the role.
 - Implemented sustainability practices for food trucks at Town-sponsored special events.
 - Worked with Planning on the site identification and installation of new EV charging stations at Dr. Martin Luther King, Jr. Park. Additional opportunities are being reviewed.
 - Working with Public Works on the feasibility of converting athletic field lights to LED.
- 3. Based on assessment(s), what are the critical factors affecting the department’s ability to address climate change and sustainability, internally and/or externally?**
- Collaboration between departments is critical to better understand assessment criteria, best practices, and opportunities to help achieve Town goals.
 - Data management tools and staffing expertise from environmental sustainability staff are important to establish and evaluate measurables.
 - Potential funding could assist with offering more educational opportunities.
- 4. How does the requested budget address climate change and sustainability? Please provide specific examples.**
- Town special events, such as Open Streets, Carrboro Day, Kidical Mass Bike Ride, etc. offer educational and outreach opportunities for both Town departments and for community organizations.
 - Department camps and clinics, such as the Bike Maintenance clinics, help to encourage alternative modes of transportation.
 - Serving as the liaison to the Farmers Market allows the department to provide support to Market operations and opportunities for collaboration.

Budget Summary- Recreation & Parks

Department

	FY 2023 Adopted	FY 2024 Adopted
RECREATION & PARKS		
Personnel Exp	\$1,423,910	\$1,467,068
Operating Exp	\$556,773	\$573,476
TOTAL	\$1,980,683	\$2,040,544

Budget Summary- Recreation & Parks Divisions

Department	FY 2023	FY2024
RECREATION & PARKS	Adopted	Adopted
SUPERVISION		
Personnel Exp	\$155,692	\$161,731
Operating Exp	\$33,080	\$34,072
TOTAL	\$188,772	\$195,803

Department	FY 2023	FY 2024
GENERAL PROGRAMS	Adopted	Adopted
Personnel Exp	\$737,524	\$756,587
Operating Exp	\$397,932	\$409,870
TOTAL	\$1,135,456	\$1,166,457

Department	FY 2023	FY 2024
FACILITIES	Adopted	Adopted
Personnel Exp	\$530,694	\$548,750
Operating Exp	\$125,761	\$129,534
TOTAL	\$656,455	\$678,284

NONDEPARTMENTAL

PURPOSE

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

SERVICES PROVIDED & ACTIVITIES

Budgeted funds are set aside for:

- Compensation Adjustments
- Dependent Health Insurance
- Unemployment Insurance Reserves
- Risk and Safety Remediation
- Miscellaneous Town Council initiatives
- Transfers to Other Funds

Non-department funds are allocated to departments as needed.

Budget Summary- Non-Departmental

Department	FY 2023	FY 2024
Non-Departmental	Adopted	Adopted
Personnel Exp	\$1,301,354	\$1,294,711
Operating Exp	\$85,000	\$315,000
Transfers	\$143,160	\$499,500
TOTAL	\$1,529,514	\$2,109,261

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET:

The personnel budget sets aside funds for a salary adjustment and minimum housing wage adjustments for employees, anticipated increase in health insurance costs, and required unemployment insurance reserve. The FY 24 personnel amount includes a 10% increase in insurance costs. The operating expense includes \$315,000 budgeted for Downtown Master Plan and displaying of banners in downtown. The FY.24 Transfers include transfers of \$412,000 to the parking fund for paid parking and parking enforcement. Additionally, \$87,500 to the Affordable Housing Fund.

DEBT SERVICE

PURPOSE

The Debt Service cost center accounts for expenditures used for the payment of principal and interest associated with the Town’s general obligation bonds and other financings.

BACKGROUND

In North Carolina, the Local Government Commission in the State Treasurer’s Office oversees local government bonded debt and assists local governments 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.

Debt Service Schedule- FY. 23-24			
Project	Principal	Interest	Total
Vehicles/Equipment	\$264,600	\$14,048	\$278,649
Sidewalk/Greenways	\$0.00	\$26,250.00	\$26,250
	\$250,000	\$26,250.00	\$276,250
	\$250,000	\$52,500	\$302,500
Fire Station #2	\$108,333	\$4,208	\$112,542
	\$108,333	\$2,805	\$111,139
203 Project	\$0.00	\$177,349	\$177,349
	\$662,000	\$177,349	\$839,349
	\$878,666	\$361,714	\$1,240,380
	\$1,393,267	\$428,262	\$1,821,530

Budget Summary- DEBT SERVICE

Department	FY 2023 Adopted	FY 2024 Adopted
Debt Service		
Operating Exp	\$1,368,217	\$1,821,530
TOTAL	\$1,368,217	\$1,821,530

CHANGES IN BUDGET FROM PRIOR YEAR ADOPTED BUDGET:

Principal and interest payments will largely increase in FY.24 due to debt related to the 203 Project.

SPECIAL REVENUE FUNDS

The Special Revenue Fund accounts for revenues and expenditures legally restricted or designated by the Town Council for specific program activities or services. The Special Revenue Fund was restructured in 2011 to comply with GASB 54. Included in the Special Revenue Fund are the following funds:

- Affordable Housing
- Grant Administration
- Powell Bill
- American Rescue Plan Act
- Emergency Loans
- Revolving Loans for Energy Efficiency
- Revolving Loans for Economic Development

BUDGET SUMMARY- SPECIAL REVENUE FUNDS

	Adopted Budget FY2022-23	Adopted Budget FY2023-24	\$ Change	% Change
Affordable Housing	\$568,423	\$593,923	25,500	4.5%
Grant Administration	\$1,918,824	\$811,909	-1,106,915	-57.7%
Powell Bill	\$560,600	\$545,812	-14,788	-2.6%
American Rescue Plan Act	\$6,754,699	\$6,426,677	-328,022	-4.9%
Emergency Loans	\$636,063	\$131,600	-504,463	-79.3%
Revolving Loans for Energy Efficiency	\$205,227	\$205,227	0	0.0%
Revolving Loan Fund	\$512,813	\$407,690	-105,123	-20.5%
Total	\$11,156,649	\$9,122,838	-2,033,811	-18.2%

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 on June 26, 2007, and guidelines for allowable activities are revised periodically. 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 any other revenues such as grants, donations, loans, interest payments, or other contributions.

BUDGET SUMMARY- AFFORDABLE HOUSING FUND

	FY2022-23 YTD Actuals	Adopted Budget FY2022- 23	Adopted Budget FY2023-24	FY23 to FY24 Percent Change
Revenues:				
Ad Valorem Tax	\$395,669	\$380,180	\$393,046	
Interest Earnings	\$8,167	\$50	\$12,684	
Payment in Lieu		-	\$0	
Transfer from General Fund	\$0	\$188,193	\$188,193	
Total Revenues	\$403,836	\$568,423	\$593,923	4.5%
Expenditures:				
Community Home Trust	\$55,089	\$73,452	\$80,501	
Home Consortium Match	\$14,270	\$14,000	\$15,000	
Partnership to End Homelessness	\$0	\$131,677	\$136,339	
Interfaith Council Housing Center for Community Self Help	\$0	\$92,950	\$95,739	
AHSRF Deferred Loan Program	\$0	-	\$0	
Affordable Hsg Advisory Board	\$0	\$5,000	\$5,000	
Critical Home Repair	\$13,520	\$80,000	\$15,000	
Rental Deposits Program	\$0	\$37,000	\$32,000	
Acquisition and Development	\$104,774	\$120,000	\$200,000	
Unexpended Reserves	-	\$13,844	\$13,844	
Total Expenditures	\$187,653	\$568,423	\$593,923	4.5%

GRANT ADMINISTRATION FUND

This fund accounts for grant awards made to the Town that are legally restricted to expenditures for specific programs, activities, and purposes. Recent grant awards include North Carolina Community Development Block Grant (CDBG) to provide rental assistance to qualified Carrboro residents.

BUDGET SUMMARY- GRANT ADMINISTRATION FUND

	Life-to-Date Actuals	Adopted Budget FY2022-23	Adopted Budget FY2023-24	FY23 to FY24 Percent Change
Revenues:				
Grant Revenue	\$316,247	\$1,000,824	\$0	
Hazard Mitigation Grant	\$335,433		\$487,816	
NC CDBG Coronavirus Program	\$900,000	\$900,000	\$0	
Orange County Article 46			\$27,575	
Orange County Criminal Justice	\$0	\$0	\$152,518	
Bolin Crk Watershed Restoration	\$24,000		\$144,000	
Other Revenues	-	\$18,000	\$0	
Total Revenues	\$1,575,680	\$1,918,824	\$811,909	-58%
Expenditures:				
Hazard Mitigation Grant	\$335,433	\$823,249	\$487,816	
NC CDBG Coronavirus Program	\$810,000	\$900,000	\$0	
Article 46 Expenses	-	\$27,575	\$27,575	
Police & Mental Health Diversion Program			\$152,518	
Bolin Crk Watershed Restoration	\$29,043	\$168,000	\$144,000	
Total Expenditures	\$1,174,476	\$1,918,824	\$811,909	-58%

POWELL BILL FUND

Annually, State Street-Aid (Powell Bill) allocations are made to incorporated municipalities which establish their eligibility and qualify as provided by G.S. 136-41.1 through 136-41.4. The Town's special revenue fund for Powell Bill was established by council on September 14, 2021.

BUDGET SUMMARY- POWELL BILL FUND

	FY2022-23 YTD Actuals	Adopted Budget FY2022-23	Adopted Budget FY2023-24	FY23 to FY24 Percent Change
Revenues:				
Interest Earnings	\$7,817	\$200	\$6,500	3150%
Powell Bill Revenue	\$539,312	\$480,000	\$539,312	12%
Fund Balance Appropriated	\$0	\$80,400		-100%
Total Revenues	\$547,129	\$560,600	\$545,812	-3%
Expenditures:				
Professional Services	\$24,700	\$40,000	\$40,000	0%
M & R Equipment	\$1,129	\$5,000	\$5,000	0%
Advertising	\$176	\$600	\$600	0%
Departmental Supplies	\$28,804	\$30,000	\$30,000	0%
Contractual Services	\$2,415	\$85,000	\$70,212	-17%
Construction	\$198,095	\$400,000	\$400,000	0%
Total Expenditures	\$255,319	\$560,600	\$545,812	-3%

AMERICAN RESCUE PLAN ACT FUND

The American Rescue Plan Act was signed into law on March 11, 2021, and provides funding to state and local governments to assist with pandemic rescue and recovery efforts. These funds may be used for a range of activities including: 1) revenue replacement for the provision of government services to the extent the reduction in revenue is due to the COVID-19 public health emergency; 2) premium pay to essential employees; 3) assistance to small businesses, nonprofits, household and hard-hit industries, and economic recovery; and 4) investments in water, sewer, and broadband infrastructure.

BUDGET SUMMARY- AMERICAN RESCUE PLAN ACT FUND

	Life-to-Date Actuals	Adopted Budget FY2022- 23	Adopted Budget FY2023- 24	FY23 to FY24 Percent Change
Revenues:				
Interest Earnings	-	\$1,500		
Grant Revenue	\$6,753,199	\$6,753,199	\$6,426,677	
Total Revenues	\$6,753,199	\$6,754,699	\$6,426,677	-5%
Expenditures:				
Negative Economic Impacts	\$326,522	\$326,522	\$0	
Premium Pay	-	\$224,795	\$0	
Revenue Replacement	\$6,426,677	\$1,834,730	\$6,426,677	
Unexpended Reserves	-	\$4,368,652		
Total Expenditures	\$6,753,199	\$6,754,699	\$6,426,677	-5%

EMERGENCY LOAN FUND

The purpose of the Emergency Loan Fund is to assist Carrboro based businesses and non-profits that serve Carrboro with short term payroll and other recurring expenses during the State/Town declared COVID 19 Emergency to maintain and sustain operations for existing viable enterprises. The fund is intended to assist small local businesses and non-profits that are in current good standing with creditors but are low on capital to maintain operations. Loan approval is at the discretion of the Town of Carrboro. Ten percent of the provided funding is considered a grant and ninety percent is considered a loan. The loan portion is to be repaid to the Town at zero percent interest.

BUDGET SUMMARY- EMERGENCY LOAN FUND

	Life-to-Date Actuals	Adopted Budget FY2022-23	Adopted Budget FY2023-24	FY22 to FY23 Percent Change
Revenues:				
Interest Earnings	\$4,291	\$469	\$4,000	
CARES Grant Revenues	\$32,994	\$32,994	\$0	
Loan Principal Payments	\$139,478	\$127,600	\$127,600	
Other Financing Sources	\$475,000	\$475,000	\$0	
Total Revenues	\$651,763	\$636,063	\$131,600	-79.3%
Expenditures:				
Grant Disbursements	\$32,994	\$32,994	\$0	
Loan Disbursements	\$296,942	\$537,004	\$0	
Other Financing Uses	\$65,596	\$65,596	\$0	
Reserves for Loans	-	\$469	\$131,600	
Total Expenditures	\$395,532	\$636,063	\$131,600	-79.3%

ENERGY EFFICIENCY REVOLVING LOAN FUND

The Energy Efficiency Revolving Loan was started in 2010 with US Department of Energy funds through a grant to Southeastern Energy Efficiency Alliance (SEEA) for the Town to implement a small business energy efficiency revolving loan fund with the goal of increasing energy efficiency in commercial buildings.

BUDGET SUMMARY- ENERGY EFFICIENCY REVOLVING LOAN FUND

	Life-to-Date Actuals	Adopted Budget FY2022-23	Adopted Budget FY2023-24	FY23 to FY24 Percent Change
Revenues:				
Interest Earnings	\$5,069	\$2,696	\$2,696	
Loan Interest Earnings	\$17,471	\$16,615	\$16,615	
Loan Principal Payments	\$106,797	\$57,788	\$57,788	
Other Financing Sources	\$173,128	\$128,128	\$128,128	
Total Revenues	\$302,465	\$205,227	\$205,227	0.0%
Expenditures:				
Loan Disbursements	\$107,128	\$58,128	\$0	
Reserves for Loans	-	\$147,099	\$205,227	
Total Expenditures	\$107,128	\$205,227	\$205,227	0.0%

Below is a list of active Energy Efficiency Revolving Loan Fund loans:

Business	FY2021-22 Amount Borrowed	FY2023-24 Amount Borrowed
Surplus Sids	\$ 30,000	\$ 30,000
Sophie Piesse *	\$ 7,000	
Dispute Settlement Center *	\$ 35,000	
The Arts Center	\$28,128.00	\$28,128.00
Total	\$ 100,128	\$ 58,128

*Paid in full in FY22.

REVOLVING LOAN FUND

The Revolving Loan Fund is used to encourage economic and community development in Carrboro by offering loans to new businesses and encouraging businesses to locate in Carrboro. The Fund sustains itself with the interest earned on loans and repayment of the principal provided to businesses. With this interest, a reserve is created that enables the Town to continue loaning funds to businesses. As loans are paid off, the Town closes the loans and removes them from financial records.

BUDGET SUMMARY- REVOLVING LOAN FUND

Revenues:	Life-to-Date Actuals	Adopted Budget FY2022-23	Adopted Budget FY2023-24	FY22 to FY23 Percent Change
Interest Earnings	\$246,437	\$243,670	\$246,437	1.1%
Loan Interest Earnings	\$56,606	\$107,729	\$56,606	-47.5%
Loan Principal Payments	\$512,765	\$161,414	\$104,647	-35.2%
Total Revenues	\$815,808	\$512,813	\$407,690	-20.5%
Expenditures:				
General Government Exp	\$17,453	\$26,679	\$0	N/A
Loan Disbursements	\$240,000	\$240,000	\$0	N/A
Reserves for Loans	-	\$246,134	\$407,690	65.6%
Total Expenditures	\$257,453	\$512,813	\$407,690	-20.5%

CAPITAL PROJECTS FUND

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, considered completed, and are removed from the general ledger one year following project completion.

The Capital Projects Fund is comprised of the following funds:

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

	Adopted Budget FY2022-23	Adopted Budget FY2023-24	Amount Change	Pct Change
Fund:				
Capital Projects	44,557,221	35,907,914	(8,649,307)	-19%
GO Bonds, Sidewalks and Greenways	5,705,097	4,531,257	(1,173,840)	-21%
Facilities Rehab	562,853	458,597	(104,256)	-19%
Capital Reserves	100	568,032	567,932	0%
Payment In Lieu	100	110	10	10%
Other			-	
Totals	\$50,825,371	\$41,465,910	(9,359,461)	-18%

CAPITAL PROJECTS

Funds are appropriated for capital projects 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; or capital projects may be appropriated in the annual general fund budget.

BUDGET SUMMARY- CAPITAL PROJECTS

	Life-to-Date Actuals	Adopted Budget FY2022-23	Adopted Budget FY2023-24	FY23to FY24 Percent Change
Revenues:				
Interest Earnings	62,346	47,316	62,346	31.8%
Restricted Intergovernmental	3,373,230	22,418,882	20,045,652	-10.6%
Transfer from General Fund	6,319,358	7,976,023	1,684,916	-78.9%
Transfer from Stormwater Fund	91,600	-		N/A
Other Financing Sources	12,578,000	14,115,000	14,115,000	0.0%
Total Revenues	\$22,424,534	\$44,557,221	\$35,907,914	-19.4%
Expenditures:				
203 S Greensboro St	7,483,227	41,174,840	33,123,696	-19.6%
South Greensboro St Conduit	-	120,000	120,000	0.0%
Comprehensive Plan	250,000	250,000	-	N/A
Estes Drive Bike-Ped Improvements	-	170,000	170,000	0.0%
Bus Shelter Replacement	15,300	288,000	272,700	-5.3%
Ped Safety Imprvmnts & Bike Plan	-	257,000	257,000	0.0%
Bicycle Loop Detectors	18,525	57,500	38,975	-32.2%
2022 Vehicle & Equip Replacements	-	1,245,000	1,245,000	0.0%
2023 Vehicle & Equip Replacements	-	368,000	368,000	0.0%
Playground Equip Replacement	100,000	100,000	-	N/A
108 Bim St Renovations	34,330	50,000	15,670	-68.7%
Jones Ferry Rd Retaining Wall	11,596	100,000	88,404	-11.6%
Public Works: \$94,342.00				
Fire Station 1: \$44,679.00				
Anderson Park Parking Lot Paving	14,744	120,000	105,256	-12.3%
Wayfinding - Town Signage	-	50,000	50,000	0.0%
East Main Street Signal & Pavement Mrkgs	106,352	159,565	53,213	-66.7%
Capital Expense Reserve	-	47,316	-	N/A
Total Expenditures	\$8,034,074	\$44,557,221	\$35,907,914	-19.4%

GO BOND-FUNDED SIDEWALKS AND GREENWAYS

The Town continues its sidewalks and greenways construction program authorized by the voters in 2003. In January 2013, the Town discontinued the use of bond anticipation notes to finance this construction and issued \$4.6 million of general obligation bonds. The Town does not have any other outstanding general obligation bonds.

BUDGET SUMMARY- GO BOND FUNDED SIDEWALKS AND GREENWAYS

	Life-to-Date Actuals	Adopted Budget FY2022-23	Adopted Budget FY2023-24	FY23 to FY24 Percent Change
Revenues:				
Interest Earnings	\$75	\$85	\$181,000	
Restricted Intergovernmental	\$1,974,299	\$5,128,146	\$3,153,847	
Other Financing Sources	\$1,708,652	\$576,866	\$1,196,410	
Total Revenues	\$3,683,026	\$5,705,097	\$4,531,257	-26%
Expenditures:	□ □ □			
Morgan Creek Greenway Ph1	\$477,154	\$1,742,500	\$1,265,346	
S Greensboro St Sidewalk	\$266,245	\$2,862,262	\$2,596,017	
Jones Creek Greenway	\$180,356	\$850,250	\$669,894	
Sidewalk Repairs	\$249,470	\$250,000	\$0	
Projects Closed in 2022	\$2,987,455	\$0		
Capital Expense Reserve	-	\$85	\$0	
Total Expenditures	\$4,160,680	\$5,705,097	\$4,531,257	-26%

FACILITIES REHABILITATION FUND

On November 12, 2019, the Board of Aldermen authorized the establishment of a Facilities Rehabilitation Fund. The purpose of this Fund is to repair and rehabilitate existing Town Facilities. No new construction is permitted under this Fund.

BUDGET SUMMARY – FACILITIES REHABILITATION FUND

	Life-to-Date Actuals	Adopted Budget FY2022-23	Adopted Budget FY2023-24	FY23to FY24 Percent Change
Revenues:				
Interest Earnings	\$13,464	\$4,277		
Transfer from General Fund	\$1,000,000	\$558,576	\$458,597	
Total Revenues	\$1,013,464	\$562,853	\$458,597	-22.7%
Expenditures:				
Projects Closed in 2022	\$437,147		-	
Repl Windows & Chiller at Century Ctr	\$104,156	\$562,753	\$458,597	
Capital Expense Reserve	\$0	#	\$0	
Total Expenditures	\$541,303	\$562,753	\$458,597	-22.7%

CAPITAL RESERVE

The Town has established a capital reserve fund to set aside funds for specific future capital projects. The Town has set aside funds for the following.

Street Resurfacing – In past years, the Town has set aside reserves for street resurfacing.

Future Debt Service – The Town has set aside reserves in anticipation of debt to be issued in the future for facility improvements.

BUDGET SUMMARY - CAPITAL RESERVE FUND

	Life-to-Date Actuals	Adopted Budget FY2022-23	Adopted Budget FY2023-24	FY23to FY24 Percent Change
Revenues:				
Interest Earnings	\$7,874	\$100	\$7,874	
Other Financing Sources	\$560,158	-	\$560,158	
Total Revenues	\$568,032	\$100	\$568,032	567932.0%
Expenditures:				
Future Debt Service	\$568,032	\$100	\$568,032	
Total Expenditures	\$568,032	\$100	\$568,032	567932.0%

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.

BUDGET SUMMARY – PAYMENT IN LIEU RESERVE

Revenues:	Life-to-Date Actuals	Adopted Budget FY2022-23	Adopted Budget FY2023-24	FY23to FY24 Percent Change
Interest Earnings	\$2,929	\$100	\$110	
Payment in Lieu	\$149,780	-	-	
Total Revenues	\$152,709	\$100	\$110	10.0%
Expenditures:				
Reserves	\$152,709	\$100	\$110	
Total Expenditures	\$152,709	\$100	\$110	10.0%

Reserves authorized for the following purposes:	
Description	Amount
Sidewalk: Harlan Group	\$3,062
Sidewalk: Wilson Park Dev	\$5,180
South Sector	\$16,530
Central Sector	\$6,729
Downtown - Undesignated	\$89,569
North Sector	\$2,442
Unreserved	\$29,197
Total	\$152,709

STORMWATER UTILITY

3 FTEs

Stormwater Utility Manager (1 FTE)
Stormwater Specialist (1 FTE)
Stormwater Administrator (1 FTE)

PURPOSE

The Stormwater Utility's mission is to improve and enhance local ecosystems and maximize quality of life/place and resiliency in relation to rainfall and runoff.

STRATEGIC PRIORITIES & DELIVERABLES

- Neighborhoods that suffer from flooding and erosion; Incentive for businesses and households. New policy, program incentive, revenue recommendations;
- Bring retrofit playbook for consideration. New “StormwaterToolbox” focusing on nature-based stormwater solutions.
- Include 5-year action plan for above priorities. Implementation will require new revenue, e.g., a rate increase.

GOALS

- To deliver excellent service in a timely and responsive manner, ensuring effective and efficient use of financial, human, and physical resources.
- To manage a well-balanced public infrastructure.
- To serve as a community catalyst for the expansion of nature-based stormwater solutions.

SERVICES PROVIDED & ACTIVITIES

- Revenue: administer Stormwater Utility Enterprise Fund; pursue additional/other revenue streams,
- Staff support for the Stormwater Advisory Commission
- Program coordination-interdepartmental, local/community, state, federal
- Regulatory compliance and activities (Townwide permit-six management measures; Public Works facility permit)
- Stormwater Control Measure maintenance and inspections
- Stream/benthic, hydrologic, and illicit discharge monitoring
- Stormwater infrastructure asset management/condition assessment
- Supporting the community in creating resilience in the face of a changing precipitation regime due to climate change (more frequent intense storms), within certain constraints

PREVIOUS YEAR ACCOMPLISHMENTS

- Completed preliminary engineering and related work for EPA 319 grant funded project for regenerative stormwater conveyance installation.
- Completed construction for improved stormwater conveyance-High Street
- Initiated stormwater infrastructure condition assessment.
- Followed up on RainReady study; completed Residential Assessment Pilot Project.
- Pursued expanded service delivery for Stormwater Control Measure maintenance and inspection activities.
- Provided staff support to the Stormwater Advisory Commission

- Provided regulatory support for NPDES permits (Town and Public Works), stormwater related development review.
- Improved and expanded community outreach and engagement. Coordinated with other staff and community partners.
- Administered Stormwater Enterprise Fund

UPCOMING FISCAL YEAR OBJECTIVES

- Maintain all existing services.
- Review and update rate structure.
- Pursue above strategic priorities and deliverables.
- Pursue follow up from Residential Assessment Pilot Project
- Continue with infrastructure condition assessment; program Stormwater Capital Improvement Projects.
- Complete construction and associated workshops and community outreach for 319 Grant project

**NEW STORMWATER PROGRAM ANNUAL PERFORMANCE METRICS
WITH A FOCUS ON IMPROVEMENTS, COMMUNITY PARTICIPATION AND
SCMS**

	Subdivided in Tracking		
1. Improvement Projects (#)	Stormwater	Stream	Riparian
1a. Improvement (linear feet)	Stream	Stormwater Conveyance (Green)	Stormwater Conveyance (Grey)
1b. Improvement (acres)	Developed area	Impervious area	Riparian Area
2. Project participants (#)	Neighborhoods	Organizations	Individuals
3. Improvement project funds (\$)	Enterprise Fund	Federal/State	Other
4. Stormwater Control Measures (#)	Regulated SCMs	New Town SCM Retrofits	New Other SCM Retrofits

The above metrics are intended for inclusion in the annual operating budget and to provide important indicators of specific annual accomplishments and goals with a focus on active and planned improvements. The Stormwater Program tracks other performance metrics as part of regulatory permits, workflow and asset management, grants, and other program activities.

Definitions

Developed Area – An area of land that has been modified from a natural condition. Includes areas with buildings, transportation infrastructure, lawns, and other types of development. The area tracked is the area treated by an SCM.

Enterprise Fund - Carrboro’s Stormwater Enterprise Fund which funds Stormwater Program operations and projects.

Impervious Area – Land area upon which rainfall is not able to infiltrate. The area tracked is the area treated by an SCM.

Improvement Project – A funded and active project during the FY and pursued with the intention of improving stormwater management and conveyance and/or enhancing streams and/or riparian areas.

Other \$ -All other \$ from sources besides Carrboro’s Stormwater Enterprises Fund or Federal/State agencies.

Neighborhood – A single family residential area that may or may not have a Homeowners Association.

Organization - An organization besides a neighborhood/HOA (other government/agency, business, nonprofit) participating in an improvement project. Does not include organizations under contract to the Town.

Participant – An organization or resident collaborating with staff to consider, plan for or complete an improvement project. Does not include organizations under contract or providing funding to the Town.

Retrofit – A type of stormwater improvement pursued retrospectively rather than during the original development.

Riparian Area – A low lying area that defines the interface between uplands and surface waters and serves as a buffer.

Riparian Project – A project intended to enhance or restore the riparian area via creation of diffuse flow through the buffer and/or establishment of native vegetation.

Stream Project – refers to an enhancement (bank stabilization or more involved restoration) project for a jurisdictional (intermittent or perennial; federal/state regulated) or Town regulated ephemeral stream.

Stormwater Project - A project focused on better managing stormwater runoff. Note that stormwater is defined as the immediate runoff associated with upland developed areas and stormwater projects are distinct from stream, riparian, and flood mitigation projects.

Stormwater Control Measure (SCM) – A stormwater management measure as defined by NCDEQ.

Stormwater Control Measure: Regulated (SCM) – An SCM regulated by the Town as part of a land use permit.

Stormwater Conveyance - Pipes and ditches (grey); regenerative conveyances and bioswales (green)

**STORMWATER PROGRAM ANNUAL PERFORMANCE METRICS
WITH A FOCUS ON IMPROVEMENTS, COMMUNITY PARTICIPATION AND
SCMS
(FY23 | FY24)**

1. Improvement Projects (#)	Stormwater		Stream		Riparian	
	4 (a)	4 (b)	0	0	0	0
1a. Improvement (linear feet)	Stream		Stormwater Conveyance (Green)		Stormwater Conveyance (Grey)	
	0	0	800 (c)	800 (c)	350 (d)	500 (e)
1b. Improvement (acres)	Developed area		Impervious area		Riparian Area	
	18 (c)	20 (f)	4.5 (c)	5 (f)	0	0
2. Participants (#)	Neighborhoods		Organizations		Individuals	
	1 (g)	1 (g)	6 (h)	6 (h)	63 (i)	TBD
3. Improvement project funds (\$)	Enterprise Fund		Federal/State		Other	
	\$85k (j)	\$250k (k)	\$36k (l)	\$174k (m)	\$30k (n)	\$58k (o)
4. Stormwater Control Measures (#)	Regulated SCMs		New Town SCM Retrofits		New Other SCM Retrofits	
	169	180	0	1 (o)	2 (c)	2 (c)

Notes

- a. High Street improvements; 319 grant-Bolin Forest (2); Residential Assessment Pilot Project (50 properties)
- b. 319 grant (cont); 203 Project; Fire Station #1
- c. 319 grant
- d. High Street (construction)
- e. 203 Project, Fidelity Street (construction)
- f. 319 grant; Fire Station #1
- g. Bolin Forest (includes 3 HOAs) as part of 319 project
- h. 319 grant partners (Orange County; OWASA; NC Cooperative Extension; Friends of Bolin Creek; UNC EcoStudio); Haw River Assembly
- i. 13 residential properties as part of the 319 project and 50 as part of the Residential Assessment Pilot Project

- j. High St. Project
- k. 203 Project, Fire Station #1/Fidelity St. (prelim. \$ estimate; Powell Bill funding [m] for r-o-w construction)
- l. Preliminary engineering costs, 319 project
- m. Constructions costs, 319 project; Powell Bill for Fidelity St.
- n. 319 grant match-preliminary engineering (FY23); construction (FY24). From all project partners, cash and in-kind.
- o. Fire Station #1 bioretention

BUDGET SUMMARY – STORMWATER

Department	FY 2023	FY 2024
STORMWATER	Adopted	Adopted
Personnel Exp	\$348,433	\$348,433
Operating Exp	\$388,168	\$399,813
Transfers	\$345,000	\$314,500
TOTAL	\$1,081,601	\$1,062,746

PARKING ENTERPRISE

PURPOSE

The Parking Enterprise Fund was established in FY 2021 to track all parking related expenses for the growing needs of parking facilities in the Town. The Town Council has requested a parking study to consider the implementation of parking fees for various parking facilities. The Parking Enterprise Fund will be funded with a transfer from the General Fund, until such time that the Fund can generate its own revenue source.

BUDGET SUMMARY – PARKING ENTERPRISE

Department	FY 2023	FY 2024
Parking		
Enterprise	Adopted	Adopted
Personnel Exp	\$2,000	\$2,000
Operating Exp	\$141,190	\$139,000
TOTAL	\$143,190	\$141,000

Financial Trends-Past, Present & 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 on solid economic footing. The Town currently holds a credit rating of AAA with Standard and Poor's and Moody's Aa1. These are considered very favorable ratings, particularly for municipalities like 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.

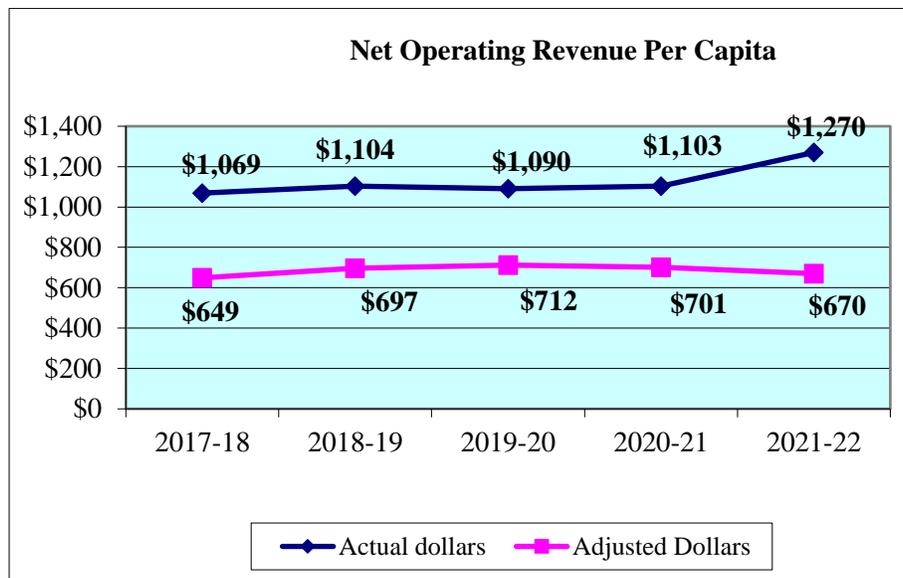
Included with every indicator is a description of the indicator, a table and graphical representation of the trend over the fiscal years for which we have audited budget reports, and an explanation of the implications of that trend for the government and residents of the Town. All the financial figures 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 (Grant Funds and Revolving Loan Funds). 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	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Net Operating Revenue (adjusted)	\$13,541,892	\$14,704,481	\$15,092,938	\$14,922,348	\$14,266,468	\$14,950,202
Population	20,867	21,099	21,200	21,295	21,295	21,295
Net Operating Revenue Per Capita (adjusted)	\$649	\$697	\$712	\$701	\$670	\$702

Warning Trend: Operating revenues per capita trending less than Expenses 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.

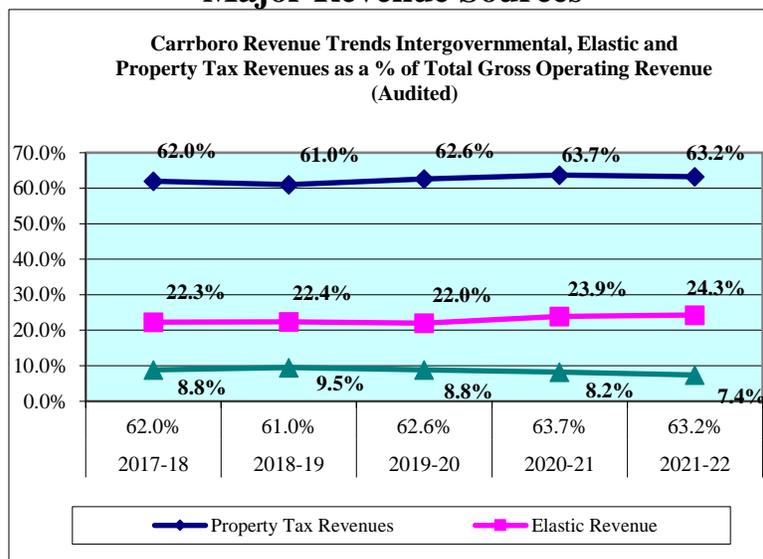
Discussion

In real terms (adjusted for inflation), revenues per capita in Carrboro have remained constant since FY2017. The following chart shows distinct revenue trends as reflected in the Town’s audit reports.

Revenue Source	2022 Revenue Adjusted for Inflation	2017 Revenue Adjusted for Inflation	% Change in Revenue Since 2017	2022 per capita	2017 per capita	% Change Since 2017 (per capita)
Ad valorem taxes	\$ 9,428,682.29	\$ 7,586,127.37	24.3%	\$ 443	\$ 364	21.7%
Local option sales taxes	\$ 3,896,332.28	\$ 2,801,090.63	39.1%	\$ 183	\$ 134	36.6%
Other taxes and licenses	\$ 1,048,251.76	\$ 1,032,052.34	1.6%	\$ 49	\$ 49	0.0%
Intergovernmental revenues	\$ 875,629.71	\$ 1,060,790.25	-17.5%	\$ 41	\$ 51	-19.6%
Permits and fees	\$ 684,398.23	\$ 758,895.19	-9.8%	\$ 32	\$ 36	-11.1%
Sales and services	\$ 137,915.96	\$ 182,370.12	-24.4%	\$ 6	\$ 9	-33.3%
Investment earnings	\$ 20,742.65	\$ 37,678.87	-44.9%	\$ 1	\$ 2	-50.0%
Other	\$ 269,844.55	\$ 82,887.07	225.6%	\$ 13	\$ 24	-46.9%
Total revenues by source	\$ 16,361,797.43	\$13,541,891.84	20.8%	\$ 768	\$ 669	14.7%

Having a significant impact on the revenue stream is the property tax and sales taxes revenue per capita, representing approximately 80% of the total revenue per capita in 2022. 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 and Services revenues had the most significant decrease.

Major Revenue Sources



Revenues	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Property Tax	\$13,143,645	\$14,276,093	\$14,587,583	\$14,831,028	\$15,247,066	\$17,429,778
Elastic Revenue	\$4,654,349	\$5,127,457	\$5,362,465	\$5,200,981	\$5,732,912	\$6,711,406
Intergovernmental Revenue	\$2,042,392	\$2,030,130	\$2,266,614	\$2,088,216	\$1,974,448	\$2,052,335
Total Revenue	\$19,840,386	\$21,433,680	\$22,216,662	\$22,120,225	\$22,954,426	\$26,193,519

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.

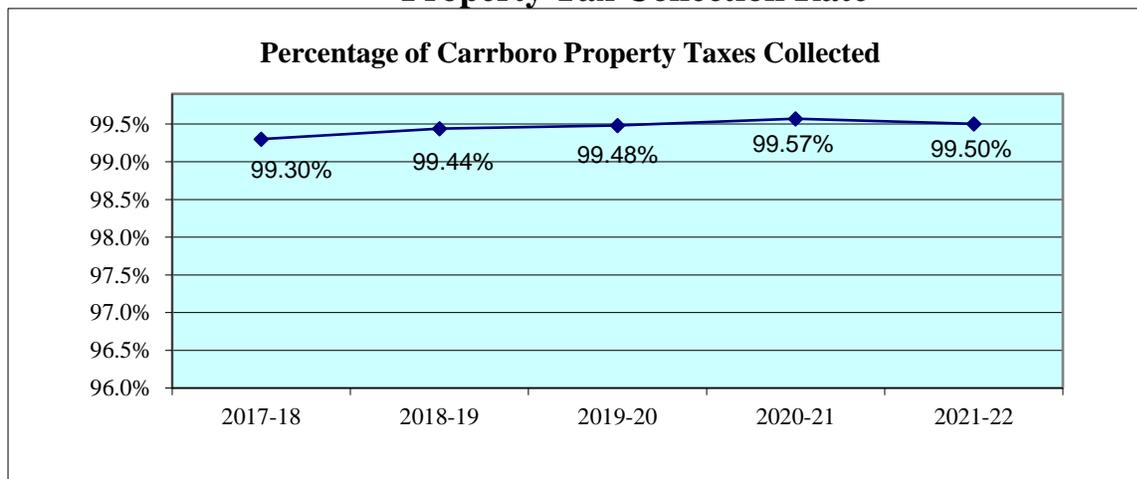
Discussion

As a percentage of total gross operating revenue, all revenues have remained stable. Property tax increased by 13%, elastic revenues increased by 15%, and intergovernmental revenues decreased by 4%.

Intergovernmental revenue, as a share of the revenue stream in FY21-22 increased from FY. 20-21 mainly due to increases in the state tax and grants.

Elastic revenue had an increase in sales tax, but a decrease in interest earnings, while overall permit categories remained steady.

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

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.

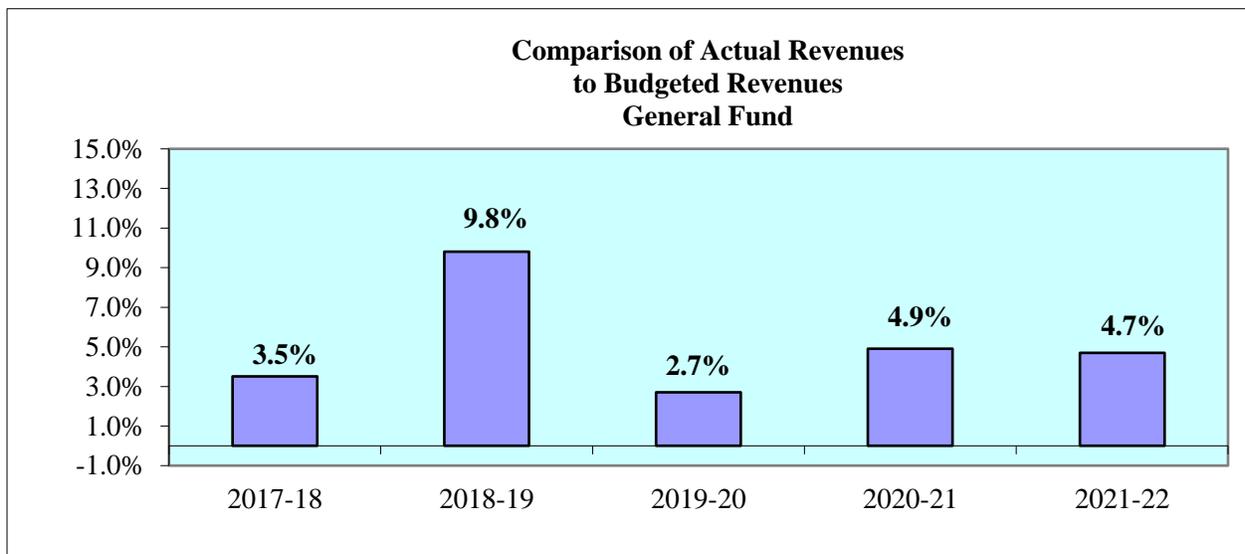
Discussion

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, has a positive collection rate for the Town’s property tax base. Collections were 99.50% in FY2021-22.

Tax Collection Rates in Carrboro and Neighboring Cities

	2017-18	2018-19	2019-20	2020-21	2021-22
Carrboro	99.30%	99.44%	99.48%	99.57%	99.50%
Chapel Hill	99.66%	99.51%	99.58%	99.63%	99.71%
Durham	99.84%	99.67%	99.28%	99.46%	99.46%
Hillsborough	99.13%	99.24%	99.18%	99.18%	99.18%

Comparison of Actual Revenues to Budgeted Revenues



	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Budgeted Operating Revenue	\$21,430,027	\$22,271,483	\$21,774,331	\$23,076,255	\$22,823,532	\$26,342,330
Actual Operating Revenue	\$21,495,739	\$23,040,640	\$23,899,184	\$23,692,807	\$23,950,581	\$27,591,634
Revenue Variance	\$65,712	\$769,157	\$2,124,853	\$616,552	\$1,127,049	\$1,249,304
Revenue Budgeted Operating Revenues	0.3%	3.5%	9.8%	2.7%	4.9%	4.7%

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

Formula: Revenue Variance/Budgeted Operating Revenues

Description

This indicator examines the differences between revenue estimates and revenues actually received during the fiscal year. Major discrepancies that continue year after year can indicate a declining economy, inefficient collection procedures; changes in the law, or inaccurate estimating techniques. One of the criteria reviewed by Standard and Poor's for the quality of financial management in a local government is financial results compared against original expectations. Variances between budget and actual results are indicative of management's financial planning capabilities over time. The Town aims to have variances exceeding budgeted estimates no larger than 3-5 percent and seeks to avoid shortfalls to maintain the Town's fiscal health as surplus is one critical component of maintaining or improving fund balance levels.

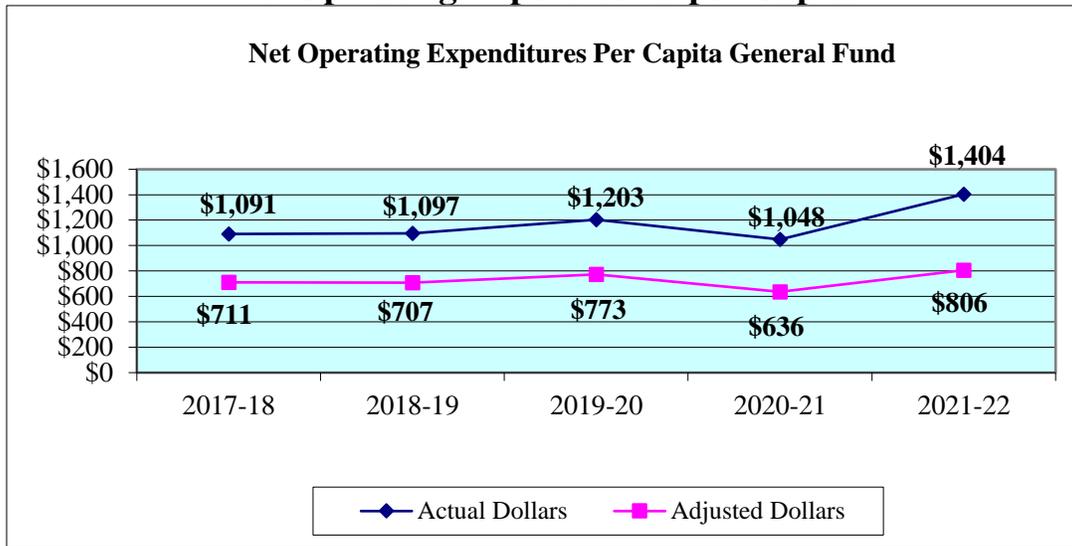
Discussion

The variances in the graph indicate the Town's conservative approach to estimating revenues. In FY 16-17, main increases included unrestricted intergovernmental revenues (\$36,535), sales tax (\$240,329), and other taxes and licenses (\$220,033). In FY 17-18, the main increases were property taxes (\$192,304), sales tax (\$539,434), unrestricted intergovernmental revenues (\$186,557), permits and fees (\$197,457), and investment earnings (\$108,401). In FY 18-19, the main increases were property taxes (\$1,167,866), sales tax (\$404,700), and investment earnings (\$151,037). In FY 19-20, the main increases were property taxes (\$296,803), sales tax (\$123,229), and other revenues (\$210,652). In FY 20-21, the main increases were property taxes (\$176,854), sales tax (\$695,247), and other taxes and licenses (\$101,049). In FY 21-22, the main increases were property taxes (\$2,075,130), sales tax (\$948,913), and other taxes and licenses (\$89,345).

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 consider how effective the services are or how efficiently they are delivered.

Net Operating Expenditures per Capita



	2017-18	2018-19	2019-20	2020-21	2021-22
Net Operating Expenditures (Adjusted)	\$15,010,066	\$14,985,882	\$16,460,119	\$13,547,509	\$17,162,161
Population	21,099	21,200	21,295	21,295	21,295

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.

Discussion

When adjusted for the combined impact of inflation and population, per capita spending increased from \$711 in FY17-18 to \$806 in FY 21-22, or 12%.

Over the past five years, expenditures per capita have fluctuated. The following highlights variations in fiscal years presented in the graph:

FY 2016-17 - Per capita expenditures increased \$11 from the previous year due to change in population.

FY 2017-18 - Per capita expenditures increased \$29 from the previous year primarily due to transfers to the capital fund for capital projects.

FY 2018-19 - Per capita expenditures decreased \$4 from the previous year primarily due to a reduction of transfers to the capital fund for capital projects, and decreases in capital outlay.

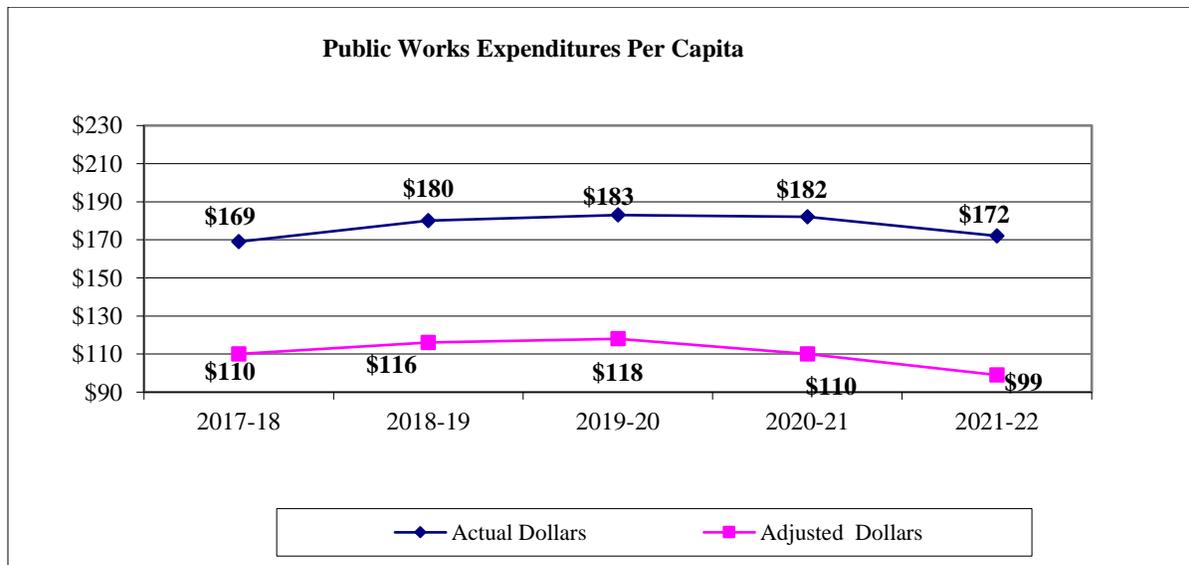
FY 2019-20 - Per capita expenditures increased \$66 from the previous year primarily due to a \$1.8M increase in transfers to the capital fund for capital projects, and expenditures related to the corona pandemic that started in March 2020.

FY 2020-21 - Per capita expenditures decreased \$137 due to effects of the corona pandemic and economic factors that resulted in higher than usual inflation.

FY 2021-22- Per capita expenditures increased \$170 due to effects of higher than usual inflation nationally.

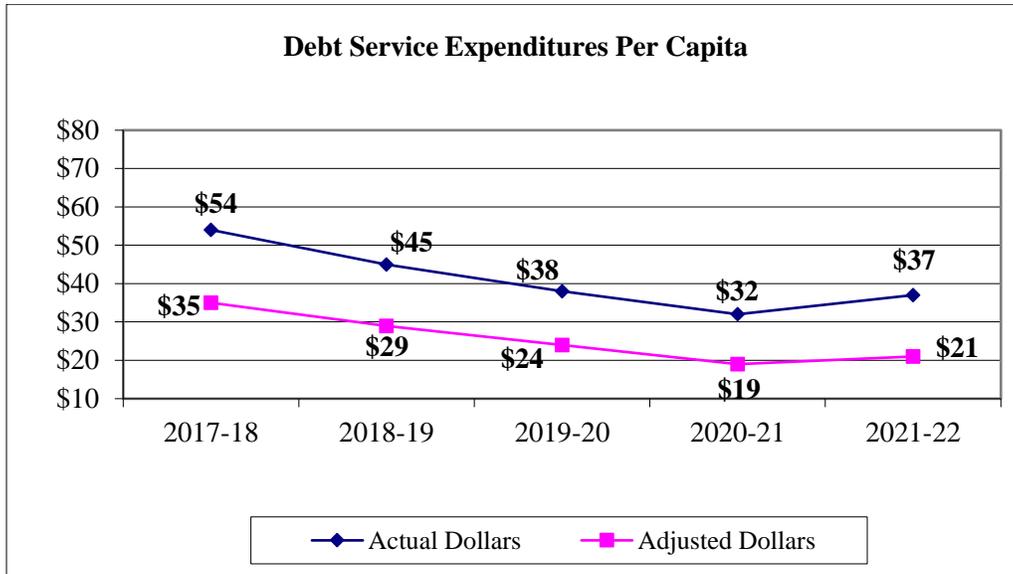
Changes in net operating per capita expenditures can be explained by highlighting events that have contributed to changes in expenditure levels. The following section looks at the various components of expenditures and service levels.

Public Works Expenditures per Capita



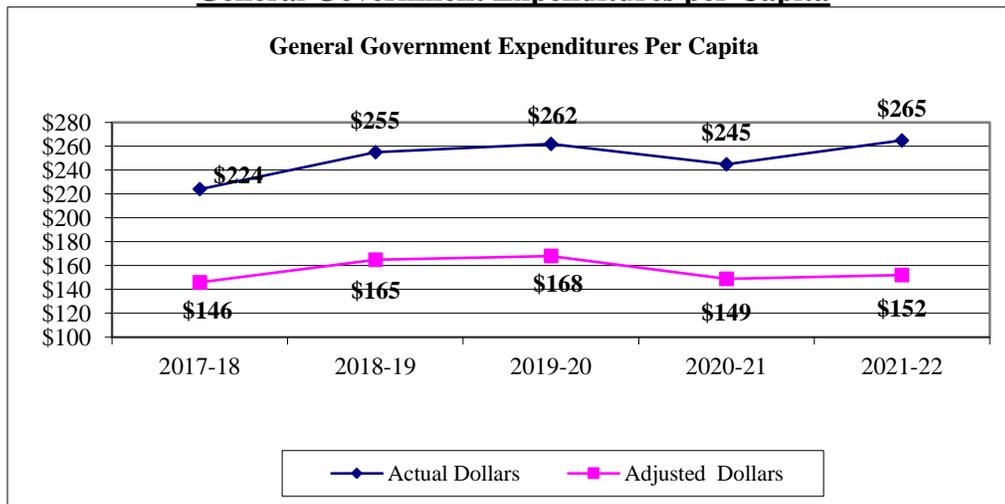
In inflation-adjusted dollars, Carrboro’s per capita expenditures on public works have varied. The variability of public works spending is related to ongoing capital and maintenance needs including street maintenance, stormwater system repairs, and responding to major natural disasters. The decrease in FY 16-17 is due to vacant personnel positions. The uptick in FY 17-18 is due to an increase in street resurfacing costs, while the increase in FY 18-19 and FY 19-20 was related to personnel costs. The decrease in FY 21-22 was due to lower personnel costs and vacant positions.

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.

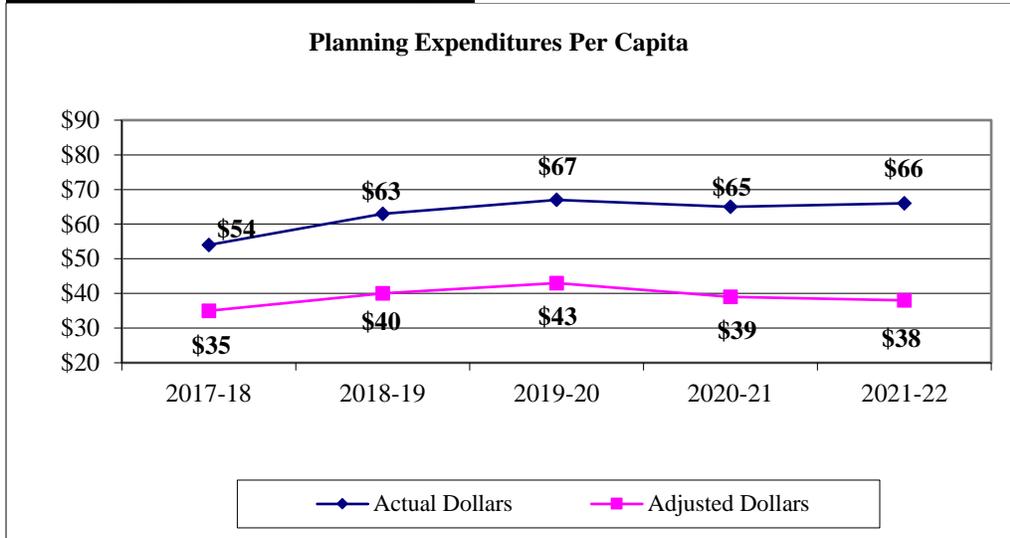
General Government Expenditures per Capita



The Town continues to maintain regular replacement of technology infrastructure, support wireless technology, and implement mobile laptop technology in police cars. In FY 17-18, the combination of an increase in population and a larger deflator rate caused a slight decrease in the per capita amount for adjusted dollars. The increase in FY 18-19 was primarily due to increased staffing and

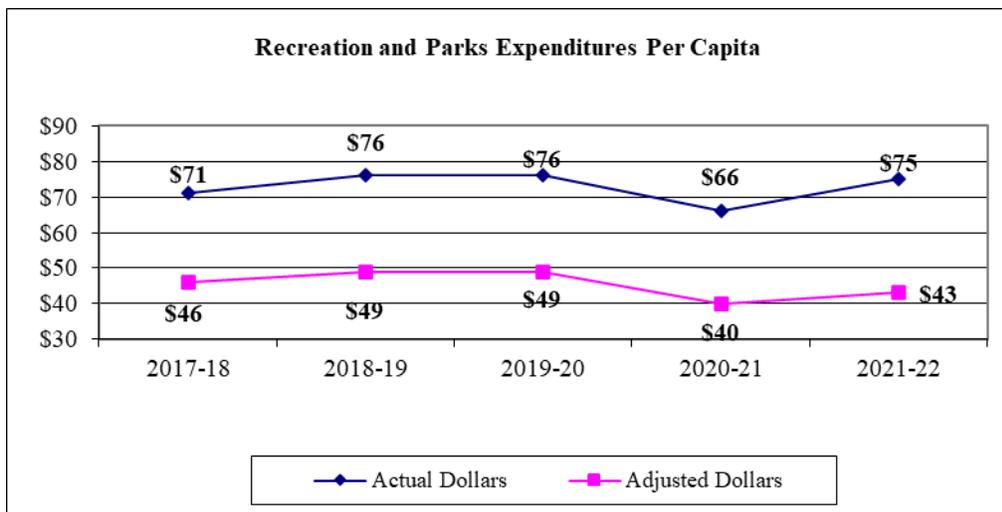
personnel costs. The increase in FY 19-20 was related to additional IT equipment and personnel costs. The decrease in FY 20-21 was related to zero salary adjustments and higher than usual inflation rate. The increase in FY 21-22 was related to increased inflationary operational costs.

Planning Expenditures Per Capita



The FY 2016-17 decrease is due to a decrease in engineering services. The FY 2017-18 decrease is the result of vacant positions and a decrease in engineering and contractual services. The increases in FY 18-19 and FY 19-20 are primarily due to personnel costs. The decrease in FY 20-21 was related to zero salary adjustments and higher than usual inflation rate.

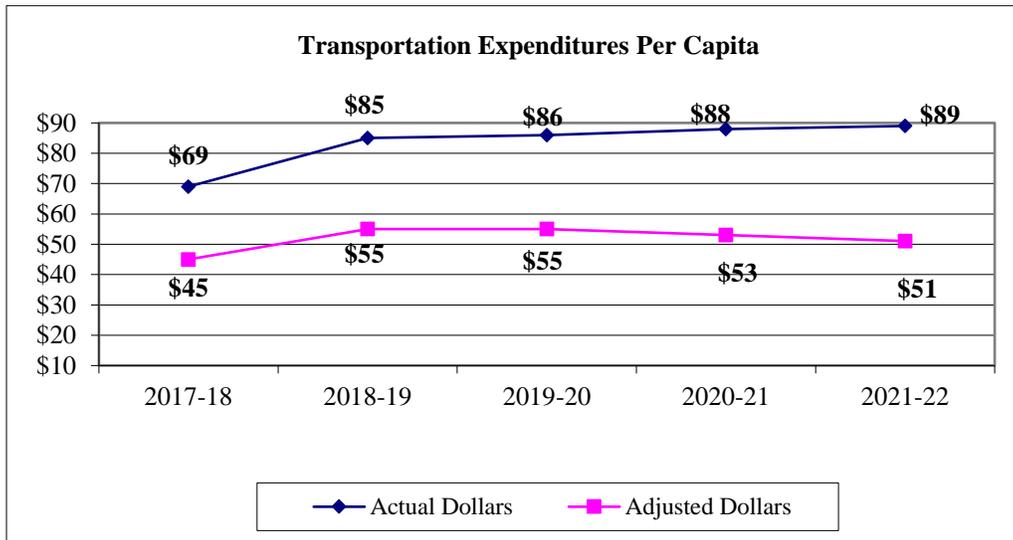
Recreation and Parks Expenditures per Capita



Per capita expenditures adjusted for inflation, have fluctuated over the past 5 years due to the completion of several capital projects and addition of special programs and events.

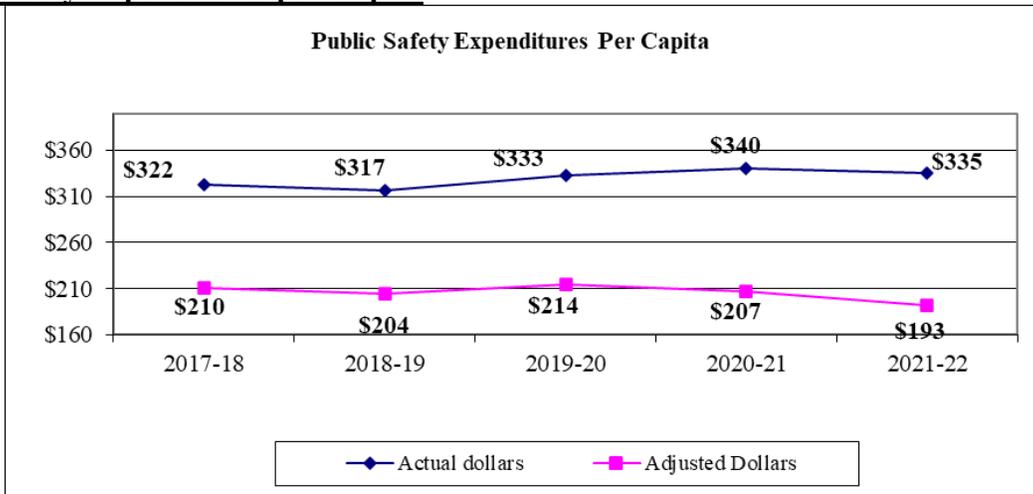
FY 2016-17 per capita decrease is due to the completion of Anderson Park projects. FY 2017-18 remained constant. The increases in FY 2018-19 and FY 2019-20 are primarily due to personnel costs. The decrease in FY 20-21 was related to zero salary adjustments, less programs offered due to the pandemic, and higher than usual inflation rate. The increase in FY 21-22 salary adjustments, and higher than usual inflation rate and increase in programs post pandemic.

Transportation Expenditures Per Capita



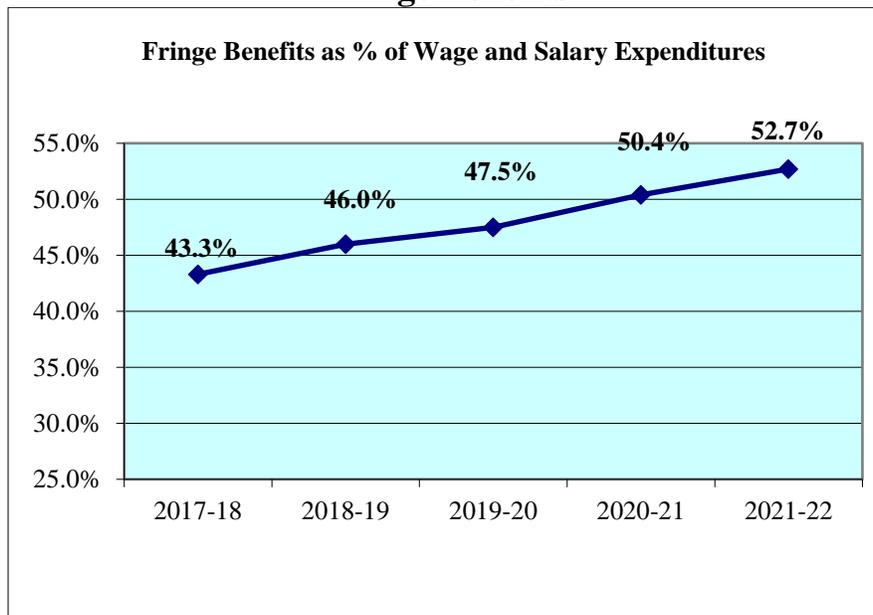
The Town and UNC-Chapel Hill are partners in the transit system administered by the Town of Chapel Hill. The decrease in per capita costs in FY 2016-17 is due to revised calculation of the bus replacements. FY 2017-18 remained at previous year levels because a new contract had not yet been negotiated until FY19, which explains that year’s increase. The increases are primarily due to decreased state and federal pass-through funds that supported the transit, which affected the local match. With a grant and local funds, Shared Ride Feeder services were enabled in areas of Carrboro that do not have regular bus service. Trips are provided between designated bus stops in the “feeder” zones and the nearest bus routes or to another “feeder” service. This service extends largely to the northern areas of town. The increase in FY 2019-20 was the result of a slight increase in the new contract. The decrease in FY 2020-21 was due to a higher than usual inflation rate.

Public Safety Expenditures per Capita



The FY 2016-17 per capita costs increased due to personnel costs. FY 2017-18 figures decreased primarily due to an increase in population. FY 2018-19 decreased because of less capital outlay and unfilled staffing positions. The FY 2019-20 increase was related to personnel costs. The decrease in FY 20-21 was related to zero salary adjustments and higher than usual inflation rate. The decrease in FY. 21-22 was related to high inflation within economy.

Fringe Benefits



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

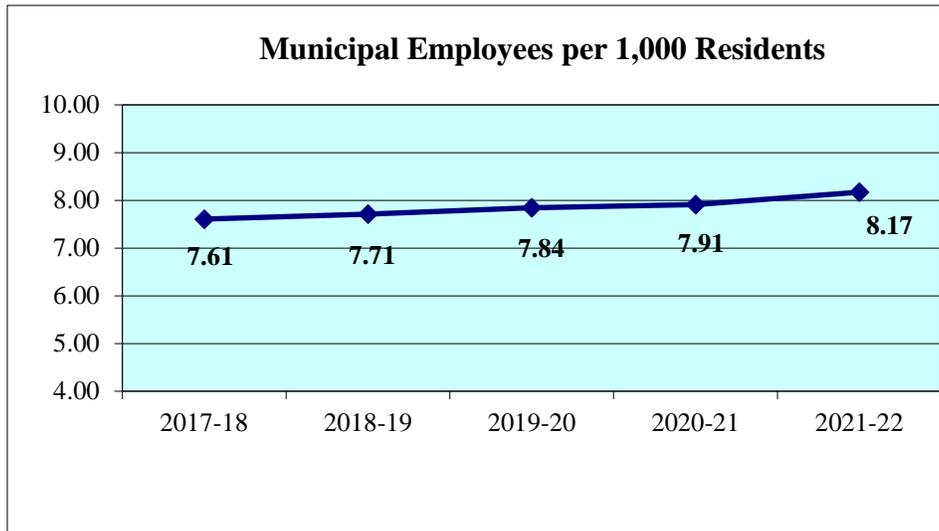
Description

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 risen from FY17-18 to FY 21-22. The increase in fringe benefits is largely due to double-digit percent increases in 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; an increase in retiring police officers who are eligible for a separation allowance benefit; additional positions in departments, and an increase in the Town’s contribution to the State Retirement Fund.

Municipal Employees per 1,000 Residents



	2017-18	2018-19	2019-20	2020-21	2021-22
Population	21,099	21,200	21,295	21,295	21,295
Number of municipal employees approved	160.5	163.5	167	168.5	174

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 changes in FY 17-18 through FY 21-22 are based on the combination of population and personnel changes.

Work Force Totals - Permanent Full-time Equivalent

Department	FY 2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Mayor & Council										
Town Manager	5.0	3.0	3.0	3.0	3.0	4.0	4.0	2.0	1.0	5.0
Economic Development	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.0	1.0	1.0
Climate Action								1.0	2.0	2.0
Communications									1.5	2.0
Housing & Community Svcs								2.5	3.0	3.0
Town Clerk	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Finance	6.5	6.5	7.0	6.0	6.0	8.0	8.0	8.0	7.0	7.0
Human Resources	2.0	2.0	2.0	3.0	3.0	2.0	2.0	2.0	3.0	3.0
Information Technology		3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0
Police	41.5	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0
Fire	36.5	37.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0	37.0
Planning	14.0	14.0	13.5	13.5	14.5	14.5	15.5	14.5	14.5	14.5
Public Works	35.0	35.0	35.0	36.0	35.0	35.0	37.0	37.0	35.0	35.0
Recreation, Parks, & Culture	12.5	12.5	13.0	13.0	13.0	13.0	13.5	13.5	13.5	13.5
General Fund Totals	156.0	158.0	158.5	159.5	159.5	161.5	165.0	165.0	166.0	170.5
Stormwater Enterprise					1.0	2.0	2.0	3.5	3.5	3.5
Grand Totals	156.0	158.0	158.5	159.5	160.5	163.5	167.0	168.5	169.5	174.0

Description of Position Changes

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.

FY13-14 – Part-time position moved from Mayor and Town Council to Town Clerk, eliminated the Animal Control Officer position and added a Solid Waste Operator in Public Works.

FY14-15 – Convert one part-time position in Police Department and one part-time position Fire Department to full-time. Add Assistant to Town Manager position. Move Information Technology from a division within the Manager’s office to a department.

FY15-16 - Two part-time administrative positions (one in Finance; and one in Recreation and Parks) will be converted to full-time. A full-time position in Planning has been converted to a part-time GIS position.

FY16-17 – Program Support Assistant II position transferred from Finance to Human Resources as Human Resources Representative. A Capital Projects Manager position was added to Public Works.

FY17-18 – Capital Projects Manager position added to Public Works in the previous year is being combined with the Engineering Tech position. Added a new Stormwater Utility Manager to Public Works. Planning Department will add an additional Planner position.

FY18-19 – Added a Communications Manager to Town Manager; an Accounting Tech/Receptionist and Management Specialist to Finance, and a Stormwater Specialist to the Stormwater Utility Fund. Deleted Human Resources Representative in Human Resources.

FY19-20 – Add an Associate Planner in Planning; add a Groundskeeper I and an Engineering Technician in Public Works; and change a permanent part-time Program Support Assistant I to a full-time Program Support Assistant II in Recreation and Parks.

FY20-21 – Convert Project Manager position (in Town Manager) to Housing & Community Service (HSC) Director. Move Management Assistant (in Town Manager) and PSA2 (in Econ Dev) to HSC. Move Environmental Sustainability Coordinator (in Planning) to Town Manager. The Planner position in Planning is not funded for FY21. Add a Stormwater Administrator position and a half time Stormwater GIS Technician position to the Stormwater Utility Fund...listed under Public Works in the chart above.

FY21-22 – Changes in personnel include creating a Communication & Engagement Department and promoting the Communications Manager to the Communication & Engagement Director and hiring a half time Communication & Engagement Specialist, adding an Environmental Planner to the Climate Action Division, adding an IT Support Engineer to the IT Department, moving the Safety Officer from the Finance Department to the Human Resources Department, and increasing the half time Program Support Assistant II, in the Housing & Community Services Department, to fulltime. In FY21, the Public Works Department completed a reorganization which combined the Streets Division and the Landscaping Division into one Streets and Grounds Division, which eliminated two unfilled positions.

FY22-23 – Changes in personnel include adding four positions to the Town Manager’s Department including an Assistant Town Manager, an Assistant to the Town Manager, a Chief Race & Equity Officer, and a Race & Equity Manager. In the Communications and Engagement Department, the current part-time position will be changed to a full-time position.

Operating Position Indicators

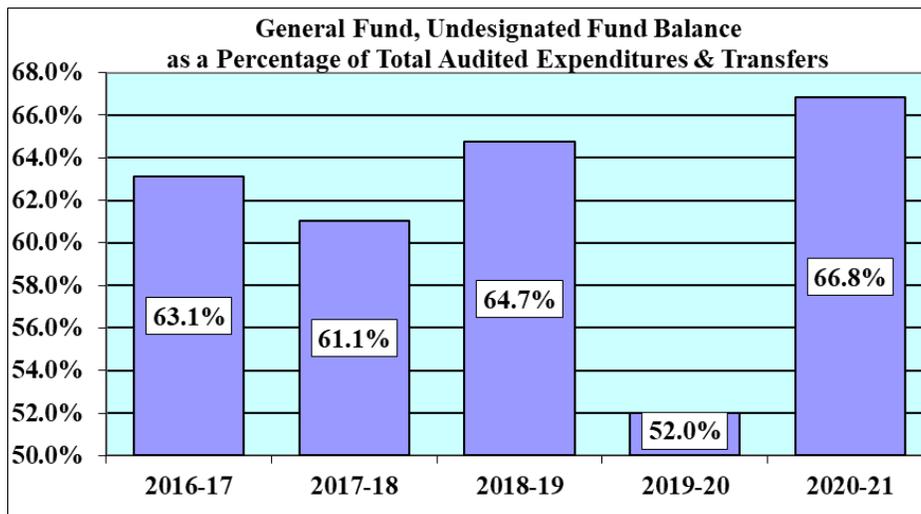
Revenues and Expenditures have a direct impact on a town’s operating position. The term “operating position” refers to a local government’s ability to: (1) balance its budget on a current basis, (2) maintain reserves for emergencies, and (3) have sufficient liquidity to pay its bills on time. The primary 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 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 Town Council 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, 2021), unreserved fund balance that includes designated and undesignated reserves is at 53.53% in Carrboro.



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. 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 Town Council 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 LGC and 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.

Town of Carrboro, North Carolina Computation of Legal Debt Margin June 30, 2022	
Total assessed valuation at June 30, 2022	\$2,823,797,432
Debt limit - eight percent (8%) of assessed value	\$225,903,795
Amount of debt applicable to debt limit - Net Bonded Debt	\$4,504,354
Legal Debt Margin	\$221,399,441

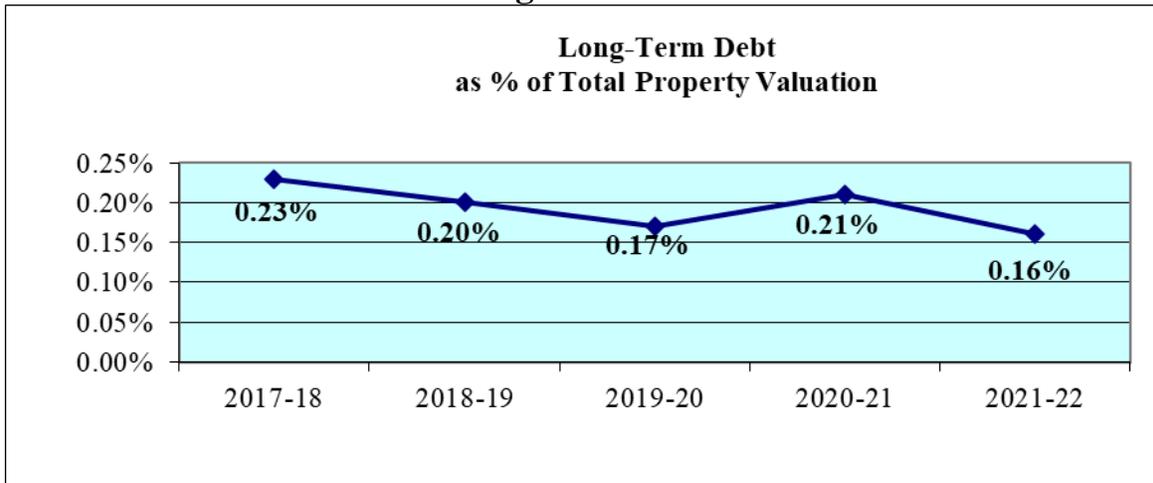
One measure of a unit’s debt capacity is debt expressed in terms of assessed or market valuation. It is important to note, however, the Town’s debt is far below the legal limit in the NC General Statutes (GS 159-55) that limits net debt to eight percent (8%) or less of a local government’s total property valuation. Outstanding debt in most governmental units falls well below this limit, and typically ranges from about 1% to 4% for most governments. The legal margin or the maximum amount of outstanding debt allowable by law, based on the June 30, 2021, audited valuation is \$192,658,816.

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

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

moderate level of debt. In the last audited year, the Town shows that debt expenditures are approximately 3.1% of the total expenditures for the year ending June 30, 2021.

Long-Term Debt



	2017-18	2018-19	2019-20	2020-21	2021-22
Long-Term Debt	\$5,512,730	\$4,688,182	\$3,995,976	\$5,279,585	\$4,504,354
Property Valuation	\$2,360,764,978	\$2,389,985,868	\$2,411,084,066	\$2,474,230,018	\$2,823,797,432
Long-term Debt as % of Property Valuation	0.23%	0.20%	0.17%	0.21%	0.16%

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

Formula: Long-term Debt/Total Property Valuation.

Description

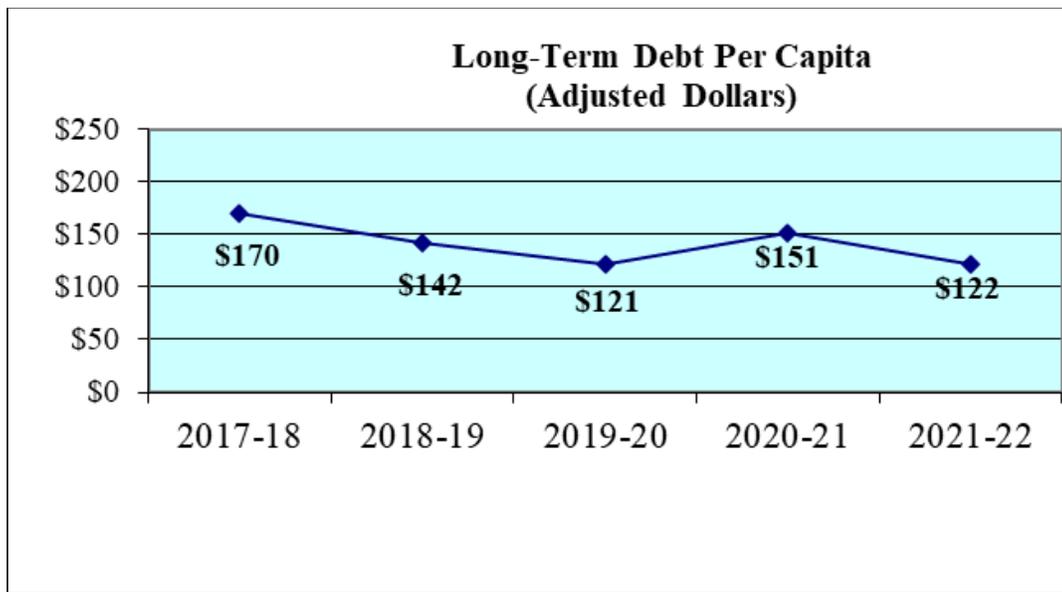
The definition of debt considered by rating agencies is generally limited to bonded debt because this debt is backed by the full faith and credit of the town which is represented by the Town's property valuation. However, given that all debt by the Town is considered a fixed cost and property taxes are 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 FY20-21 was .271 percent; a high level is considered 1.158 percent. The debt-to-assessed valuation ratio for Carrboro in the last audited year was .134 percent, which is below the average valuation for jurisdictions of similar size. The LGC includes authorized but unissued debt in its debt ratio formula. 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 Town debt ratios in the presented graphs are slightly different.

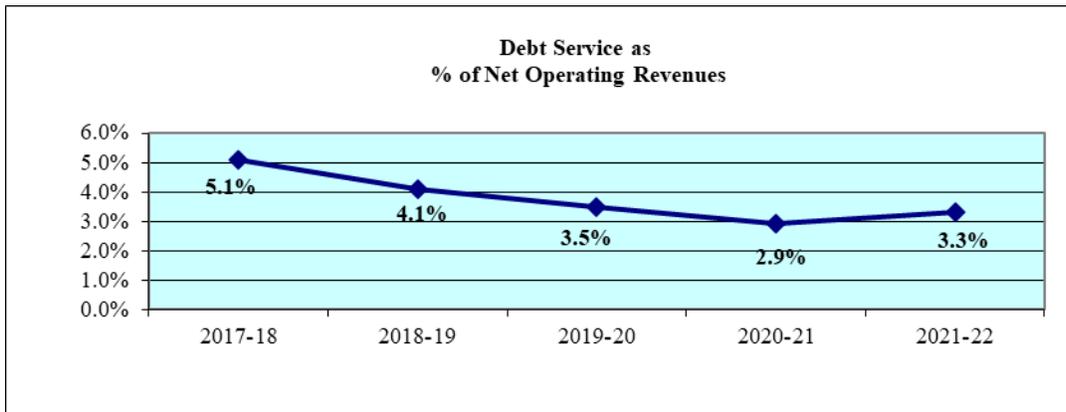
Debt per Capita



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 LGC and is useful for comparison with other similar jurisdictions. The average for comparable jurisdictions in FY20-21 was \$297 per capita; \$2,203 per capita is considered a high ratio. According to the LGC, the Town’s ratio of outstanding general obligation bond debt which includes authorized and unissued general obligation bond debt and installment purchase debt is \$157 per capita. The graph above shows a lower per capita figure that is based on different assumptions than LGC. This figure is adjusted for inflation, relies on actual audited valuation, and does not include authorized but unissued debt. The overall decrease from FY17-18 through FY21-22 is due to lease-purchase of fewer vehicles and equipment and continued principal payments on bonded debt.

Debt Service



	2017-18	2018-19	2019-20	2020-21	2021-22
Debt Service	\$1,140,714	\$951,169	\$802,148	\$683,749	\$888,248
Net Operating Revenue	\$22,558,145	\$23,415,184	\$23,217,681	\$23,494,020	\$27,043,421
Debt Service as % of Net Operating Revenue	5.1%	4.1%	3.5%	2.9%	3.3%

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

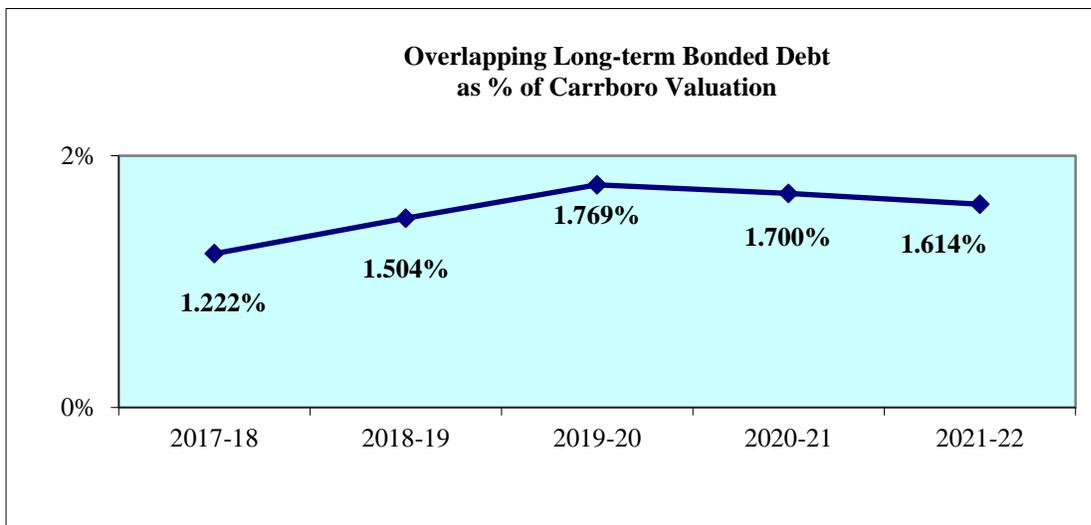
² Evaluating Financial Condition, A Handbook for Local Government,” ICMA, Sanford M. Groves and Maureen Godsey Valente, pp 81

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

The graph shows that debt expenditures are approximately 3.3 percent of net operating revenues in FY21-22. 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%. In January 2013, the Town issued \$4.6 million of general obligation bonds which required principal and interest payment beginning in FY 2013-14.

Overlapping Debt



	2017-18	2018-19	2019-20	2020-21	2021-22
Carrboro Debt	\$3,350,000	\$3,100,000	\$2,850,000	\$2,600,000	\$2,350,000
Orange County Debt	\$25,505,518	\$32,835,150	\$39,808,275	\$39,466,234	\$43,233,007
Total Overlapping Debt	\$28,855,518	\$35,935,150	\$42,658,275	\$42,066,234	\$45,583,007

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 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 its governmental and quasi-governmental jurisdictions.

Discussion

The overlapping debt ratio does not present any warning signs. From FY17-18 to FY21-22 the overlapping debt rate for Orange County increased due to an increase in the Orange County total debt. FY21-22 showed a slight decrease as a result of principal payments and less new debt issued.

Current Town Financial Condition

Future Trends

The Town makes projections about future costs based on the most recent adopted budget and the 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, past trends, and the assumptions outlined within this section.

The model is built with the objective of maintaining undesignated fund balance levels at a minimum of twenty-two and one-half percent (22.5%) of budgeted expenditures. The Town Manager's goal is to keep tax rates at the lowest possible level while continuing to provide a high-quality 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 Town has four sources of recurring revenue: Property Taxes, Local Sales Tax, Other Taxes and Licenses, and Intergovernmental. Property and sales tax revenues are 80% of total revenues. Sales tax revenues in FY21-22 increased considerably the FY22 sales tax revenues were nearly \$900K higher than FY21. We anticipate a 3% growth rate going forward. Fortunately, because of the Town's proximity to Research Triangle Park, UNC-Chapel Hill, and UNC Hospitals, the Town has maintained a steady flow of economic activities.

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 sales tax on electricity, natural piped gas, telecommunications sales tax, and beer and wine sales. The Town occasionally receives 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. The Town's unassigned fund balance exceeds this range, as noted earlier. This reflects a healthy fund balance level above the established policy that may provide options to offset some of the capital costs in future years.

Below is a summary of projected property tax rates and general fund revenues through fiscal year ending June 30, 2027.

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
General Fund	Adopted Budget	Adopted Budget	Projected			
Property Tax Revenues						
Property Valuation	2,710,159,530	2,717,302,115	2,771,648,157	2,827,081,120	2,883,622,742	2,941,295,197
Tax Collection Rate	96.4%	95.2%	95.2%	95.2%	95.2%	95.2%
Collectible Tax Base	2,612,466,508	2,587,095,676	2,638,609,045	2,691,381,226	2,745,208,850	2,800,113,028
Tax Base per \$100 Levy	26,124,665	25,870,957	26,386,090	26,913,812	27,452,089	28,001,130
Ad Valorem Revenue Est.	15,397,878	15,248,342	15,551,961	15,863,001	16,180,261	16,503,866
Tax Levy per Penny	261,247	258,710	263,861	269,138	274,521	280,011
Tax Rate	0.5894	0.5894	0.5894	0.5894	0.5894	0.5894
Current Levy - Ad Valorem	13,969,675	15,248,000	15,551,961	15,863,001	16,180,261	16,503,866
Prior Year Ad Valorem Tax	65,000	60,000	61,200	62,424	63,672	64,945
Penalty/Interest Revenue	28,500	32,000	32,640	33,293	33,959	34,638
Total Ad Valorem Revenues	14,063,175	15,340,000	15,645,801	15,958,718	16,277,892	16,603,449

Note: The above property tax rate does not include the amount devoted to Affordable Housing Fund...see related chart on the following pages. Property tax valuation assumes growth of 2% per year after FY22, which was a revaluation year for property assessed values.

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
General Fund	Adopted Budget	Adopted Budget	Projected			
Revenues						
Ad Valorem Tax	14,063,175	15,340,000	15,645,801	15,958,718	16,277,892	16,603,449
Local Sales Tax	4,895,670	5,419,200	5,581,776	5,749,229	5,921,706	6,099,357
Other Taxes/Licenses	1,457,589	1,652,822	1,685,878	1,719,596	1,753,988	1,789,068
Unrestricted Intergovernmental	1,413,000	1,351,000	1,364,510	1,378,155	1,391,937	1,405,856
Restricted Intergovernmental	625,398	159,298	160,891	162,500	164,125	165,766
Fees and Permits	1,239,160	1,299,813	1,325,809	1,352,325	1,379,372	1,406,959
Sales and Services	171,819	184,700	188,394	192,162	196,005	199,925
Investment Earnings	40,000	15,000	15,150	15,302	15,455	15,610
Other Revenues	252,270	261,120	263,731	266,368	269,032	271,722
Fund Balance Appropriated	1,189,720	1,984,722	3,619,549	4,336,333	5,100,526	5,989,332
General Fund Total Revenues	25,347,801	27,667,675	29,851,489	31,130,688	32,470,038	33,947,044

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	1% per year
Restricted Intergovernmental	1% per year
Fees and Permits	2% per year
Sales and Services	2% per year
Interest Earnings/Other Revenue	1% per year
Fund Balance Appropriation	Per balanced budget financial policy.

General Fund Operating Expenditures

Personnel costs represent over half of the budget, which underscores the nature of government as a service industry and the primary asset is the people who work for it. Consequently, the five-year plan is impacted by assumptions regarding employee salaries and related expenses. For FY22 the Town had budgeted 169.5 full-time equivalent positions, and that total will increase to 174.0 for FY23. The assumptions within the plan assume an average 2.5% increase in salaries and a 10% increase in fringe benefits.

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.

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
General Fund	Adopted	Adopted	Projected			
<i>Expenditures</i>	Budget	Budget				
Salary and Wages	10,196,006	12,085,318	12,387,451	12,697,137	13,014,565	13,339,929
Fringe Benefits	4,977,941	4,791,336	5,270,470	5,797,517	6,377,269	7,014,996
Total Personnel Costs	15,173,947	16,876,654	17,657,921	18,494,654	19,391,834	20,354,925
Operating Costs:						
General Operating Costs	5,786,396	6,087,664	6,270,294	6,458,403	6,652,155	6,851,720
Human Services Grant	274,000	274,000	274,000	274,000	274,000	274,000
Carrboro Tourism Dev Authority *	-	155,200	158,304	161,470	164,699	167,993
Landfill Fees	360,000	335,000	345,050	355,402	366,064	377,046
Transportation Costs	2,011,768	2,108,180	2,213,589	2,324,268	2,440,481	2,562,505
Debt Service	876,790	1,368,217	2,089,171	2,219,331	2,337,645	2,515,695
Transfers to Other Funds	290,300	143,160	143,160	143,160	143,160	143,160
Transfers to Capital Funds	385,200	-	500,000	500,000	500,000	500,000
Total Operating Costs	9,984,454	10,471,421	11,993,568	12,436,034	12,878,204	13,392,119
Capital Outlay	189,400	319,600	200,000	200,000	200,000	200,000
Total Expenditures	25,347,801	27,667,675	29,851,489	31,130,688	32,470,038	33,947,044

* Change in accounting procedure in FY22

The expenditure assumptions are:

- Salary and Wages *2.5% per year & increase FTEs to 174.0 in FY23*
- Fringe Benefits *10% increase per year*
- General Operating Costs *3% per year*
- Human Services *0% per year*
- Other Governance Support *2% per year*
- Landfill Fees *3% per year*
- Transportation Costs *5% per year*
- Debt Service *Based on Debt Service projections-see following pages*
- Transfer to Parking Fund *Funding transfer for parking related expenditures*
- Transfers to Other Funds *Funding transfer to Capital Projects Fund for street re-surfacing.*

Affordable Housing Fund

Below is a summary of projected property tax rates, revenue sources and expenditures through fiscal year ending June 30, 2027.

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
<i>Affordable Housing Fund</i>	Adopted	Adopted	Projected			
Property Tax Revenues	Budget	Budget				
Property Valuation	2,710,159,530	2,717,302,115	2,771,648,157	2,827,081,120	2,883,622,742	2,941,295,197
Tax Collection Rate	96.4%	95.2%	95.2%	95.2%	95.2%	95.2%
Collectible Tax Base	2,612,466,508	2,587,095,676	2,638,609,045	2,691,381,226	2,745,208,850	2,800,113,028
Tax Base per \$100 Levy	26,124,665	25,870,957	26,386,090	26,913,812	27,452,089	28,001,130
Ad Valorem Revenue Est.	391,870	388,064	395,791	403,707	411,781	420,017
Tax Levy per Penny	261,247	258,710	263,861	269,138	274,521	280,011
Tax Rate	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150
Current Levy - Ad Valorem	338,000	380,000	395,791	403,707	411,781	420,017
Prior Year Ad Valorem Tax	400	180	182	184	186	188
Penalty/Interest Revenue	50	-	-	-	-	-
Investment Earnings	75	50	50	50	50	50
Investment Earnings	-	188,193	-	-	-	-
Total Ad Valorem Revenues	338,525	568,423	396,023	403,941	412,017	420,255
Total Operating Costs	338,525	568,423	396,023	403,941	412,017	420,255

The above chart assumes: Tax Base Growth of 2% per year

Capital Investments

The Town Council adopts a 5-year Capital Improvements Plan (CIP) annually. The table below is a summary of capital projects, current and new requests with estimated cash needs per year.

**Summary of Capital Improvements Plan
FY 2022-23 through FY 2026-27**

	Previous						FY23-FY27	Project
	<u>Appropriations</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>Total</u>	<u>Total</u>
Expenses								
Planning/Design	5,157,546	547,879	930,700	270,000	445,820	82,400	2,276,799	7,434,345
Construction	28,405,921	2,333,800	2,415,141	6,119,300	5,508,010	7,215,200	23,591,451	51,997,372
Land/ROW	726,395	44,809	102,000	56,000	43,000	-	245,809	972,204
Equipment/Furnishings	-	3,303,850	824,000	882,000	2,129,500	753,000	7,892,350	7,892,350
Total Expenditures	\$ 34,289,862	\$ 6,230,338	\$ 4,271,841	\$ 7,327,300	\$ 8,126,330	\$ 8,050,600	\$34,006,409	\$68,296,271
Funding Sources								
Intergovernmental Funds	18,963,424	2,424,398	1,937,311	1,029,000	634,000	2,078,000	8,102,709	27,066,133
General Fund	257,000	2,691,125	660,500	478,300	578,830	349,600	4,758,355	5,015,355
Capital Project Fund	1,990,395	-	-	-	-	-	-	1,990,395
Storm Water Fund	-	40,000	65,000	195,000	250,000	-	550,000	550,000
GO Bonds	326,866	-	-	-	-	-	-	326,866
Installment Financing	12,000,000	815,000	1,324,000	5,482,000	6,654,500	5,453,000	19,728,500	31,728,500
Matching Funds	-	175,815	135,030	134,000	9,000	-	453,845	453,845
Other *	752,177	84,000	150,000	9,000	-	170,000	413,000	1,165,177
Total Funding	\$ 34,289,862	\$ 6,230,338	\$ 4,271,841	\$ 7,327,300	\$ 8,126,330	\$ 8,050,600	\$34,006,409	\$68,296,271
* Includes Orange Cnty Transit Tax of:	752,177	34,000	150,000	9,000		170,000	363,000	1,115,177

The Capital Improvements Plan (CIP) for FY23 through FY27 includes several new projects related to facility improvements and stormwater retrofits. The Town currently has 14 capital projects underway totaling \$34.3 million. The largest project is the 203 S. Greensboro Street project, a joint endeavor between the Town and Orange County, to develop a facility to house the Orange County Southern Branch Library, administrative offices for the Town, and other possible uses. The County’s expected share of the project is approximately 56%, and the Town anticipates debt financing of \$12 million. Over the next five years, the Town will need funds to undertake the following projects.

- Stormwater improvements: \$765 thousand
- Park Improvements: \$872 thousand
- Street Resurfacing: \$2.0 million
- Vehicles and Equipment: \$4.6 million
- Town Facility Improvements: \$16.6 million
- Infrastructure Projects (e.g., sidewalks, bike ways, etc.): \$6.7 million

The Facilities Assessment and Space Needs Study in 2016 identified a need to renovate several Town buildings. However, these projects will require further definition to allow for better evaluation of funding options as well as impact analysis on the General Fund.

Past CIPs anticipated increased pressure on the tax rate when the Town issued the \$4.6 million general obligation bonds for construction of sidewalks and greenways in 2013. However, after evaluating its debt portfolio, the Town elected to pay off some old debt before maturity that had interest rates higher than the current market. This allowed the Town to maintain a level rate of debt

service. The only major debt over the next three to five years is expected to be financing for the 203 S. Greensboro Project and the facility improvement projects.

The Town historically has not carried a significant amount of debt. Below is a summary of the Town’s current and future debt service projected through FY 2026-27.

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
<i>Debt Service</i>	Adopted Budget	Adopted Budget	Projected			
Sidewalk & Greenways GO Bonds	312,500	307,500	302,500	296,875	291,250	285,625
Fire Substation	234,905	229,294	223,682	109,736		
203 Project	-	286,716	954,813	938,488	922,163	905,838
Vehicle and Equipment	329,385	544,707	544,707	544,707	544,707	544,707
Current Debt Service	876,790	1,368,217	2,025,702	1,889,806	1,758,120	1,736,170
Future Vehicle & Equipment Debt			63,469	329,525	579,525	779,525
Total Current & Future Debt	876,790	1,368,217	2,089,171	2,219,331	2,337,645	2,515,695

LINE-ITEM BUDGET DETAIL

Mayor & Town Council		
DESCRIPTION	FY. 23 Adopted	FY. 24 Adopted
PART TIME SALARIES	\$82,507	\$83,048
FICA	\$6,348	\$6,534
INSURANCE	\$40,198	\$44,178
TRAINING	\$3,500	\$3,824
PROFESSIONAL SERVICES	\$0	
LEGAL SERVICES	\$200,000	\$200,324
CONFERENCES	\$5,950	\$6,311
POSTAGE	\$50	
TRAVEL	\$7,500	\$7,824
PRINTING	\$0	
OFFICE SUPPLIES	\$560	\$884
DEPARTMENTAL SUPPLIES	\$2,000	\$2,324
CONTRACTUAL SERVICES	\$27,000	\$27,324
TRIANGLE J COG	\$9,500	\$9,824
NC LEAGUE OF MUNICIPALIT	\$18,500	\$18,824
COMMUNITY DINNER	\$1,500	\$1,824
METROPOLITAN COALITION	\$8,100	\$8,424
CRIMINAL JUSTICE DEBT	\$7,500	\$7,824
DUES AND SUBSCRIPTION	\$6,000	\$6,324
CONTINGENCY	\$10,000	\$10,324
Total	\$436,713	\$445,943

Town Manager		
DESCRIPTION	FY. 23 Adopted	FY.24 Adopted
SALARIES	\$418,203	\$418,203
SERVICE BENEFIT	\$868	\$868
TEMP. SALARY	\$7,000	\$7,000
FICA	\$32,504	\$32,504
INSURANCE	\$91,170	\$100,196
LONG TERM DISABILITY	\$1,693	\$1,693
RETIREMENT	\$47,695	\$52,647
SUPPLMENTAL RETIREMENT	\$12,562	\$12,562
CAR ALLOWANCE	\$6,497	\$6,497
TRAINING	\$5,000	\$6,000
CONFERENCES	\$7,200	\$9,000
POSTAGE	\$100	\$150
Telephone	\$0	\$2,400
GOVT ADVANCED RACIAL EQ	\$35,000	\$0
TRAVEL	\$14,450	\$20,000
PRINTING	\$100	\$150
ADVERTISING	\$900	\$300
OFFICE SUPPLIES	\$2,000	\$5,000
DEPARTMENTAL SUPPLIES	\$2,000	\$4,000
FURNITURE & EQUIPMENT NC	\$18,250	\$23,684
CONTRACTUAL SERVICES	\$15,800	\$20,000
INSTITUTE OF GOVERNMENT	\$2,975	\$3,000
DUES AND SUBSCRIPTION	\$5,800	\$5,800
MISCELLANEOUS	\$20,000	\$20,000
Total	\$747,767	\$751,654

Advisory Board		
DESCRIPTION	FY. 23 Adopted	FY. 24 Adopted
TRAINING	\$6,000	\$6,100
ADV BDS & COMM APPEARANC	\$200	\$300
ADV BDS & COMM-PLANNING I	\$500	\$600
ADV BDS & COMM-BD OF ADJU	\$500	\$600
ADV BDS & COMM-REC & PARK	\$2,400	\$2,500
ADV BDS & COMM-TRANS ADV	\$500	\$600
HUMAN SERVICES COMMISSION	\$500	\$600
NORTHERN AREA TRANSITION	\$500	\$600
ADV BDS & COMM-RECOGNITIC	\$4,000	\$4,100
ECONOMIC SUSTAINABILITY C	\$500	\$600
GREENWAY COMMISSION	\$500	\$600
SAFE ROUTES TO SCHOOL	\$500	\$600
ART COMMITTEE	\$22,000	\$22,100
ENVIRONMENTAL ADVISORY B	\$500	\$600
YOUTH ADVISORY BOARD	\$500	\$600
ADV BDS & COMM-RACE & EQU	\$15,500	\$15,600
TRUTH PLAQUE TASK FORCE	\$5,000	\$5,100
CLIMATE ACTION ADVISORY BO	\$500	\$618
Total	\$60,600	\$62,418

Economic Development		
DESCRIPTION	FY. 23 Adopted	FY. 24 Adopted
SALARIES	\$ 84,706	\$ 88,544
FICA	\$ 6,486	\$ 6,780
INSURANCE	\$ 10,030	\$ 10,030
LONG TERM DISABILITY	\$ 390	\$ 390
RETIREMENT	\$ 9,656	\$ 10,122
SUPPLMENTAL RETIREMENT	\$ 2,543	\$ 2,658
TRAINING	\$ 2,000	\$ 2,000
CONFERENCES	\$ 525	\$ 525
POSTAGE	\$ 100	\$ 100
TRAVEL	\$ 1,475	\$ 2,500
PRINTING	\$ 600	\$ 600
ADVERTISING	\$ 1,700	\$ 3,000
OFFICE SUPPLIES	\$ 150	\$ 150
DEPARTMENTAL SUPPLIES	\$ 500	\$ 1,000
CONTRACTUAL SERVICES	\$ 100,000	\$ 100,000
LOCAL LIVING ECONOM INITIATIVE	\$ 1,500	\$ 2,500
ENTREPRENEURIAL INITIATIVE	\$ 1,500	\$ 2,500
MEMBER SCHOLARSHIPS - CBA	\$ 2,500	\$ 3,500
ECONOMIC DEVELOPMENT INCENTIVE	\$ 2,000	\$ 3,000
CARRBORO TOURISM DEV AUTHORITY	\$ 155,200	\$ 156,678
DUES AND SUBSCRIPTION	\$ 1,705	\$ 1,865
FOOD COUNCIL	\$ 10,650	\$ 10,650
Total	\$395,916	\$409,092

Communication and Engagement		
DESCRIPTION	FY. 23 Adopted	FY. 24 Adopted
SALARIES	\$143,568	\$146,393
FICA	\$10,995	\$11,211
INSURANCE	\$34,168	\$34,168
LONG TERM DISABILITY	\$659	\$659
RETIREMENT	\$16,298	\$16,641
SUPPLMENTAL RETIREMENT	\$4,293	\$4,378
TRAINING	\$950	\$950
CONFERENCES	\$660	\$452
POSTAGE	\$50	\$50
TRAVEL	\$1,300	\$1,300
PRINTING	\$5,000	\$2,500
ADVERTISING	\$5,000	\$2,000
OFFICE SUPPLIES	\$150	\$150
DEPARTMENTAL SUPPLIES	\$1,000	\$1,000
CONTRACTUAL SERVICES	\$5,500	\$5,500
COMMUNITY ENGAGEMENT	\$7,500	\$20,000
DUES AND SUBSCRIPTION	\$8,717	\$3,000
Total	\$245,808	\$250,352

Housing & Community Services		
DESCRIPTION	FY.23 Adopted	FY. 24 Adopted
SALARIES	\$171,784	\$186,251.00
SERVICE BENEFIT	\$248	\$248.00
TEMP. SALARY	\$0	\$3,000.00
FICA	\$13,178	\$14,514.00
INSURANCE	\$40,345	\$40,345.00
LONG TERM DISABILITY	\$790	\$790.00
RETIREMENT	\$19,544	\$21,664.00
SUPPLMENTAL RETIREMENT	\$5,150	\$5,674.00
TRAINING	\$3,450	\$5,000.00
CONFERENCES	\$2,850	\$4,000.00
POSTAGE	\$3,000	\$3,000.00
TRAVEL	\$3,800	\$6,000.00
PRINTING	\$1,600	\$2,750.00
ADVERTISING	\$1,000	\$2,500.00
OFFICE SUPPLIES	\$800	\$1,523.00
DEPARTMENTAL SUPPLIES	\$2,320	\$3,320.00
FURNITURE & EQUIPMENT NC	\$2,000	\$3,000.00
CONTRACTUAL SERVICES	\$10,000	\$10,000.00
HUMAN SERVICES GRANTS	\$274,000	\$274,000.00
COMMUNITY OUTREACH	\$42,970	\$42,970.00
DUES AND SUBSCRIPTION	\$800	\$1,000.00
UNC GOOD NEIGHBOR PROGE	\$500	\$500.00
Total	\$600,129	\$632,049

Town Clerk		
DESCRIPTION	FY. 23 Adopted	FY. 24 Adopted
SALARIES	\$68,000	\$76,750
PART TIME SALARIES	\$26,858	\$31,916
FICA	\$7,268	\$7,540
INSURANCE	\$10,030	\$11,023
LONG TERM DISABILITY	\$313	\$313
RETIREMENT	\$10,814	\$11,246
SUPPLMENTAL RETIREMENT	\$2,042	\$2,149
TRAINING	\$1,200	\$1,500
CONFERENCES	\$1,300	\$1,500
POSTAGE	\$25	\$25
TRAVEL	\$750	\$1,500
ADVERTISING	\$10,000	\$10,000
OFFICE SUPPLIES	\$750	\$1,750
DEPARTMENTAL SUPPLIES	\$1,500	\$3,000
CONTRACTUAL SERVICES	\$3,600	\$3,900
DUES AND SUBSCRIPTION	\$590	\$672
CARRBORO CITIZENS ACADEM	\$2,200	\$2,200
Total	\$147,240	\$166,984

Finance		
DESCRIPTION	FY. 23 Adopted	FY. 24 Adopted
SALARIES	\$506,354	\$518,163
SERVICE BENEFIT	\$1,363	\$1,363
TEMP. SALARY	\$1,800	\$1,800
FICA	\$39,472	\$40,375
INSURANCE	\$85,539	\$85,539
LONG TERM DISABILITY	\$2,178	\$2,178
RETIREMENT	\$57,880	\$59,314
SUPPLMENTAL RETIREMENT	\$15,245	\$15,599
CAR ALLOWANCE	\$6,000	\$6,000
TRAINING	\$800	\$800
ORGANIZATIONAL DEVELOPM	\$0	\$0
CONFERENCES	\$3,455	\$3,500
POSTAGE	\$1,680	\$1,680
RISK MANAGEMENT AND SAF	\$1,000	\$1,000
TRAVEL	\$8,900	\$8,900
M & R EQUIPMENT	\$800	\$800
RENT	\$15,600	\$15,600
PRINTING	\$5,350	\$5,350
OFFICE SUPPLIES	\$4,194	\$4,000
DEPARTMENTAL SUPPLIES	\$0	\$0
CONTRACTUAL SERVICES	\$166,350	\$178,000
BANK SERVICE CHARGES	\$9,900	\$9,900
DUES AND SUBSCRIPTION	\$2,095	\$2,091
GENERAL INSURANCE	\$350,000	\$350,000
PUBLIC OFFICIALS LIABILITY	\$13,125	\$13,125
Total	\$1,299,080	\$1,325,077

Human Resources		
DESCRIPTION	FY. 23 Adopted	FY.24 Adopted
SALARIES	\$196,171	\$213,669
SERVICE BENEFIT	\$496	\$496
TEMP. SALARY	\$2,000	\$2,000
TEMP. SALARY	\$0	\$0
FICA	\$15,215	\$16,554
INSURANCE	\$45,419	\$45,419
RETIREE INSURANCE	\$320,000	\$320,000
RETIREE INSURANCE STIPEND	\$4,236	\$4,236
LONG-TERM-DISABILITY	\$898	\$898
RETIREMENT	\$22,283	\$24,407
SUPPLMENTAL RETIREMENT	\$5,871	\$6,396
TRAINING	\$3,000	\$3,000
EMPLOYEE TUITION ASSISTAN	\$3,000	\$3,000
ORGANIZATIONAL DEVELOPM	\$10,000	\$10,000
CONFERENCES	\$3,025	\$3,025
POSTAGE	\$300	\$250
RISK MANAGEMENT/SAFETY	\$15,000	\$18,000
TRAVEL	\$750	\$785
PRINTING	\$300	\$300
ADVERTISING	\$1,000	\$3,000
OFFICE SUPPLIES	\$500	\$500
DEPARTMENTAL SUPPLIES	\$1,500	\$1,500
CONTRACTUAL SERVICES	\$18,500	\$16,500
GO PASSES - TRIANGLE TRAN	\$500	\$500
DUES AND SUBSCRIPTION	\$1,130	\$1,130
EMPLOYEE WELLNESS PROGE	\$25,000	\$25,000
EMPLOYEE APPRECIATION EV	\$16,000	\$16,000
Total	\$712,094	\$736,565

Race and Equity		
DESCRIPTION	FY. 23 Adopted	FY. 24 Adopted
SALARIES	\$ -	\$197,938
FICA	\$ -	\$15,155
INSURANCE	\$ -	\$25,405
LONG TERM DISABILITY	\$ -	\$911
RETIREMENT	\$ -	\$25,534
SUPPLMENTAL RETIREMENT	\$ -	\$5,943
TRAINING	\$ -	\$10,000
CONFERENCES	\$ -	\$20,000
POSTAGE	\$ -	\$500
GOVT ADVANCED RACIAL	\$ -	\$26,500
PRINTING	\$ -	\$5,000
ADVERTISING	\$ -	\$5,000
DEPARTMENTAL SUPPLIES	\$ -	\$2,000
CONTRACTUAL SERVICES	\$ -	\$50,000
DUES AND SUBSCRIPTION	\$ -	\$1,000
MISCELLANEOUS	\$ -	\$30,000
Total	\$ -	\$420,886

IT		
DESCRIPTION	FY. 23 Adopted	FY. 24 Adopted
SALARIES	\$318,521	\$331,725
SERVICE BENEFIT	\$2,192	\$2,192
FICA	\$24,558	\$25,568
INSURANCE	\$49,047	\$49,047
LONG TERM DISABILITY	\$1,392	\$1,392
RETIREMENT	\$36,561	\$38,164
SUPPLMENTAL RETIREMENT	\$9,630	\$10,026
TRAINING	\$7,500	\$7,500
PROFESSIONAL SERVICES	\$26,905	\$26,905
CONFERENCES	\$2,800	\$2,800
TELEPHONE	\$106,952	\$106,952
TRAVEL	\$1,000	\$1,000
M & R EQUIPMENT	\$55,000	\$55,000
MOTOR VEHICLE REPAIR	\$350	\$350
FUEL	\$400	\$400
OFFICE SUPPLIES	\$1,500	\$1,500
DEPARTMENTAL SUPPLIES	\$35,000	\$35,000
COMPUTER & PERIPHERALS	\$338,785	\$352,300
THE PEOPLES CHANNEL	\$26,500	\$26,500
HARDWARE SUPPORT	\$211,200	\$211,200
SOFTWARE SUPPORT	\$435,100	\$451,600
HOSTED SERVICES	\$176,700	\$186,000
NETWORK CONNECTIVITY	\$79,189	\$79,189
FIBER INSTALL / REPAIR	\$28,200	\$31,000
DUES AND SUBSCRIPTION	\$4,100	\$4,100
EQUIPMENT	\$174,000	\$0
Total	\$2,153,082	\$2,037,410

Fire and Rescue Department		
	FY 2022-23 Adopted	FY 2023-24 Adopted
Description		
SALARIES	\$ 1,855,474	\$1,934,630
OVERTIME	\$109,614	\$109,614
SERVICE BENEFIT	\$11,786	\$11,786
WORKERS COMPENSATION	\$1,500	\$1,500
SHIFT WAGES - FIRE DEPT	\$55,000	\$55,000
FICA	\$155,643	\$161,699
INSURANCE	\$460,581	\$460,581
LONG TERM DISABILITY	\$8,553	\$8,553
RETIREMENT	\$231,630	\$241,240
SUPPLEMENTAL RETIREMENT	\$61,036	\$63,410
FIREFIGHTERS PENSION	\$3,480	\$3,480
TRAINING	\$15,000	\$15,000
CONFERENCES	\$3,500	\$3,500
POSTAGE	\$200	\$200
TELEPHONE	\$5,054	\$5,054
M & R EQUIPMENT	\$35,000	\$35,000
MOTOR VEHICLE REPAIR	\$36,500	\$36,500
FUEL	\$22,380	\$25,800
OFFICE SUPPLIES	\$1,500	\$1,500
DEPARTMENTAL SUPPLIES	\$40,000	\$45,000
FURNITURE & EQUIPMENT NON-	\$8,600	\$8,000
MEDICAL SUPPLIES	\$10,000	\$10,000
UNIFORMS	\$54,121	\$51,958
CONTRACTUAL SERVICES	\$31,626	\$32,227
DUES AND SUBSCRIPTION	\$5,420	\$5,420
MEDICAL EXAMS	\$20,000	\$25,500
PROGRAM INSURANCE	\$3,000	\$0
Totals	\$ 3,246,198	\$3,352,152

Climate Action		
DESCRIPTION	FY. 23 Adop	FY. 24 Adopted
SALARIES	\$103,222	\$118,047
SERVICE BENEFIT	\$0	\$0
TEMP. SALARY	\$9,978	\$9,978
FICA	\$8,671	\$9,805
INSURANCE	\$40,570	\$40,570
LONG TERM DISABILITY	\$476	\$476
RETIREMENT	\$11,767	\$13,567
SUPPLMENTAL RETIREMENT	\$3,101	\$3,546
POSTAGE	\$1,500	\$1,500
PRINTING	\$500	\$500
ADVERTISING	\$600	\$600
UTILITIES	\$3,000	\$3,000
OFFICE SUPPLIES	\$250	\$250
DEPARTMENTAL SUPPLIES	\$1,500	\$1,275
CONTRACTUAL SERVICES	\$0	\$7,500
DUES AND SUBSCRIPTION	\$2,211	\$1,638
GRASSROOTS PARTNERSHIPS	\$30,500	\$25,000
Total	\$217,846	\$237,252

Transportation		
DESCRIPTION	FY. 23 Adopted	FY. 24 Adopted
CONTRACTUAL SERV	\$2,024,580	\$2,085,317
VEHICLES	\$83,600	\$83,600
Total	\$2,108,180	\$2,168,917

Planning Department		
	FY 2022-23 Adopted	FY 2023-24 Adopted
Description		
SALARIES	\$964,656	\$1,025,038
SERVICE BENEFIT	\$5,292	\$5,292
PART TIME SALARIES	\$0	\$0
TEMP. SALARY	\$4,500	\$4,500
FICA	\$74,613	\$79,233
INSURANCE	\$200,205	\$200,205
LONG TERM DISABILITY	\$4,373	\$4,373
RETIREMENT	\$110,575	\$117,905
SUPPLMENTAL RETIREMENT	\$29,125	\$30,936
PERSONNEL COST - OTHER DEP TS	-\$7,000	\$0
TRAINING	\$10,300	\$10,300
CONFERENCES	\$5,800	\$4,800
POSTAGE	\$2,200	\$2,200
TELEPHONE	\$1,900	\$1,900
TRAVEL	\$723	\$823
M & R EQUIPMENT	\$500	\$500
MOTOR VEHICLE REPAIR	\$950	\$950
PRINTING	\$2,700	\$2,700
ADVERTISING	\$2,600	\$2,800
FUEL	\$1,995	\$2,018
OFFICE SUPPLIES	\$1,550	\$1,636
DEPARTMENTAL SUPPLIES	\$3,800	\$3,900
FURNITURE & EQUIPMENT NON-	\$3,300	
UNIFORMS	\$1,100	\$1,000
CONTRACTUAL SERVICES	\$46,943	\$49,000
ENGINEERING SERVICES	\$90,000	\$95,000
BICYCLE FRIENDLY COMMUNITY	\$10,000	\$7,500
ROGERS ROAD INTERLOCAL	\$66,728	\$66,728
DUES AND SUBSCRIPTION	\$4,470	\$4,607
BICYCLE & PED MINOR IMPV PROJ	\$2,500	\$2,500
GRASSROOTS PARTNERSHIPS INIT		
Totals	\$ 1,646,398	\$1,728,344

Police Department		
	FY 2022-23	FY. 2023-24
Description	Adopted	Adopted
	Budget	
SALARIES	\$2,485,327	\$2,550,344
OVERTIME	\$69,000	\$69,000
SERVICE BENEFIT	\$13,514	\$13,514
WORKERS COMPENSATION	\$6,000	\$6,000
POLICE OFFICERS AGILITY TEST	\$13,000	\$13,000
TEMP. SALARY	\$0	\$0
FICA	\$207,855	\$212,829
INSURANCE	\$565,888	\$565,888
LONG TERM DISABILITY	\$11,408	\$11,408
RETIREMENT	\$307,922	\$316,400
SUPPLMENTAL RETIREMENT	\$125,626	\$128,877
EARLY SEPARATION ALLOWANCE	\$126,799	\$126,799
TRAINING	\$30,000	\$0
CONFERENCES	\$3,400	\$4,400
POSTAGE	\$650	\$650
TELEPHONE	\$17,120	\$10,519
TRAVEL	\$1,500	\$1,500
M & R EQUIPMENT	\$13,940	\$3,440
MOTOR VEHICLE REPAIR	\$54,885	\$10,840
RENT	\$10,000	\$10,000
PRINTING	\$1,140	\$1,185
FUEL	\$63,448	\$24,046
OFFICE SUPPLIES	\$4,850	\$4,150
CANINE SUPPLIES	\$3,000	\$1,500
DEPARTMENTAL SUPPLIES	\$39,461	\$15,150
VEHICLE SUPPLIES	\$8,477	\$3,000
FURNITURE & EQUIPMENT NON-	\$7,000	\$1,000
UNIFORMS	\$53,500	\$3,500
STATE SEIZURE EXPENSES	\$5,000	\$5,000
COFFEE WITH A COP	\$3,000	\$3,000
CONTRACTUAL SERVICES	\$208,449	\$181,358
DUES AND SUBSCRIPTION	\$4,816	\$4,416
PRECIOUS METAL BUSSINESS	\$200	\$308
MISCELLANEOUS	\$5,500	\$0
EQUIPMENT	\$12,000	\$0
OTHER CAPITAL ASSETS	\$15,000	\$0
Totals	\$ 4,498,675	\$4,303,021

Recreation, Parks, & Cultural Resources Department			
	FY 2022-23 Adopted	FY.24 Adopted	%Change
DESCRIPTION			
SALARIES	\$ 735,667	\$770,814	5%
SERVICE BENEFIT	\$7,060	\$7,060	0%
PART TIME SALARIES	\$35,249	\$35,249	0%
TEMP. SALARY	\$261,867	\$261,867	0%
FICA	\$79,599	\$82,288	3%
INSURANCE	\$189,039	\$189,039	0%
UNEMPLOYMENT INSURANCE			#DIV/0!
LONG TERM DISABILITY	\$3,468	\$3,468	0%
RETIREMENT	\$88,621	\$92,888	5%
SUPPLEMENTAL RETIREMENT	\$23,340	\$24,935	6%
TRAINING	\$2,800	\$2,800	0%
PROFESSIONAL SERVICES	\$1,500	\$1,500	0%
CONFERENCES	\$9,500	\$9,550	1%
POSTAGE	\$7,265	\$7,265	0%
GOVT ADVANCED RACIAL EQUITY			#DIV/0!
TELEPHONE	\$810	\$810	0%
M & R EQUIPMENT	\$3,132		#DIV/0!
M AND R BUILDINGS	\$70,600	\$70,600	0%
M & R PARKS	\$3,920	\$3,920	0%
MOTOR VEHICLE REPAIR	\$1,050	\$3,000	65%
RENT	\$41,870	\$43,500	4%
PRINTING	\$15,050	\$16,050	6%
ADVERTISING	\$3,410	\$3,348	-2%
FUEL	\$1,000	\$2,500	60%
OFFICE SUPPLIES	\$3,300	\$3,692	11%
DEPARTMENTAL SUPPLIES	\$40,448	\$37,533	-8%
PARK SUPPLIES	\$1,005	\$1,005	0%
FURNITURE & EQUIPMENT NON-CAP	\$25,313	\$25,313	0%
UNIFORMS	\$22,000	\$22,000	0%
CONTRACTUAL SERVICES	\$106,000	\$112,000	5%
ART CENTER	\$20,000	\$20,000	0%
HOLIDAY EVENT *	\$1,500	\$2,500	40%
LIBRARY PROJECT	\$4,000	\$4,000	0%
CD & MEMORABILIA SHOW	\$2,800	\$3,200	13%
COMMUNITY EVENTS	\$159,400	\$166,750	4%
ACTIVE DEE PROGRAMS	\$5,000	\$5,000	0%
DUES AND SUBSCRIPTION	\$4,100	\$5,100	20%
Total	\$ 1,980,683	\$2,040,544	3%

Public Works Department		
Description	FY 2022-23 Adopted	FY 2024 Adopted
SALARIES	\$ 1,642,137	\$1,740,708
OVERTIME	\$18,750	\$18,750
SERVICE BENEFIT	\$8,969	\$8,969
WORKERS COMPENSATION	\$3,000	\$3,000
FICA	\$128,251	\$134,014
INSURANCE	\$448,109	\$448,109
UNEMPLOYMENT INSURANCE	-	
LONG TERM DISABILITY	\$7,548	\$7,548
RETIREMENT	\$189,747	\$198,894
SUP PLMENTAL RETIREMENT	\$49,997	\$52,215
PERSONNEL COST - OTHER DEPTS	-\$42,000	-\$18,000
TRAINING	\$6,865	\$6,416
COMMERCIAL DRIVERS LICENSE	\$1,645	\$1,621
PROFESSIONAL SERVICES	\$10,000	\$10,000
CONFERENCES	\$1,900	\$1,900
POSTAGE	\$200	\$200
TELEPHONE	\$2,500	\$2,000
RISK MANAGEMENT/SAFETY	-	
TRAVEL	\$600	\$2,700
M & R EQUIPMENT	\$25,300	\$25,300
M AND R BUILDINGS	\$120,000	\$130,000
M & R PARKS	\$12,500	\$12,500
M & R GROUNDS	\$1,000	\$1,400
MOTOR VEHICLE REPAIR	\$140,500	\$140,000
RENT	\$1,500	\$1,500
PRINTING	\$7,750	\$7,750
ADVERTISING	\$500	\$250
UTILITIES	\$318,500	\$313,500
PARK UTILITIES	\$36,500	\$37,500
FUEL	\$104,000	\$109,429
OFFICE SUPPLIES	\$4,000	\$4,000
DEPARTMENTAL SUPPLIES	\$124,750	\$125,640
PARK SUPPLIES	\$25,000	\$25,000
PURCHASE FOR RESALE	\$12,500	\$11,000
TRAFFIC CALMING DEVICES	\$20,000	\$0
YARD WASTE CARTS	\$9,000	\$7,000
VEHICLE SUPPLIES	\$3,500	\$3,500
FURNITURE & EQUIPMENT NON-CAP	\$6,500	\$6,500
UNIFORMS	\$18,100	\$17,850
CONTRACTUAL SERVICES	\$245,989	\$242,150
LANDFILL FEES	\$335,000	\$347,300
DUES AND SUBSCRIPTION	\$2,835	\$1,885
OWASA SEWER FEE REIMBURSEMENT	-	
EQUIPMENT	\$35,000	\$0
OPER EXP ALLOCATIONS-ST/W FND	-\$29,000	
OPER EXP ALLOCATIONS PRKG FUND	-\$2,500	
Totals	\$ 4,056,942	\$4,189,998

Non-Departmental	FY 2022-23 Adopted	FY. 2023-24 Adopted	%Change
SALARIES	\$931,891	\$906,848	-3%
DEPENDENT HEALTH INSURANCE	\$387,863	\$387,863	0%
UNEMPLOYMENT INS RESERVE	\$10,000	\$10,000	0%
RISK MANAGEMENT/SAFETY	\$85,000	\$77,550	-10%
CONTRACTUAL SERVICES	\$0	\$727,000	100%
Totals	\$1,414,754	\$2,109,261	33%

GLOSSARY

Ad Valorem tax - A tax levied in proportion to the value of a property.

Annual Budget - A budget covering a single fiscal year.

Annual Comprehensive Financial Report (ACFR) - The official annual report of a government.

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 Town Council legally authorizes through the budget ordinance.

Approved Budget - The budget as formally adopted by the Town Council 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 Town Council 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 Town Council be balanced.

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).

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 Town Council. This overview discusses the major budget items of the Manager's budget.

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 Town Council controls transfer of these funds into an expendable account.

COVID-19 - COVID-19 is a new strain of coronavirus that has not been previously identified in humans. The COVID-19 is the cause of an outbreak of respiratory illness first detected in Wuhan, Hubei province, China.

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 broad 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.

LTD – Life to Date

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 halfway 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 Town Council, the Chapel Hill Town Council, and the Orange County Board of Commissioners.

Ordinance - A formal legislative enactment by the Town Council 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.

Pandemic – An outbreak of a disease that is prevalent over a whole country or the world.

Parking Utility Enterprise Fund – This fund comprehensively addresses the vehicle parking needs of the Town. The Enterprise Fund will be funded with a transfer from the General Fund until such time the Town implements a fee structure for parking facilities.

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.

Proprietary Funds – consists of the Stormwater Utility Fund.

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, 2017.

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.

Stormwater Utility Enterprise Fund – This fund comprehensively addresses the stormwater management needs of the Town. The Enterprise Fund establishes a dedicated source of funding for stormwater and flood remediation.

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

