

Town of Carrboro



Recommended CAPITAL IMPROVEMENT PROGRAM



Fiscal Year 2009-2010 through Fiscal Year 2014-2015



TOWN OF CARRBORO, NORTH CAROLINA
CAPITAL IMPROVEMENTS PROGRAM
FY2009-2010 THROUGH FY2014-2015

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Steven E. Stewart

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Roy Williford, Planning Director
Sandra Svoboda, Budget and Purchasing Analyst, CIP Coordinator

Thanks to Jeff Kleaveland, Planning Department, for the cover design.

A Message from the Manager

November 11, 2008

Dear Mayor and Board of Aldermen,

It is with pleasure that I submit to you the Recommended FY09-10 Capital Improvements Program (CIP) that updates last year's comprehensive review of the town's capital needs. The FY09-10 CIP is focused on maintaining the Town's existing facilities, vehicles, and equipment and on board priorities of having a safe, walkable, and "green-friendly" community. Vehicle replacements, when they occur, are being evaluated for fuel efficiency as well as for suitable hybrids or alternative fuel vehicles. Long-term initiatives are also unfolding in this CIP with the construction of bond-funded sidewalks, a fire substation in the northern area of town, and the development and construction of the long-planned Martin Luther King, Jr. park.

In later years, parking lot construction and the planned public works facility will mark another significant phase of the town's aggressive capital planning. The planned purchase of parking lots in the downtown area has been delayed to FY14-15 and is in need of future discussion on options to consider as recommended by the RTS economic development study. The CIP, in total, represents our best effort to implement the vision created by residents and documented by town staff in various needs assessments including Vision 2020, the Downtown Visioning Plan, Downtown Traffic Circulation Study, and the recent economic development assessment, and various master plans for parks and recreation and greenways.

As mentioned in previous updates, this Capital Improvements Program is simply a planning tool to forecast and match estimated revenues and major capital needs over a six-year period and beyond. Due to new or shifting service needs, special financing opportunities, emergency needs, or other directives or priorities established by the Mayor and Board of Aldermen, this plan is updated annually and projects included in later planning years are not guaranteed for funding. Overall, however, we believe that while capital planning in this manner is not an exact science, it is a proven approach to building a forward-looking community while vigilantly protecting the town's fiscal health.

Through a methodical review of the town's capital inventory and needs, staff again prioritized and ranked projects within a six-year time frame based upon numerous criteria that considered public health and safety, legal mandates, project timing and linkages, economic impact, maintaining current level of service, improving access, service improvement, service addition, community support and long-term plans, and efficiency. A view of unfunded town needs identified during this capital planning process is presented in the Appendix on page 3.6. The unfunded projects primarily address administrative facility needs, parks and recreation needs, bicycle and pedestrian improvements, and road improvements.

FY09-10 Capital Improvements Plan - Overview

The Recommended Capital Improvements Plan (CIP) totals \$33,265,902. Approximately \$27,041,252, or 81%, of the \$33.3 million total is or will be funded through debt financing instruments such as general obligation bonds and installment financings. Of the total debt to be financed, \$6,585,076 represents installment financing needed to maintain the town's rolling stock and equipment to provide Town services. Per capita debt and percentage of debt to the operating budget remain well within industry standards in each year of the CIP as indicated on p. 3.3.

The overall CIP budget has decreased \$422,758, primarily due to the revision of the vehicle replacement schedule. While project costs have decreased overall, several projects face increases largely attributable to inflation costs for materials. Projects affected by inflationary costs include the biennial street resurfacing program (\$293,555), Weaver Street reconstruction project (\$232,000) and Martin Luther King, Jr. Park (\$201,551). The biennial street resurfacing program and Weaver Street Reconstruction project, as presented in the CIP, has increased significantly in terms of con-

struction costs, in order to reflect the recent significant price increases in asphalt. Parks Maintenance and Replacement costs (\$104,326) have also increased primarily due to the identification of new park needs in addition to inflation, including the replacement of the tennis court at Wilson Park, and the resurfacing of the tennis court and basketball courts at Anderson Park.

Decreased costs for information technology in this CIP reflect the fact that most departments in the organization are now sufficiently automated. However, several IT needs are identified in this CIP including an enhancement for the financial system that merges financial system data with electronic document templates that would be helpful in automating and decentralizing financial operations with adequate internal controls; traffic counters; document scanning/GIS integration for the Planning Department; and WEB EOC software for the Fire Department that will enable communications between Carrboro, other jurisdictions, and the State in major disasters. The installation of new MCTs in police vehicles and select fire vehicles was completed in FY 08-09. Ongoing upgrades and replacements, such as the upgrades for aerial photography and GIS planimetrics and the replacements of computer workstations at desktops, and in police and fire vehicles, are now in the operating budget.

In regards to the Northern Area Fire Substation, the Town's architect has submitted the final construction documents and construction is expected to begin in 2009. Staff continues to review the staffing requirements, but the CIP envisions phased hiring with the addition of three fire fighters in FY09-10 as construction is completed, and three in FY10-11 as the station is fully operational. The fire substation budget incorporates a budget amendment that was approved by the Board in the previous year that takes advantage of work planned by NCDOT to enable town fiber alongside traffic signals in 2011 and will facilitate communication and high bandwidth link between new town facilities such as the fire substation and provide redundancy for current town facilities.

The sidewalk and greenways plan emanates from a bond referendum in November 2003 that validates residents' desire to have a walkable community that provides for safe and convenient transit through means other than single-occupancy vehicles. The sidewalk and greenways plan also honors various needs assessments, including the Carrboro Vision 2020 long-range comprehensive plan that identifies a commitment to implementing a pedestrian network plan. The Town will continue prioritizing the placement of sidewalks and greenways as time and costs permit. The town plans to issue bond anticipation notes until the spending on sidewalks reaches the amount authorized by the voters (\$4,600,000) or any lesser amount that the Board of Aldermen desires. Currently, the Town has issued \$2,590,000 in bond anticipation notes and sidewalk construction is underway. In October 2007 the Board of Aldermen established the Greenways Commission which is composed of representatives from surrounding jurisdictions, agencies, advocacy groups and Carrboro citizens. Town staff, in conjunction with the Greenways Commission and the Board will move forward with the planning processes for both the Bolin Creek and Morgan Creek greenways and help fulfill the Town's goal of a connected series of green-

Projects	CIP 09-10	CIP 08-09	Difference
Greenways	\$ 1,462,500	\$1,457,500	\$5,000
Martin Luther King, Jr. Park	\$ 1,881,133	\$ 1,679,582	\$201,551
Northern Area Fire Substation	\$ 2,992,703	\$ 2,719,703	\$273,000
Park Maintenance and Repair	\$ 1,003,130	\$ 898,804	\$104,326
Public Works Facility	\$ 9,699,501	\$9,699,501	\$0
Sidewalks	\$ 5,043,087	\$ 4,902,015	\$141,072
Street Resurfacing	\$ 2,073,641	\$ 1,780,086	\$293,555
Town Parking Lots	\$ 500,000	\$500,000	\$0
Weaver Street Reconstruction	\$ 1,535,000	\$ 1,303,000	\$232,000
Information Technology	\$ 264,842	\$ 741,900	-\$477,058
Equipment/Vehicle Lease-Purchase	\$ 6,810,368	\$ 8,006,569	-\$1,196,201
Total Projects	\$33,265,904	\$33,688,660	-\$422,756

ways as established by Carrboro Vision 2020. Consultants have been hired to plan and design each of these greenways. Greenway estimates are several years old and do not include any anticipated inflationary impact. The costs may ultimately affect the design of greenways as well as what is actually constructed.

Martin Luther King, Jr. Park is also considered a primary capital initiative that is important to residents. The master plan approved by the Board in September 2004 is complete. Actual development of the park is delayed until FY11-12 following the construction and operational implementation of the Fire Substation and the issuance of bonds for sidewalks and greenways in order to minimize any potential impact or ballooning effect on the potential tax burden.

Looking more specifically at the upcoming FY09-10 budget process, the CIP exerts significant spending pressures that will compete with the annual operating budget as the Town continues to implement the sidewalk and greenways program, reconstruct Weaver Street, and finance the Northern Area Fire Substation. Operating impact from staffing the fire substation and funding the ongoing vehicle and equipment replacement schedule will also present challenges in the next fiscal year budget (FY09-10).

As mentioned earlier, the CIP largely relies on debt financing as a means to build infrastructure. The town's ability to fund infrastructure projects for the next six years plays a significant role in the implementation of its CIP. Implementation of all of the projects listed in the adopted CIP may affect the current property tax rate beyond what is acceptable to the community. Looking forward, however, there are factors that may mitigate the debt burden created by the adopted CIP, such as expanded tax base through growth, adjustment of spending priorities, or new grant funding.

Financing capital needs means that a revenue stream must exist to pay for the debt service costs. The tax impact of the CIP (shown on page 3.4) is significant and points to the need for diversification of the town's tax base and consideration of revisiting revenue-generating possibilities with the North Carolina General Assembly to avoid a heavy reliance on property taxes, one of the very few revenue sources under control of local governments in North Carolina. A menu of revenue options exists, including impact fees for recreation and transportation purposes, meal taxes, special tax districts for economic development, real estate transfer taxes, and grants.

The systematic and comprehensive manner in which staff, the community, and the Board assesses the town's needs as presented in the Recommended CIP enables informed and conscious choices about the town's many needs in light of limited resources. I look forward to discussing the projects recommended in the CIP and ultimately bringing to life the vision of our residents and the Board.

Sincerely,

Steven Stewart
Town Manager

SES/SLS

Carrboro Capital Improvements Plan

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***SUMMARY OF CAPITAL IMPROVEMENTS PLAN
PROJECT EXPENDITURES AND OPERATING IMPACT***

The Capital Improvements Program

Projects submitted through the Capital Improvement Program (CIP) differ from the annual operating expenses primarily in that they are of a high dollar threshold (more than \$100,000); large in size; and irregular in frequency. Also, they involve the development of assets that last for many years. Major capital decisions tend to have a fiscal and operational impact more extensive than that required of annual operating and maintenance decisions and require different planning and budgetary methods.

Vehicles and capital equipment (exceeding \$25,000) - both additions and replacements - shall be considered for the town's lease-purchase schedule identified in the CIP. The vehicle replacement schedule enumerated in the lease-purchase schedule within the CIP document is based on criteria established in the recently implemented town vehicle replacement policy. Also, Information Technology (IT) projects with costs equal to or greater than \$15,000 are evaluated, prioritized and included in the Information Technology Schedule in the CIP. IT projects emphasized in the CIP focus on the significant IT needs not previously funded, whereas the annual operating budget assumes the responsibility for replacements, upgrades and maintenance costs.

Functions of the CIP

The six-year CIP schedule is a planning tool, not a budget. Adjustments for anticipated projects can be made each year during the annual review of the town's budget. The CIP

is revised as needed until individual projects are formally adopted. This flexibility in the planning and implementation of capital needs makes Carrboro's CIP responsive to the changing needs of its diverse community. The CIP achieves five (5) major objectives:

1. To help the town plan for the repair, replacement, and acquisition of capital items and facilities that are necessary in providing high quality services to residents.
2. To assist in financial planning by forecasting capital demands together with future revenues and expenditures.
3. To insure better coordination, evaluation, prioritization, and planning of projects to serve the community and its needs.
4. To provide lead time for project planning, regulatory permitting, design, land acquisition, and construction to assure projects will be ready when needed.
5. To maintain or improve the town's credit rating and fiscal health through promoting strong budgetary and financial management planning.

CIP Planning Process

Town staff develops and maintains a projection of capital projects for the next six years based on the previous capital plans, community needs assessments, and on projects approved by the Board of Aldermen. The CIP should be tied to projected revenue and expenditure constraints. Future planning should consider periods of revenue surplus and short-fall and adjust future programs accordingly. The CIP includes long-term maintenance and

other operational requirements for proposed projects. Each fiscal year, the CIP is updated to include current information for review by the Board of Aldermen.

The town's capital program recognizes the borrowing limitation and debt tolerance of the town. In addition, the CIP budget process includes a financial analysis and narrative of the impact of the CIP on the town's financial condition, including but not limited to, debt levels and operating budget. Issuing debt is appropriate when facilities have a long life. Debt service payments spread the costs over the life of the facility. This ensures intergenerational equity; that is, the facility will be paid for by all citizens who will use and benefit from the facility, both when borrowing occurs and throughout the life of the debt issue. Debt levels are discussed in detail in the Appendix.

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

The CIP Document provides information in three sections:

Section I, Summary

This section of the document consists of a transmittal message and summary spread-

CIP Document Organization

sheets that describe what is proposed in the CIP plan, changes in the town’s capital program, and a discussion of the impact of the CIP on debt, operating costs, tax, and revenue implications of the plan.

Section II, Individual Project Descriptions

This section describes each project individually, identifies various components of expenditures and revenue. The expenditure categories used are described below:

- *Planning:* These costs include architect plans, site testing, and other pre-building issues.
- *Land/ROW:* Estimated costs for land or right-of-ways.
- *Construction:* Estimated costs for buildings related to specific projects.
- *Equipment/Furnishings:* Estimated costs for equipment such as chillers, alarm systems, and safety equipment. Furnishings include desks, chairs, and other items that will be used by employees and patrons.
- *Other:* This allocation includes costs not easily fit into other categories. Examples include computer hardware and software purchases, attorney’s fees, and ongoing park maintenance needs.
- *Contingencies:* This is generally a percentage of the total project construction costs and represents funds available for unforeseen costs or cost increases.

Project revenues are largely dependent upon

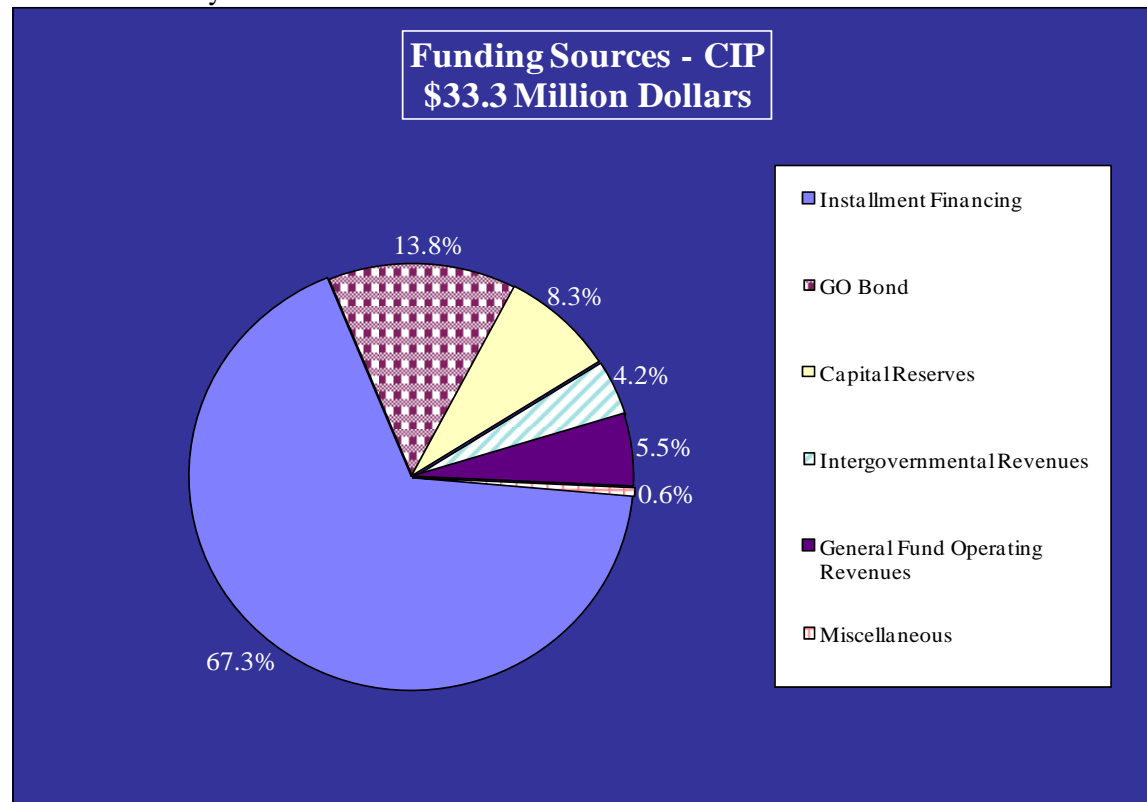
financing through various debt instruments such as general obligation bonds or installment financing. The graph below illustrates the revenue stream needed to finance the town’s CIP. Approximately, 82 percent of the CIP is financed through debt, requiring revenue to support debt payments.

Below is a list of the types of funding:

- *Installment Financing:* This is a debt financing source that does not require voter approval. Debt payments generally extend fifteen years. The town has used

installment financing to fund short-term vehicle and equipment purchases and for land and facilities.

- *General Obligation Bonds:* This is a form of debt financing that requires voter approval. The ability to get funds follows a bond referendum. This is the strongest form of security that a local government can pledge for debt, its full faith and credit, making the debt general obligation. Debt payments for GO bonds generally have twenty-year terms.



- *Capital Reserves:* Capital reserve funds are created to set aside funds for any purposes for which a local government may issue bonds. A certain amount of funds is set aside via an allocation from the town's primary operating fund, the General Fund, to accumulate to pay for large capital items. The town has largely used capital reserves for its street resurfacing program and to pay the local match toward sidewalk construction along state roads.
- *Intergovernmental Revenues* – This represents grants or support from other local, federal, or state governmental jurisdictions.
- *General Fund Operating Revenues* – This represents funding directly from the town's General Fund for each year. There is no debt associated with this funding.
- *Miscellaneous* – The revenue includes various small miscellaneous contributions including funds received directly from developers and reserves set aside as required by the town's payment-in-lieu program for recreation and open space.
- *Operating Budget Effects* – This reflects the annual additional operating impact in each fiscal year.

Section III, Appendix

This section includes detailed analysis of the impact of the recommended CIP on the town's financial condition and a discussion of projects that currently remain unfunded.

Summary Table of CIP Projects by Fiscal Year

The following table shows a summary of project expenditures over the next five years and the operating impact of each project on the annual budget.

Projects	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECTS	OPERATING IMPACT	FTEs
Street Resurfacing	\$ 2,087	\$ 268,246	\$ 544,806	\$ -	\$ 599,287	\$ -	\$ 659,215	\$ -	\$ 2,073,641	\$ -	0.0
Northern Area Fire Substation	\$ 239,292	\$ 57,063	\$ 2,336,348	\$ 360,000	\$ -	\$ -	\$ -	\$ -	\$ 2,992,703	\$ 547,908	15.0
Sidewalks	\$ 1,896,236	\$ 836,191	\$ 1,873,300	\$ 236,000	\$ 201,360	\$ -	\$ -	\$ -	\$ 5,043,087	\$ -	0.0
Park Maintenance and Repair	\$ 15,420	\$ 209,310	\$ 52,500	\$ 82,400	\$ 86,500	\$ 77,700	\$ 359,300	\$ 120,000	\$ 1,003,130	\$ -	0.0
Town Parking Lots	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000	\$ -	0.0
Public Works Facility	\$ 756,486	\$ 10,514	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,932,501	\$ 9,699,501	\$ 7,300	0.0
Greenways	\$ -	\$ 95,000	\$ 30,000	\$ 737,500	\$ 600,000	\$ -	\$ -	\$ -	\$ 1,462,500	\$ -	0.0
Martin Luther King, Jr. Park	\$ -	\$ -	\$ -	\$ -	\$ 1,534,330	\$ 346,803	\$ -	\$ -	\$ 1,881,133	\$ 114,918	2.0
Weaver Street Reconstruction	\$ -	\$ 130,000	\$ 1,405,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,535,000	\$ -	0.0
Equipment/Vehicle Lease-Purchase	\$ 660,656	\$ 1,920,712	\$ 397,000	\$ 1,212,000	\$ 213,000	\$ 646,000	\$ 300,000	\$ 1,461,000	\$ 6,810,368	\$ -	0.0
Information Technology	\$ 63,710	\$ 102,632	\$ -	\$ 98,500	\$ -	\$ -	\$ -	\$ -	\$ 264,842	\$ 32,400	0.0
Total Projects	\$ 3,633,886	\$ 3,629,667	\$ 6,638,954	\$ 2,726,400	\$ 3,234,477	\$ 1,070,503	\$ 1,318,515	\$ 11,013,501	\$ 33,265,904	\$ 702,526	17.0

Funding Source	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL FUNDING	% of Funding
Installment Financing	\$ 1,720,144	\$ 2,161,126	\$ 2,733,348	\$ 1,572,000	\$ 1,747,330	\$ 992,803	\$ 621,000	\$ 10,893,501	\$ 22,441,252	67.5%
GO Bond	\$ 1,353,293	\$ 834,909	\$ 1,878,300	\$ 383,500	\$ 150,000	\$ -	\$ -	\$ -	\$ 4,600,002	13.8%
Capital Reserves	\$ 103,469	\$ 398,246	\$ 1,012,806	\$ -	\$ 599,287	\$ -	\$ 659,215	\$ -	\$ 2,773,023	8.3%
Intergovernmental Revenues	\$ 227,031	\$ 91,960	\$ 24,000	\$ 590,000	\$ 480,000	\$ -	\$ -	\$ -	\$ 1,412,991	4.2%
General Fund Operating Revenues	\$ 29,207	\$ 129,105	\$ 990,500	\$ 180,900	\$ 257,860	\$ 77,700	\$ 38,300	\$ 120,000	\$ 1,823,572	5.5%
Miscellaneous	\$ 205,064	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 215,064	0.6%
Total Funding	\$ 3,638,208	\$ 3,625,346	\$ 6,638,954	\$ 2,726,400	\$ 3,234,477	\$ 1,070,503	\$ 1,318,515	\$ 11,013,501	\$ 33,265,904	100.0%

OPERATING BUDGET EFFECTS

Elements	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Personnel Costs	\$ 266,499	\$ -	\$ 164,907	\$ 190,777	\$ -	\$ 74,473	\$ -	\$ -	\$ 696,656
Operating and Maintenance	\$ 49,767	\$ 28,075	\$ 91,496	\$ 102,787	\$ -	\$ 6,358	\$ -	\$ 7,300	\$ 285,783
Capital Outlays	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,087	\$ -	\$ -	\$ 34,087
Total Operating Costs	\$ 316,266	\$ 28,075	\$ 256,403	\$ 293,564	\$ -	\$ 114,918	\$ -	\$ 7,300	\$ 1,016,526
<i>Minus New Revenues*</i>	\$ -	\$ 113,000	\$ 92,000	\$ 67,000	\$ 42,000	\$ -	\$ -	\$ -	\$ 314,000
Net Operating Effect	\$ 316,266	\$ (84,925)	\$ 164,403	\$ 226,564	\$ (42,000)	\$ 114,918	\$ -	\$ 7,300	\$ 702,526
New Personnel (FTE)	9.0	0.0	3.0	3.0	0.0	2.0	0.0	0.0	17.0

INDIVIDUAL PROJECT DESCRIPTIONS
PROJECT DESCRIPTIONS AND EXPENDITURE SCHEDULE

Street Resurfacing

Project Description

Many years ago the town acknowledged the importance of maintaining streets by appropriating an annual allocation for street resurfacing. The schedule for street resurfacing is in accordance with a pavement evaluation study performed by US Infrastructure of Carolina, Inc. The evaluations are done every 3 years.

Define Problem

The town has avoided the issues faced many years ago when streets were in poor condition. Resurfacing each street every 15 years prevents critical surface deterioration and avoids expensive roadway replacement or reconstruction. To maintain the 15 year cycle, approximately four-five miles of streets are resurfaced every 2-3 years. The town currently maintains 37 miles of paved roads. A two-year bid cycle reduces administrative time and reduces con-

struction cost with the increased quantities.

Project Alternatives

Lower cost surface treatments are available but the extended service life resulting from these treatments is much less than resurfacing.

Recommended Solution

Continue annual allocation from the General Fund to support the timely and orderly repair of the town's streets.

PROJECT COST ESTIMATES									
Expenditures	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng	\$ 2,087	600							\$ 2,687
Land/ROW									\$ -
Construction		\$ 267,646	\$ 544,806		\$ 599,287		\$ 659,215		\$ 2,070,954
Equip/Furnishing									\$ -
Other									\$ -
Contingencies									\$ -
TOTAL	\$ 2,087	\$ 268,246	\$ 544,806	\$ -	\$ 599,287	\$ -	\$ 659,215	\$ -	\$ 2,073,641
FUNDING SOURCES									
Revenue Source	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Installment Financing									\$ -
GO Bond									\$ -
Capital Reserves		\$ 268,246	\$ 544,806		\$ 599,287		\$ 659,215	\$ -	\$ 2,071,554
Intergovernmental Revenues									\$ -
General Fund Operating Revenues	\$ 2,087								\$ 2,087
Miscellaneous - Payment in Lieu									\$ -
Total Funding	\$ 2,087	\$ 268,246	\$ 544,806	\$ -	\$ 599,287	\$ -	\$ 659,215	\$ -	\$ 2,073,641
OPERATING BUDGET EFFECTS									
Elements	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Personnel Costs									\$ -
Operating and Maintenance									\$ -
Capital Outlays									\$ -
Total Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Minus New Revenues*</i>									\$ -
Net Operating Effect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Personnel (FTE)									0.0

Northern Area Fire Substation

Project Description

To ensure continued adequate and effective fire coverage in all areas of town, a fire substation is proposed for Homestead Road. In FY06-07, the Town hired Stewart Cooper Newell Architects for the design and construction management of the new fire station. Final plans have been submitted and are in the second phase of planning review. Construction is planned to begin in 2009.

Define Problem

Construction of a fire substation is needed to

protect the residents, businesses and new school that are existing and/or being built in the northern area.

Project Alternatives

There are no good alternatives at this time. In order to continue to provide adequate fire protection and emergency medical response in the future, it will be necessary to add this substation. In the meantime, excellent mutual aid agreements with the New Hope Volunteer Fire Department and the Town of Chapel Hill

Fire Department ensure appropriate coverage.

Recommended Solution

To ensure continued adequate and effective fire coverage, a fire substation is proposed for Homestead Road.

Operating Impact

Once the substation is fully operational, it will require an estimated 15 firefighter positions and miscellaneous operating costs including uniforms, utilities, and departmental supplies.

PROJECT COST ESTIMATES									
Expenditures	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng	\$ 157,750	\$ 56,250							\$ 214,000
Land/ROW									\$ -
Construction			\$ 1,587,765						\$ 1,587,765
Equip/Furnishing	\$ 72,362		\$ 357,438	\$ 360,000					\$ 789,800
Other	\$ 9,180	\$ 813	\$ 707						\$ 10,700
Contingencies			\$ 390,438						\$ 390,438
TOTAL	\$ 239,292	\$ 57,063	\$ 2,336,348	\$ 360,000	\$ -	\$ -	\$ -	\$ -	\$ 2,992,703
FUNDING SOURCES									
Revenue Source	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Installment Financing	\$ 239,292	\$ 57,063	\$ 2,336,348	\$ 360,000	\$ -				\$ 2,992,703
GO Bond									\$ -
Capital Reserves									\$ -
Intergovernmental Revenues									\$ -
General Fund Operating Revenues									\$ -
Miscellaneous - Payment in Lieu									\$ -
Total Funding	\$ 239,292	\$ 57,063	\$ 2,336,348	\$ 360,000	\$ -	\$ -	\$ -	\$ -	\$ 2,992,703
OPERATING BUDGET EFFECTS									
Elements	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Personnel Costs	\$ 266,499		\$ 164,907	\$ 190,777					\$ 622,183
Operating and Maintenance	\$ 49,767	\$ 16,675	\$ 91,496	\$ 81,787					\$ 239,725
Capital Outlays					\$ -				\$ -
Total Operating Costs	\$ 316,266	\$ 16,675	\$ 256,403	\$ 272,564	\$ -	\$ -	\$ -	\$ -	\$ 861,908
<i>Minus New Revenues*</i>		\$ 113,000	\$ 92,000	\$ 67,000	\$ 42,000				\$ 314,000
Net Operating Effect	\$ 316,266	\$ (96,325)	\$ 164,403	\$ 205,564	\$ (42,000)	\$ -	\$ -	\$ -	\$ 547,908
New Personnel (FTE)	9.0		3.0	3.0					15.0

* SAFER Grant obtained from the Federal Government in the amount of \$314,000 to hire three fire fighters. This grant provides 90% reimbursement to the Town during the first year, 70% reimbursement the 2nd year, 50% reimbursement the 3rd year, and 30% reimbursement the 4th year.

Sidewalks

Project Description

The purpose of this project is to increase the safety and convenience of walking throughout the town's neighborhoods and to major facilities such as schools, bus stops, shopping areas and recreational facilities. Included in the sidewalk projects are state road improvements that serve the arterial needs of the community.

The town has recommended all state road improvements include bike lanes on both sides

of the road and, where feasible, sidewalks.

The community, in 2003, voted to use general obligation bond funds to finance a comprehensive sidewalk construction project. In conjunction with state agencies and developers, the Board has crafted a plan to finance sidewalk construction over a period of six years provided the town's fiscal position and the economy remain healthy. The list of sidewalks funded is reviewed on occasion by the

board. Currently the Town is working on the Phase I Bond projects, which consists of twenty projects divided into Phase IA and Phase IB. All ten Phase IA projects are now complete and two Phase IB projects are complete with a third Phase IB project (James St.) under construction. Design work continues on the remaining seven Phase IB projects with construction anticipated in 08/09 and 09/10. Bond funds were also used to fund the Town's share of three

PROJECT COST ESTIMATES									
Expenditures	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng	\$ 413,870	\$ 88,000	\$ 31,400						\$ 533,270
Land/ROW	\$ 8,358	\$ 100,000							\$ 108,358
Construction	\$ 1,445,694	\$ 554,391	\$ 1,662,500	\$ 221,000	\$ 171,360				\$ 4,054,945
Equip/Furnishing									\$ -
Other	\$ 28,314	\$ 20,000	\$ 10,000	\$ 15,000	\$ 30,000				\$ 103,314
Contingencies	\$ -	\$ 73,800	\$ 169,400						\$ 243,200
TOTAL	\$ 1,896,236	\$ 836,191	\$ 1,873,300	\$ 236,000	\$ 201,360	\$ -	\$ -	\$ -	\$ 5,043,087
FUNDING SOURCES									
Revenue Source	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Installment Financing									\$ -
GO Bond	\$ 1,353,293	\$ 815,909	\$ 1,873,300	\$ 236,000	\$ 30,000				\$ 4,308,502
Capital Reserves	\$ 103,469								\$ 103,469
Intergovernmental Revenues	\$ 227,031	\$ 15,960							\$ 242,991
General Fund Operating Revenues	\$ 11,700				\$ 171,360				\$ 183,060
Miscellaneous - Payment in Lieu	\$ 205,064								\$ 205,064
Total Funding	\$ 1,900,557	\$ 831,869	\$ 1,873,300	\$ 236,000	\$ 201,360	\$ -	\$ -	\$ -	\$ 5,043,086
OPERATING BUDGET EFFECTS									
Elements	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Personnel Costs									\$ -
Operating and Maintenance									\$ -
Capital Outlays									\$ -
Total Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Minus New Revenues*</i>									\$ -
Net Operating Effect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Personnel (FTE)									0.0

(3) Enhancement Projects (Jones Ferry Rd., Old Fayetteville Road and Brewer Lane). All of which were completed in early 2008.

Wilson Park Multi-Use Path and Rogers Road sidewalk projects are included and will be funded with a combination of grant and bond funds. It is anticipated the construction for The Wilson Park Multi-Use Path and Rogers Road sidewalk will begin in FY10/11.

There are also two NCDOT projects (Smith Level/Culbreth Roads and Old Fayetteville Road to NC54 from McDougle Middle School), anticipated for construction beginning in FY11-12, which will require a 30 % local match. At this time, it is anticipated that general fund operating revenue will be needed to support these projects.

Define Problem

The town's sidewalk system has not expanded to a point where sidewalks are available along the major streets that connect neighborhoods with each other as well as with commercial centers, parks, schools and similar activity centers. Suitable urban roadways are needed to handle and sustain the development of the town and region as well as the demand for public transit, bikeway, and pedestrian systems. Currently, the North Carolina Department of Transportation, when making improvements to the state roads that cross the town's jurisdiction, allows the town to provide a local match to obtain sidewalks, if desired.

Project Alternatives

Alternatives to this project include the status quo and the provision of temporary gravel or asphalt paths.

Recommended Solutions

Arterials or state roads, local collector and subcollector roads should have five-foot wide sidewalks constructed along both sides whereas local roads serving from 10 to 25 units should have five-foot wide sidewalks only along one side.

Operating Impact

The construction of new sidewalks will impact the town's operating budget in proportion to the amount of sidewalks constructed. Additional sidewalk facilities will produce an increase in sidewalk maintenance costs.

Park Maintenance and Replacement Fund

Project Description

Providing for an annual allocation for park maintenance and replacement will provide for much needed perennial maintenance requirements on a consistent basis. This concept, modeled after the town's street resurfacing funding program, will offset costs such as

field maintenance, court resurfacing, and re-
 refurbishment of park facilities. A list of projects by fiscal year are included on the following page.

Define Problem

In the past, park maintenance needs have been

deferred and then funded without support of a long-range schedule or plan to ensure the orderly rehabilitation of the town's parks. This approach can pose liability risks and time constraints in managing park infrastructure that is in a state of disrepair. Court resurfacing for park tennis courts and basketball courts are needed every five to seven years.

Project Alternatives

Continue to budget when needed and continue to pursue funding for needs until resources are identified.

Recommended Solutions

Set aside an annual allocation to ensure funding for ongoing park maintenance and replacement needs.

Operating Impact

The orderly replacement and maintenance of facilities and associated equipment minimizes the additional maintenance costs incurred when facilities are in a state of disrepair.

PROJECT COST ESTIMATES									
Expenditures	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng	\$ 15,420	\$ 11,625							\$ 27,045
Land/ROW									\$ -
Construction		\$ 133,955				\$ -	\$ 321,000		\$ 454,955
Equip/Furnishing									\$ -
Other		\$ 63,730	\$ 52,500	\$ 82,400	\$ 86,500	\$ 77,700	\$ 38,300	\$ 120,000	\$ 521,130
Contingencies									\$ -
TOTAL	\$ 15,420	\$ 209,310	\$ 52,500	\$ 82,400	\$ 86,500	\$ 77,700	\$ 359,300	\$ 120,000	\$ 1,003,130
FUNDING SOURCES									
Revenue Source		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Installment Financing		\$ 133,955				\$ -	\$ 321,000		\$ 454,955
GO Bond									\$ -
Capital Reserves									\$ -
Intergovernmental Revenues									\$ -
General Fund Operating Revenues	\$ 15,420	\$ 65,355	\$ 52,500	\$ 82,400	\$ 86,500	\$ 77,700	\$ 38,300	\$ 120,000	\$ 538,175
Miscellaneous - Payment in Lieu		\$ 10,000							\$ 10,000
Total Funding	\$ 15,420	\$ 209,310	\$ 52,500	\$ 82,400	\$ 86,500	\$ 77,700	\$ 359,300	\$ 120,000	\$ 1,003,130
OPERATING BUDGET EFFECTS									
Elements		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Personnel Costs									\$ -
Operating and Maintenance									\$ -
Capital Outlays									\$ -
Total Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Minus New Revenues*									\$ -
Net Operating Effect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Personnel (FTE)									0.0

Park Maintenance and Replacement Fund, continued

The following table shows a summary of the park maintenance projects:

Anderson & Wilson Bleacher Replacement	\$ 52,500
FY09-10	\$ 52,500
Field #4 Renovation - Anderson Park	\$ 44,100
Anderson Multi-purpose Field Renovation	\$ 38,300
FY10-11	\$ 82,400
Lights at the Multi-purpose Field - Anderson Park	\$ 86,500
FY11-12	\$ 86,500
Anderson Park Basketball Court Resurfacing	\$ 10,000
Town Commons Play Equipment	\$ 33,600
Baldwin Basketball Court Renovation	\$ 34,100
FY12-13	\$ 77,700
Anderson Park Tennis Court Resurfacing	\$ 7,500
Anderson Fitness Stations	\$ 30,800
Anderson Park Bathroom Facility	\$ 181,000
Century Center Renovation (Elevator)	\$ 140,000
FY13-14	\$ 359,300
Wilson Park Tennis Court Replacement	\$ 120,000
FY14-15	\$ 120,000

Town Parking Lots

Project Description

This project will satisfy the need to maintain public parking in the downtown to support the commercial business district while maintaining the current number of parking spaces in the central business district. In the 1999 CIP, three parking lots were identified in the downtown area as suitable for public parking. One parking lot at the corner of Rosemary Street and Sunset Drive was purchased in FY03-04 at a cost of \$114,000. The town is experiencing difficulty in finding affordable land space in the downtown area. The recent Regional Technology Strategies (RTS) report that

assesses Carrboro's economic development needs, recommends allowing for more adequate parking downtown and recommends that a more comprehensive study of downtown parking to find the most cost-effective, environmentally appropriate, and business friendly parking structure. Other alternatives including parking decks have been considered and may be reviewed in the future.

Define Problem

Parking in the downtown has always been limited to private parking facilities associated with businesses until the town developed the parking lots

currently under its control. As the vacant properties in downtown are developed for commercial use, the lots that are currently leased by the town as parking lots become more attractive to developers for building purposes. The current lots are leased with a 90-day clause that would allow either the lessee or the lessor to terminate the contract without penalty.

Over time, the available properties will only become more expensive to buy and develop.

Project Alternative

An alternative to buying the properties would be to change the ordinance so that the properties in the downtown could be developed to mitigate parking needs. Another option would be to develop a parking facility that could be financed via a public-private partnership. The parking facility might be in the form of a parking deck. Parking deck space costs approximately \$20,000 per space to develop.

Recommended Solution

Continue to pursue parking options for the downtown area and perform a comprehensive study to determine best options.

Operating Impact

The operating budget impact is unknown at this time due to the fact that no specific decisions have been made regarding the parking arrangements in the downtown area. Maintenance and upkeep would vary depending on whether the lots would be paved or gravel.

PROJECT COST ESTIMATES									
Expenditures	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng	\$ -							\$ 500,000	\$ 500,000
Land/ROW	\$ -								\$ -
Construction									\$ -
Equip/Furnishing									\$ -
Other									\$ -
Contingencies									\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000
FUNDING SOURCES									
Revenue Source		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Installment Financing	\$ -			\$ -		\$ -		\$ 500,000	\$ 500,000
GO Bond									\$ -
Capital Reserves	\$ -								\$ -
Intergovernmental Revenues									\$ -
General Fund Operating Revenues									\$ -
Miscellaneous - Payment in Lieu									\$ -
Total Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000
OPERATING BUDGET EFFECTS									
Elements		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Personnel Costs									\$ -
Operating and Maintenance									\$ -
Capital Outlays									\$ -
Total Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Minus New Revenues*</i>									\$ -
Net Operating Effect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Personnel (FTE)									0.0

Public Works Facility

Project Description

A new facility is needed to move the Public Works Department from its current location which is located within a designated flood plain. In addition, a more modern structure is needed to improve operations and provide adequate storage. This project budget was estimated in 2005 with the help of MHA-works Architects. Given the uncertain timeline for construction, no attempt has been made to project cost increases in the current year CIP.

Define Problem

Located on 2.5 acres, approximately 40 percent of the current public works facility is located within a designated flood plain. The Public Works Director also projects that the department has outgrown the current facility and has reached maximum storage capacity. Due to the inadequacy of the facility, the town must leave pieces of equipment and vehicles unprotected from the elements of the weather.

Project Alternatives

Remain in current facility.

Recommended Solution

The town has committed to constructing a public works facility in the future and has demonstrated this commitment with the recent purchase of approximately 23 acres off of Old NC 86. Construction of the facility is included in FY14-15 and Beyond.

Operating Budget

Daily and annual operating costs would increase in correlation with the increase in facility size. Estimated increase is approximately \$7,000 to \$8,000 annually.

PROJECT COST ESTIMATES									
Expenditures	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng	\$ 4,355							\$ 1,073,145	\$ 1,077,500
Land/ROW	\$ 751,881								\$ 751,881
Construction	\$ -	\$ -						\$ 7,469,356	\$ 7,469,356
Equip/Furnishing								\$ 290,000	\$ 290,000
Other	\$ 250	\$ 5,000						\$ -	\$ 5,250
Contingencies		\$ 5,514						\$ 100,000	\$ 105,514
TOTAL	\$ 756,486	\$ 10,514	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,932,501	\$ 9,699,501
FUNDING SOURCES									
Revenue Source		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Installment Financing	\$ 756,486	\$ 10,514						\$ 8,932,501	\$ 9,699,501
GO Bond									\$ -
Capital Reserves									\$ -
Intergovernmental Revenues									\$ -
General Fund Operating Revenues									\$ -
Miscellaneous - Payment in Lieu									\$ -
Total Funding	\$ 756,486	\$ 10,514	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,932,501	\$ 9,699,501
OPERATING BUDGET EFFECTS									
Elements		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Personnel Costs									\$ -
Operating and Maintenance								\$ 7,300	\$ 7,300
Capital Outlays									\$ -
Total Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,300	\$ 7,300
<i>Minus New Revenues*</i>									\$ -
Net Operating Effect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,300	\$ 7,300
New Personnel (FTE)									0.0

Greenway Trails

Project Description

The objective of this project is to provide a system of multi-use greenways in Carrboro's Planning Area, to coordinate these improvements to link with existing and planned trails in Chapel Hill and Orange County, and to link neighborhoods and park facilities. The development of these greenways is proposed by the Carrboro Recreation and Parks Comprehensive Master Plan and supported by the Carrboro Vision 2020. Through the Metropolitan Planning Organization project funding process, the town has secured financing for two

greenways proposed for construction: the Morgan Creek Greenway from University Lake to Smith Level Road, and the Bolin Creek Greenway from Estes Drive to Homestead Road.

Define Problem

The town has acquired a number of properties or public access easements along major creek corridors and has adopted as an element of the Parks and Recreation Master Plan a plan for greenways. If the town wishes to establish a system of trails

along these corridors, then the activities proposed by this project should be implemented.

Project Alternatives

An alternative to creating a system of greenways is to create selected linear parks or to simply continue without greenway facilities. In either event, the town may wish to continue accepting the donation of easements and/or property along major streams for environmental protection and flood control purposes.

Recommended Solutions

Two separate trail systems are proposed by the Carrboro Recreation and Parks Comprehensive Master Plan: the Morgan Creek Greenway and the Bolin Creek Greenway. The Morgan Creek Greenway is three miles in length, connects with Chapel Hill's system at Smith Level Road and continues west to link with the University Lake Property. The BPW-Westbrook connector path, providing pedestrian and bicycle access, will be a part of this greenway. The Bolin Creek Greenway system also has the potential to link with Chapel Hill's system and will eventually stretch seven miles throughout Carrboro's northern planning area. The planning phase for both greenways is expected to begin in November 2008 and will continue for 12-18 months. Other phases of greenway trails have been proposed but are currently unfunded.

Operating Impact

The creation of a greenway system may over time require additional personnel and equipment for maintenance as well as police personnel for added security.

PROJECT COST ESTIMATES									
Expenditures	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng		\$ 95,000	\$ 30,000	\$ 73,000	\$ 60,000				\$ 258,000
Land/ROW									\$ -
Construction				\$ 664,500	\$ 540,000	\$ -			\$ 1,204,500
Equip/Furnishing									\$ -
Other									\$ -
Contingencies									\$ -
TOTAL	\$ -	\$ 95,000	\$ 30,000	\$ 737,500	\$ 600,000	\$ -	\$ -	\$ -	\$ 1,462,500
FUNDING SOURCES									
Revenue Source		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Installment Financing									\$ -
GO Bond		\$ 19,000	\$ 5,000	\$ 147,500	\$ 120,000			\$ -	\$ 291,500
Capital Reserves									\$ -
Intergovernmental Revenues		\$ 76,000	\$ 24,000	\$ 590,000	\$ 480,000	\$ -			\$ 1,170,000
General Fund Operating Revenues			\$ 1,000			\$ -			\$ 1,000
Miscellaneous - <i>Payment in Lieu</i>									\$ -
Total Funding	\$ -	\$ 95,000	\$ 30,000	\$ 737,500	\$ 600,000	\$ -	\$ -	\$ -	\$ 1,462,500
OPERATING BUDGET EFFECTS									
Elements		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Personnel Costs									\$ -
Operating and Maintenance									\$ -
Capital Outlays									\$ -
Total Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Minus New Revenues*</i>									\$ -
Net Operating Effect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Personnel (FTE)									0.0

Martin Luther King, Jr. Park

Project Description

In November 1999, the Town of Carrboro purchased 9.5 acres of land in the Hillsborough Road/Pathway Drive area and designated it as a neighborhood park. A committee was appointed and Site Solutions was selected to serve as the consultant to design the park. In October 2003, the Board approved a road alignment concept and requested the design committee work with the consultant to complete the park design. On June 15, 2004, the

Board of Aldermen approved the park design and officially named the park Martin Luther King, Jr. Park.

Define Problem

A neighborhood park is recommended for the Hillsborough Road area to accommodate the surrounding neighborhoods. Wilson Park is the closest neighborhood park in this area; however, the service radius neither serves the neighborhoods that the proposed park project

is intended to serve nor accommodates the ultimate growth north of Hillsborough Road from the Old Fayetteville to Calvander intersection. Currently, there is not a neighborhood park available for the northern area of town, making this site a suitable project.

Project Alternatives

Allow park to be used as is with no additional improvement.

Recommended Solution

Develop a neighborhood park on Hillsborough Road.

Operating Impact

The Public Works Department will need to hire two (2) full-time positions and seasonal help to maintain the park. Mowers and other supplies will be needed to maintain the park grounds.

PROJECT COST ESTIMATES									
Expenditures	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng					\$ 146,990	\$ 57,800			\$ 204,790
Land/ROW									\$ -
Construction					\$ 1,387,340	\$ 289,003			\$ 1,676,343
Equip/Furnishing									\$ -
Other									\$ -
Contingencies									\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 1,534,330	\$ 346,803	\$ -	\$ -	\$ 1,881,133
FUNDING SOURCES									
Revenue Source		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Installment Financing			\$ -	\$ -	\$ 1,534,330	\$ 346,803	\$ -	\$ -	\$ 1,881,133
GO Bond									\$ -
Capital Reserves									\$ -
Intergovernmental Revenues									\$ -
General Fund Operating Revenues									\$ -
Miscellaneous - Payment in Lieu									\$ -
Total Funding	\$ -	\$ -	\$ -	\$ -	\$ 1,534,330	\$ 346,803	\$ -	\$ -	\$ 1,881,133
OPERATING BUDGET EFFECTS									
Elements		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Personnel Costs						\$ 74,473			\$ 74,473
Operating and Maintenance						\$ 6,358			\$ 6,358
Capital Outlays						\$ 34,087			\$ 34,087
Total Operating Costs	\$ -	\$ -	\$ -	\$ -		\$ 114,918		\$ -	\$ 114,918
Minus New Revenues*				\$ -					\$ -
Net Operating Effect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,918	\$ -	\$ -	\$ 114,918
New Personnel (FTE)						2.0			2.0

Lease-Purchase Schedule for Vehicles and Equipment

Project Description

The town's fiscal policy and practices are such that provisions will be made for adequate maintenance of town vehicles and equipment and for their orderly rehabilitation and replacement, within available revenue and budgetary limits. The town funds vehicle and equipment (exceeding \$25,000 per item) additions and replacements using installment financing. An inventory of these needs is presented on the following pages. In regards to vehicles, the Public Works Department will make every effort to evaluate whether there are suitable hybrids or

alternative fuel vehicles available before purchasing non-hybrids or non-alternative vehicles.

Define Problem

Maintenance of capital assets is one of many important criteria used by credit rating agencies to assess the fiscal health and credit rating of an organization. In addition, regular and appropriate replacement cycles ensure an efficient service delivery system that is not hampered by time lost to repairs, broken parts, or maintaining outdated equipment or vehicles. The town has traditionally used installment

financing to ensure regular replacement of the town's rolling stock and on occasion to purchase high-cost equipment that is replaced or needed on an infrequent basis.

Project Alternatives

When vehicles or equipment are not replaced on a consistent schedule, excessive downtime or staff labor may be used toward maintaining broken equipment or vehicles. This could disrupt services provided by the town in a detrimental way that affects service delivery or causes safety or liability concerns for the town.

Recommended Solution

The town should provide for the adequate maintenance of vehicles and equipment to ensure efficient and effective service delivery. The Public Works Department reviews all vehicle requests and makes recommendations based on replacement criteria identified in the town's policies.

Operating Impact

The majority of items requested are replacement vehicles and operational costs are minimized by replacing the vehicles in a timely manner.

PROJECT COST ESTIMATES									
Expenditures	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng									\$ -
Land/ROW									\$ -
Construction									\$ -
Equip/Furnishing	\$ 660,656	\$ 1,920,712	\$ 397,000	\$ 1,212,000	\$ 213,000	\$ 646,000	\$ 300,000	\$ 1,461,000	\$ 6,810,368
Other									\$ -
Contingencies									\$ -
TOTAL	\$ 660,656	\$ 1,920,712	\$ 397,000	\$ 1,212,000	\$ 213,000	\$ 646,000	\$ 300,000	\$ 1,461,000	\$ 6,810,368
FUNDING SOURCES									
Revenue Source	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Installment Financing	\$ 660,656	\$ 1,920,712	\$ 397,000	\$ 1,212,000	\$ 213,000	\$ 646,000	\$ 300,000	\$ 1,461,000	\$ 6,810,368
GO Bond									\$ -
Capital Reserves									\$ -
Intergovernmental Revenues									\$ -
General Fund Operating Revenues									\$ -
Miscellaneous - Payment in Lieu									\$ -
Total Funding	\$ 660,656	\$ 1,920,712	\$ 397,000	\$ 1,212,000	\$ 213,000	\$ 646,000	\$ 300,000	\$ 1,461,000	\$ 6,810,368
OPERATING BUDGET EFFECTS									
Elements	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Personnel Costs									\$ -
Operating and Maintenance									\$ -
Capital Outlays									\$ -
Total Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Minus New Revenues*</i>									\$ -
Net Operating Effect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Personnel (FTE)									0.0

Lease-Purchase Schedule, continued

The following table provides a breakdown, by fiscal year, of the cost estimates provided in the previous table.

Fiscal Year 2009-2010			
Replacement	Public Works	Administration - mid size SUV - replace vehicle #001	\$ 32,000
Replacement	Public Works	Fleet Maintenance-Hybrid Sedan-replace vehicle #009	\$ 27,000
Replacement	Public Works	Central Svcs - pick up - replace #14	\$ 22,000
Replacement	Public Works	Streets - utility truck - replace #042	\$ 44,000
Replacement	Public Works	Solid Waste - boom truck - replace #57	\$ 130,000
Replacement	Inspections	Small Pick up - replace # 136	\$ 15,000
Replacement	Inspections	Small Pickup Truck - replace vehicle #137	\$ 15,000
Replacement	Police	Patrol Vehicles (2)	\$ 60,000
Replacement	Police	Animal Control Vehicle - replace K-9	\$ 15,000
Replacement	Fire	Mid size SUV-replace vehicle #984	\$ 37,000
		TOTAL	\$ 397,000
Fiscal Year 2010-2011			
Replacement	Public Works	Streets - pickup - replace #043	\$ 22,000
Replacement	Public Works	Streets-replace roller #39	\$ 36,000
Replacement	Public Works	L&G - Full Size Truck - replace #003	\$ 25,000
Replacement	Public Works	Solid Waste - fully automated - replace #54	\$ 240,000
Replacement	Rec & Parks	Small Pick up - replace #015	\$ 15,000
Replacement	Rec & Parks	Full SizePick up - replace #016	\$ 16,000
Replacement	Planning	Mid size SUV - replace #135	\$ 28,000
Replacement	Fire	Pumper Truck-replaces #934	\$ 620,000
Replacement	Police	Patrol Vehicles (5)	\$ 100,000
Replacement	Police	Investigations Vehicles (1) #198	\$ 22,000
Replacement	Police	Community Services (2)	\$ 48,000
Replacement	Police	Administration (1)	\$ 25,000
Addition	IT	Small Pickup Truck/Van	\$ 15,000
		TOTAL	\$ 1,212,000

Lease-Purchase Schedule, continued

Fiscal Year 2011-2012			
Addition	Public Works	Streets - 1-Ton dump	\$ 44,000
Replacement	Police	Patrol Vehicles (5)	\$ 147,000
Replacement	Police	Investigations - replace #204	\$ 22,000
		TOTAL	\$ 213,000
Fiscal Year 2012-2013			
Replacement	Public Works	Solid Waste - replace #56	\$ 220,000
Replacement	Public Works	Solid Waste - Replace 800	\$ 250,000
Replacement	Police	Patrol Vehicles (4)	\$ 120,000
Replacement	Police	Community Services (1)	\$ 32,000
Replacement	Fire	Sedan - replaces #982	\$ 24,000
		TOTAL	\$ 646,000
Fiscal Year 2013-2014			
Replacement	Public Works	L&G-Full size 3/4 ton	\$ 19,000
Replacement	Public Works	L&G Leaf Vac	\$ 25,000
Replacement	Planning	Hybrid	\$ 26,000
Replacement	Police	Patrol Vehicles (6)	\$ 180,000
Replacement	Police	Administration (2)	\$ 50,000
		TOTAL	\$ 300,000
Fiscal Year 2014-2015			
Replacement	Public Works	Streets-New Holland Tractor/ Boom Mower-replace #044 #040	\$ 96,000
Replacement	Public Works	Streets-Sweeper Truck-replace vehicle #008	\$ 236,000
Replacement	Public Works	Streets-F-450 Truck-replace vehi- cle #017	\$ 50,000
Replacement	Public Works	L&G-Toro Workman33-Replace # 102	\$ 23,000
Replacement	Public Works	Solid Waste-Condor Labire #801	\$ 220,000
Replacement	Public Works	IT-Ford F-150-Replace # 134	\$ 16,000
Replacement	Police	Patrol Vehicles (5) #222--#225	\$ 155,000
Replacement	Police	Investigations-Replace # 227	\$ 15,000
Replacement	Fire	Engine-1998 Ferrara-Replace #931	\$ 650,000
		TOTAL	\$ 1,461,000

Weaver Street Reconstruction

Project Description

The Weaver Street Reconstruction project includes the removal and reconstruction of the existing road, removal and replacement of curb and gutter, the installation of additional storm inlets and piping to improve storm drainage in the block of W. Main to N. Greensboro, and the replacement of an existing 12 inch water main in both blocks. The cost for the water main replacement will be paid for by OWASA.

Define Problem

It was determined in 1997 that due to the poor

condition of the existing sub-grade and base that the removal and replacement of all the pavement, base materials, sub-grade materials and curb & gutter would be necessary. Sun-gate and Town staff were working on finalizing design plans in Summer of 2000 when the project was put on hold knowing that a Downtown Vision Report was anticipated. It was decided at the time it would be prudent to delay work so that any recommendations for design consideration that might come from the report could be considered as part of the construction project. This way Weaver Street could include suggested items such as decora-

tive street lights, benches, and wider sidewalks, etc. As of April 2003, no decisions had been made from the Downtown Vision Report on what suggestions should be included in the project.

A Downtown Transportation Circulation Study was being discussed in early 2003. Subsequently, the project was put on hold again pending the outcome of the study. A resolution was adopted in April of 2003 that recommended the re-examination of the Weaver Street reconstruction project when the Downtown Transportation Circulation Study was completed.

The Downtown Traffic Circulation Study, as prepared by Kimley-Horn and Associates, was presented to the BOA in June of 2005. Kimley-Horn recommended several street projects as a result of the study including the repaving and re-stripping of Weaver Street. In essence, the recommendation suggests repaving of Weaver Street (maintain existing cross section) and re-stripping to narrow the travel lanes to ten feet creating a four-foot wide bicycle lane between the travel lanes and the gutter pan. Other suggestions include the installation of three new mid-block crossings, upgrade signage, bike detectors at intersections to trigger changes in traffic signals, ADA compliant wheelchair ramps, hedge-screens between the public right-of-way and private parking lots.

PROJECT COST ESTIMATES									
Expenditures	ACTUAL							FY14-15 AND BEYOND	TOTAL PROJECT
	6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14		
Planning/Arch/Eng		\$130,000	\$ 130,000						\$ 260,000
Land/ROW									\$ -
Construction			\$1,275,000						\$ 1,275,000
Equip/Furnishing									\$ -
Other									\$ -
Contingencies									\$ -
TOTAL	\$ -	\$ 130,000	\$1,405,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,535,000
FUNDING SOURCES									
Revenue Source	ACTUAL							FY14-15 AND BEYOND	TOTAL PROJECT
	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14			
Installment Financing									\$ -
GO Bond									\$ -
Capital Reserves	\$ 130,000	\$ 468,000							\$ 598,000
Intergovernmental Revenues									\$ -
General Fund Operating Revenues		\$ 937,000							\$ 937,000
Miscellaneous - Payment in Lieu									\$ -
Total Funding	\$ -	\$ 130,000	\$1,405,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,535,000
OPERATING BUDGET EFFECTS									
Elements	ACTUAL							FY14-15 AND BEYOND	TOTAL PROJECT
	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14			
Personnel Costs									\$ -
Operating and Maintenance									\$ -
Capital Outlays									\$ -
Total Operating Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Minus New Revenues*</i>									\$ -
Net Operating Effect	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Personnel (FTE)									0.0

The basic repaving of Weaver Street was first programmed in the CIP beginning with the FY 2006/07 plan. Design for the project was scheduled for 2007/08 and construction slated for 2008/09. The cost estimate for the basic road improvements was adjusted up considerably while preparing the CIP in fall of 2005 and again in fall of 2006. Items such as sidewalk improvements, decorative lighting, architectural amenities (e.g. benches, trash receptacles), landscaping, raised crosswalks, and bike detectors have not been added to the project cost at this time.

This project was discussed with the Board of Aldermen in November of 2007 as part of the annual CIP presentation. At the end of the presentation the Board adopted a resolution for the CIP that included the building of the least expensive option for Weaver Street which is basically reconstruction of the street only as outlined in the Project Description above. Design and geotechnical engineering is scheduled for FY 08/09. Continued geo-technical engineering, inspection engineering and construction are slated for 09/10. Preliminary engineering has already been completed and the Public Works Department is actively working with the consultant (Sungate Design) on the final design. The construction cost estimate has been increased to reflect the recent significant price increases in asphalt.

Project Alternatives

None.

Recommended Solutions

The current condition of Weaver Street continues to worsen and the project cannot be postponed indefinitely. The longer reconstruction is delayed, the more expensive temporary repairs will be.

Operating Impact

These two blocks of Weaver Street are in poor condition and in the last several years have required annual maintenance in terms of asphalt patching. Reconstruction of the roadway will reduce this routine maintenance requirement.

Information Technology Schedule

Project Description

All new Information Technology projects with costs equal to or greater than \$15,000 are included on the Information Schedule (individual projects are listed in the schedule on the following page).

Define Problem

Maintenance and upgrades of information technology are critical to the efficient and effective operations of the town. In addition, regular and appropriate replacement cycles ensure a service delivery system that is not hampered by time lost to repairs, broken parts, or maintaining outdated equipment.

Project Alternatives

When information technology is not updated or replaced on a consistent schedule, excessive downtime or staff time may be used toward maintaining outdated equipment. This could disrupt services provided by the town in a detrimental way that affects service delivery.

Recommended Solution

The town should provide for the maintenance and upgrade of information technology to ensure efficient and effective service delivery.

Operating Impact

FY07-08 marked the purchase of the online recreation program registration, Public Works maintenance management software and additional Police mobile data terminals.

PROJECT COST ESTIMATES									
Expenditures	ACTUAL 6/30-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng									\$ -
Land/ROW									\$ -
Construction									\$ -
Equip/Furnishing	\$ 63,710	\$ 102,632	\$ -	\$ 98,500	\$ -	\$ -	\$ -	\$ -	\$ 264,842
Other									\$ -
Contingencies									\$ -
TOTAL	\$ 63,710	\$ 102,632	\$ -	\$ 98,500	\$ -	\$ -	\$ -	\$ -	\$ 264,842
FUNDING SOURCES									
Revenue Source		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Installment Financing	\$ 63,710	\$ 38,882							\$ 102,592
GO Bond									\$ -
Capital Reserves									\$ -
Intergovernmental Revenues									\$ -
General Fund Operating Revenues		\$ 63,750	\$ -	\$ 98,500	\$ -	\$ -	\$ -	\$ -	\$ 162,250
Miscellaneous - Payment in Lieu									\$ -
Total Funding	\$ 63,710	\$ 102,632	\$ -	\$ 98,500	\$ -	\$ -	\$ -	\$ -	\$ 264,842
OPERATING BUDGET EFFECTS									
Elements		FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15 AND BEYOND	TOTAL PROJECT
Personnel Costs									\$ -
Operating and Maintenance		\$ 11,400	\$ -	\$ 21,000		\$ -	\$ -	\$ -	\$ 32,400
Capital Outlays									\$ -
Total Operating Costs	\$ -	\$ 11,400	\$ -	\$ 21,000	\$ -	\$ -	\$ -	\$ -	\$ 32,400
Minus New Revenues*									\$ -
Net Operating Effect	\$ -	\$ 11,400	\$ -	\$ 21,000	\$ -	\$ -	\$ -	\$ -	\$ 32,400
New Personnel (FTE)									0.0

Information Technology Schedule, continued

The following table provides a breakdown, by fiscal year, of the cost of the estimates provided in the table on the previous page:

	Project Costs	Operating Budget Impact
<u>Fiscal Year 2009-2010</u>		
TOTAL	\$ -	\$ -
<u>Fiscal Year 2010-2011</u>		
WEB EOC	\$ 13,000	\$ 4,000
Tyler Forms for the Munis Financial System	\$ 15,500	\$ 1,500
Traffic Counters	\$ 15,000	\$ 500
Planning-Document Scanning/GIS Integration	\$ 55,000	\$ 15,000
TOTAL	\$ 98,500	\$ 21,000
<u>Fiscal Year 2011-12</u>		
TOTAL	\$ -	\$ -
<u>Fiscal Year 2012-13</u>		
TOTAL	\$ -	\$ -
<u>Fiscal Year 2013-14</u>		
TOTAL	\$ -	\$ -
<u>Beyond Fiscal Year 2013-14</u>		
TOTAL	\$ -	\$ -

APPENDIX

Impact of Capital Improvements Plan on Operating Budget and the Town's Fiscal Health

The CIP planning process includes a financial analysis and narrative on the impact of the CIP on the town's financial condition and includes an analysis of debt burden, debt service and other operational costs. Debt ratios are monitored by the Local Government Commission and credit rating industries and provide information on the town's fiscal health.

Credit rating firms, in assessing a town's financial condition, review the debt ratios. Currently, the town holds a credit rating of A+ with Standard and Poors and a grade of 83 with the North Carolina Municipal Council. These are considered very favorable ratings, particularly for municipalities similar to Carrboro.

The CIP actually proposes spending and borrowing \$33.3 million dollars to fund projects over a six-year period and the debt analyses that follow project the impact of borrowing. Where applicable, projects and purchases including vehicles and equipment are based upon a six percent inflation factor. Lease-purchase financing for vehicles and equipment assumes a five– seven year term while lease-purchase financing for all other projects is structured using a 15-year term and GO Bond financing assumes a 20-year term. For all debt scenarios, we estimate a five and three-quarters percent interest rate in FY2008-09 and increase the rate a one-half percentage point every year through FY2014-15 with a final interest rate of 8.75 percent. All financing assumptions are based upon consultation with staff at the North Carolina Local Government Commission. In addition, the amounts needed to finance capital projects via cash (capital reserves or general fund contribution) are also considered.

Debt Service Ratios

Debt load is a large expenditure that credit rating industries moni-

tor. Debt is an obligation resulting from the borrowing of money. The town's debt structure primarily consists of installment financing and GO bond debt to support its capital improvements and equipment and vehicle replacements.

Credit rating firms analyze the ability of governments to measure debt in numerous ways. Under favorable circumstances, 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.

Numerous indicators are used to evaluate ability to repay as well as the government's capacity to incur debt. One measure of a unit's debt capacity is debt expressed in terms of assessed or market valuation. The town has embraced a fiscal policy on debt management that promotes using an objective and analytical approach to determine the amount of debt to be considered for authorization and issuance. The town compares its debt ratios to its peer population group as identified by the Local Government Commission (LGC) as a reference point to assess debt burden and ability to pay. The peer group, identified by the LGC, is based on municipalities with populations of 10,000 to 24,999.

The LGC categorizes the following two debt ratios of each jurisdiction as being low, average, or high. The town will strive to avoid the "high" debt burden. The spreadsheet beginning on

page 3.3 reviews the impact of financing projects in the CIP.

For municipalities comparable to Carrboro in FY2006-07, the average debt-to-assessed valuation ratio was .346 percent; a high level is considered 1.526 percent. Carrboro has little bonded debt, having used primarily installment debt financing to purchase land and facilities over the past seven years and thus has an average debt ratio when compared to peer jurisdictions. The debt-to-assessed valuation ratio for Carrboro is at its peak at 0.82 percent in FY08-09. Overall, 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. That legal margin, based on the June 30, 2008 audited valuation, is \$122,958,914.

Debt can also be monitored on a per capita basis, which is generally useful for communities that do not rely heavily on property taxes and that cannot easily compute a substitute revenue base for comparison. This is an indicator that is monitored by the Local Government Commission and credit industry agencies as a measure of debt burden. The town's per capita debt is currently highest in FY08-09 at \$513 per capita in FY08-09. The average for comparable jurisdictions is \$276 per capita; \$1,331 per capita is considered a high ratio amongst the peer jurisdictions. Per capita debt increases to \$602 in FY09-10 as the Town incurs additional debt costs.

Debt service 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 percent of operating revenues as a potential problem. Ten percent is considered acceptable. The Town will maintain this ratio at or below 12%, considering this to be a moderate level of debt.

As depicted, the town's debt service as a percentage of the operating budget reaches 10.71 percent in FY12-13 and stays within

the fiscal policy limits.

The North Carolina Local Government Commission (LGC) advises that local governments should have a reasonable debt burden. A heavy debt burden may be evidenced by a ratio of General Fund Debt Service to General Fund Expenditures exceeding 15%, or Debt per Capita or Debt to Appraised Property Value exceeding that of similar units.

Carrboro's CIP meets all objectives of the LGC as well as its own fiscal policy. The debt ratios, while increasing at times, do not come close to the "high" debt burden as currently measured by the Local Government Commission. The more significant impact of the CIP is the potential property tax burden that may occur over the next five years should the town pursue all of the projects recommended for funding in the CIP. The fiscal analysis reveals the challenges and choices the town makes in sustaining large capital improvements on a tax base that has limited diversity and commercial base.

- i. "Evaluating Financial Condition, A Handbook for Local Government," ICMA, Sanford M. Groves and Maureen Godsey Valente, pp 75
- ii. "Evaluating Financial Condition, A Handbook for Local Government," ICMA, Sanford M. Groves and Maureen Godsey Valente, pp 83
- iii. Evaluating Financial Condition, A Handbook for Local Government," ICMA, Sanford M. Groves and Maureen Godsey Valente, pp 81

Summary Table of the Impact of CIP on Debt Ratios

DEBT SERVICE COSTS	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15
Total GO Debt	\$ 233,225	\$ 26,701	\$ -	\$ -	\$ -	\$ -	\$ -
Total Installment Purchase Debt, Long Term	\$ 384,404	\$ 380,658	\$ 376,965	\$ 373,272	\$ 369,610	\$ 365,886	\$ 362,193
Total Installment Purchase Debt, General Fund Veh/Eqp	\$ 1,013,279	\$ 1,064,813	\$ 869,148	\$ 625,626	\$ 466,582	\$ 233,276	\$ -
CURRENT DEBT SERVICE OBLIGATIONS	\$ 1,630,909	\$ 1,472,172	\$ 1,246,113	\$ 998,898	\$ 836,192	\$ 599,162	\$ 362,193
DEBT SERVICE COSTS, ADDITIONAL DEBT SERVICE, RECOMMENDED IN CIP							
GO Debt Service Costs	\$ -	\$ 169,009	\$ 190,095	\$ 391,414	\$ 555,163	\$ 538,488	\$ 521,813
Installment Purchase Debt Service Costs, Long Term	\$ -	\$ 371,594	\$ 360,122	\$ 348,650	\$ 598,969	\$ 578,405	\$ 557,841
Installment Purchase Short Term Debt Service Costs, General Fund Veh/Eqp	\$ -	\$ -	\$ 275,053	\$ 323,815	\$ 472,985	\$ 542,853	\$ 886,006
<i>FUTURE DEBT SERVICE, RECOMMENDED CIP</i>	\$ -	\$ 540,603	\$ 825,270	\$ 1,063,879	\$ 1,627,116	\$ 1,659,745	\$ 1,965,659
TOTAL DEBT SERVICE OBLIGATIONS, CURRENT & RECOMMENDED	\$ 1,630,909	\$ 2,012,775	\$ 2,071,383	\$ 2,062,777	\$ 2,463,308	\$ 2,258,907	\$ 2,327,852
TOTAL DEBT (OUTSTANDING PRINCIPAL)							
GO Bond, Long Term Debt (includes authorized but unissued bonds)	\$ 4,626,107	\$ 4,600,000	\$ 4,600,000	\$ 4,600,000	\$ 4,370,000	\$ 4,140,000	\$ 3,910,000
Installment Purchase, Long Term Debt	\$ 2,653,935	\$ 2,373,517	\$ 2,085,887	\$ 1,790,770	\$ 1,487,879	\$ 1,176,918	\$ 857,581
Installment Purchase, Short Term General Fund Veh/Eqp	\$ 2,564,099	\$ 2,003,165	\$ 1,225,491	\$ 657,986	\$ 223,572	\$ (0)	\$ -
CURRENT OUTSTANDING PRINCIPAL	\$ 9,844,141	\$ 8,976,682	\$ 7,911,378	\$ 7,048,756	\$ 6,081,451	\$ 5,316,918	\$ 4,767,581
ADDITIONAL DEBT (OUTSTANDING PRINCIPAL):							
Installment Purchase, Long Term Debt	\$ 2,992,703	\$ 2,793,189	\$ 2,593,676	\$ 4,275,295	\$ 3,950,373	\$ 3,625,451	\$ 3,300,528
Installment Purchase, Short Term General Fund Veh/Eqp	\$ -	\$ -	\$ 936,947	\$ 889,375	\$ 1,123,245	\$ 961,816	\$ 1,609,485
FUTURE OUTSTANDING PRINCIPAL	\$ 2,992,703	\$ 2,793,189	\$ 3,530,622	\$ 5,164,671	\$ 5,073,618	\$ 4,587,266	\$ 4,910,013
TOTAL OUTSTANDING PRINCIPAL, CURRENT & RECOMMENDED	\$ 12,836,844	\$ 11,769,872	\$ 11,442,001	\$ 12,213,427	\$ 11,155,068	\$ 9,904,184	\$ 9,677,594
POPULATION							
Population	19,178	19,562	19,953	20,352	20,759	21,174	21,598
Projected Assessed Valuation	\$ 1,560,837,887	\$ 1,607,663,024	\$ 1,655,892,914	\$ 1,705,569,702	\$ 1,756,736,793	\$ 1,809,438,897	\$ 1,863,722,063
WITHOUT ADDITIONAL DEBT							
Projected Budget - 3% growth wshort term debt and w/o additional long-term debt only + CIP PAYG only	\$ 18,480,376	\$ 19,571,624	\$ 19,938,824	\$ 20,233,682	\$ 20,432,516	\$ 20,339,208	\$ 20,320,516
ESTIMATED RATIOS							
% Outstanding Principal to Assessed Valuation	0.63%	0.56%	0.48%	0.41%	0.35%	0.29%	0.26%
% Debt Svc to Total Budget	8.83%	7.52%	6.25%	4.94%	4.09%	2.95%	1.78%
Debt Per Capita	\$ 513	\$ 459	\$ 397	\$ 346	\$ 293	\$ 251	\$ 221
WITH ADDITIONAL DEBT							
Projected Budget + Additional Debt Service + CIP PAYG and Operating Impact Costs	N/A	\$ 21,305,103	\$ 21,655,178	\$ 22,285,853	\$ 23,001,903	\$ 23,207,673	\$ 22,970,134
ESTIMATED RATIOS							
% Outstanding Principal to Assessed Valuation	N/A	0.73%	0.69%	0.72%	0.63%	0.55%	0.52%
% Debt Svc to Total Budget	N/A	9.45%	9.57%	9.26%	10.71%	9.73%	10.13%
Debt Per Capita	N/A	\$ 602	\$ 573	\$ 600	\$ 537	\$ 468	\$ 448
DEBT RATIOS: PEER POPULATION (10,000-24,999), FY06-07							
	HIGH	AVERAGE	LOW				
Outstanding Principal (Debt) as % of Assessed Valuation	1.526%	0.346%	0.004%				
Outstanding Principal (Debt) Per Capita	\$ 1,331	\$ 276	\$ -				
CREDIT RATING INDUSTRY STANDARD:							
	BUDGET	S'TRAIN	ACCEPTABLE				
Debt Service as a % of the Operating Budget	20%	10%	\$ -				

Impact of the CIP on the Town's Annual Operating Budget

The chart below illustrates the potential impact of the CIP on the Town's annual operating budget. This impact is calculated in terms of tax rate equivalent which is a formula that takes estimated revenue generated from the Town's assessed property tax base and estimates what it would take in the property tax revenue to fund the increases due to CIP needs. This formula does not take into account the natural growth or decline in the annual revenue stream which consists of numerous revenues other than property tax, such as sales tax, grant revenues, and local user fees. Nor does this chart address ongoing operational needs that are cited in the annual operating budget process but are unrelated to the CIP.

Committing to an aggressive capital improvement program will require significant increases in debt service costs associated with financing large multi-year projects and will require significant annual cash appropriations to pay for smaller capital projects where financing is not an appropriate alternative and to pay for staffing and other operating needs once capital projects are completed. These costs will be largely funded through property taxes, one of the few significant revenue streams that are directly under the control of local jurisdictions. This fact, compounded with the fact that the town's tax base is largely comprised of residential property, constrains the ability of the town to diversify its revenue stream. A notable dynamic reflected in this chart is the increased cost of funding the priorities stated in the CIP – building a fire substation beginning in FY08-09 while increasing the staffing capacity in preparation for the completion of the building; moving forward with plans to build the Martin Luther King, Jr. neighborhood park on Hillsborough Road in FY11-12; and continuing with sidewalk construction with the intention of beginning full debt service payments in FY 12-13 on the entire \$4,600,000 approved by voters in November 2003. In addition, the town continues to maintain its current infrastructure, replacing vehicles in a timely manner; maintaining streets and performing storm water repairs; and addressing technology needs. The chart shows periodic increases in the cost of the FY09-10 CIP as needs are funded.

The potential increases cited by the CIP can be mitigated by obtaining additional revenue sources, expansion of the tax base above what is projected, or by delaying or deleting projects that are not related to public safety.

\$ ISSUE	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15
CURRENT DEBT SERVICE							
BOND REFUND, RECREATION AND FIRE FACILITY	\$ 863,000	\$ 77,797	\$ -	\$ -	\$ -	\$ -	\$ -
STREET AND BIKEWAY, GO BOND	\$ 500,000	\$ 27,493	\$ 26,701	\$ -	\$ -	\$ -	\$ -
CENTURY CENTER, IP	\$ 3,080,000	\$ 229,879	\$ 229,879	\$ 229,879	\$ 229,879	\$ 229,879	\$ 229,879
MARTIN LUTHER KING, JR PARK, IP	\$ 274,000	\$ 24,673	\$ 24,673	\$ 24,673	\$ 24,673	\$ 24,673	\$ 24,673
PUBLIC WORKS LAND, IP	\$ 767,000	\$ 70,173	\$ 68,066	\$ 66,013	\$ 63,960	\$ 61,938	\$ 59,854
ADAMS TRACT, IP	\$ 600,000	\$ 59,680	\$ 58,040	\$ 56,400	\$ 54,760	\$ 53,120	\$ 51,480
SIDEWALK AND GREENWAYS - BANS	\$ 2,590,000	\$ 127,936	\$ -	\$ -	\$ -	\$ -	\$ -
VEHICLE/EQPMT INSTALLMENT DEBT SERVICE, CURRENT(FY09-10 CIP)	N/A	\$ 1,013,279	\$ 1,064,813	\$ 869,148	\$ 625,626	\$ 466,582	\$ 233,276
CURRENT DEBT SERVICE		\$ 1,630,909	\$ 1,472,172	\$ 1,246,113	\$ 998,898	\$ 836,192	\$ 599,162
CIP PROJECTS RECOMMENDED, NOT YET FUNDED							
DEBT SERVICE COSTS - GENERAL OBLIGATION BONDS							
GO SIDEWALK AND GREENWAY DEBT SERVICE, FUTURE	\$ 4,600,000	\$ -	\$ 169,009	\$ 190,095	\$ 391,414	\$ 555,163	\$ 538,488
DEBT SERVICE COSTS - LONG-TERM INSTALLMENT FINANCING							
FIRE SUBSTATION	\$ 2,992,703	\$ -	\$ 371,594	\$ 360,122	\$ 348,650	\$ 337,178	\$ 325,706
MARTIN LUTHER KING JR. PARK	\$ 1,881,133	\$ -	\$ -	\$ -	\$ -	\$ 261,791	\$ 252,699
INSTALLMENT FINANCING DEBT SERVICE, FUTURE	\$ 4,873,836	\$ -	\$ 371,594	\$ 360,122	\$ 348,650	\$ 598,969	\$ 578,405
FUTURE VEHICLE/EQP INSTALLMENT DEBT SERVICE, FY09-10 CIP	\$ 4,229,000	\$ -	\$ -	\$ 275,053	\$ 323,815	\$ 472,985	\$ 542,853
TOTAL DEBT SERVICE, CURRENT AND FUTURE	\$ 1,630,909	\$ 2,012,775	\$ 2,071,383	\$ 2,062,777	\$ 2,463,308	\$ 2,258,907	\$ 2,327,852
STREET RESURFACING	\$ 200,000	\$ 200,000	\$ 249,644	\$ 249,644	\$ 329,608	\$ 329,608	\$ 329,608
PARK MAINTENANCE FUND	\$ 209,310	\$ 52,500	\$ 82,400	\$ 86,500	\$ 77,700	\$ 359,300	\$ 120,000
WEAVER STREET RECONSTRUCTION	\$ 430,000	\$ 492,000	\$ -	\$ -	\$ -	\$ -	\$ -
SIDEWALKS (NCDOT PROJECTS: OLD FAYETTEVILLE RD TO NC 54) AND SMITH LEVEL/CULBRETH ROADS	\$ -	\$ -	\$ -	\$ 171,360	\$ -	\$ -	\$ -
TOTAL CASH ALLOCATION FOR FUTURE CAPITAL PROJECTS (CAPITAL RESERVE)	\$ 839,310	\$ 744,500	\$ 332,044	\$ 507,504	\$ 407,308	\$ 688,908	\$ 449,608
FIRE SUBSTATION (including IT needs for Fire Station #2)	\$ 313,288	\$ 528,322	\$ 776,343	\$ 819,041	\$ 864,089	\$ 911,614	\$ 961,752
LESS SAFER GRANT REVENUE FOR FIREFIGHTERS	\$ (113,000)	\$ (92,000)	\$ (67,000)	\$ (42,000)	\$ -	\$ -	\$ -
INFORMATION TECHNOLOGY	\$ 102,632	\$ 12,054	\$ 124,750	\$ 27,563	\$ 28,941	\$ 30,388	\$ 31,907
MARTIN LUTHER KING, JR. PARK	\$ -	\$ -	\$ -	\$ -	\$ 114,918	\$ 120,664	\$ 126,697
TOTAL OPERATING IMPACT OF CIP PROJECTS	\$ 302,920	\$ 448,376	\$ 834,093	\$ 804,604	\$ 1,007,947	\$ 1,062,665	\$ 1,120,356
GRAND TOTAL COSTS FOR CIP IMPLEMENTATION	\$ 2,773,138	\$ 3,205,651	\$ 3,237,520	\$ 3,374,885	\$ 3,878,563	\$ 4,010,481	\$ 3,897,816
DIFFERENCE FROM PRIOR FISCAL YEAR	\$ 2,072,419	\$ 432,513	\$ 31,869	\$ 137,365	\$ 503,678	\$ 131,917	\$ (112,664)
REVENUE PER PENNY OF TAX	\$ 153,260	\$ 158,624	\$ 164,176	\$ 169,922	\$ 175,869	\$ 182,025	\$ 188,396
TAX RATE EQUIVALENT (CENTS) FOR BOTH CIP INFRASTRUCTURE AND OPERATING COSTS		13.52	2.73	0.19	0.81	2.86	0.72
							(0.60)

	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15
RECOMMENDED CIP PROJECTS IN PRIORITY ORDER							
CURRENT DEBT SERVICE - LONG TERM	\$ 489,694	\$ 407,359	\$ 376,965	\$ 373,272	\$ 369,610	\$ 365,886	\$ 362,193
VEHICLE & EQUIPMENT LEASE PURCHASE	\$1,013,279	\$1,064,813	\$1,144,202	\$ 949,442	\$ 939,567	\$ 776,130	\$ 886,006
INFORMATION TECHNOLOGY - NEW APPLICATIONS & OPERATING IMPACT	\$ 102,632	\$ 12,054	\$ 124,750	\$ 27,563	\$ 28,941	\$ 30,388	\$ 31,907
FIRE SUBSTATION - DEBT SERVICE & OPERATING IMPACT	\$ 313,288	\$ 899,916	\$1,136,464	\$1,167,691	\$1,201,267	\$1,237,319	\$1,275,986
STREET RESURFACING	\$ 200,000	\$ 200,000	\$ 249,644	\$ 249,644	\$ 329,608	\$ 329,608	\$ 329,608
ALLOCATION FOR WEAVER STREET RESURFACING	\$ 430,000	\$ 492,000	\$ -	\$ -	\$ -	\$ -	\$ -
SIDEWALK AND GREENWAYS DEBT SERVICE	\$ 127,936	\$ 169,009	\$ 190,095	\$ 391,414	\$ 555,163	\$ 538,488	\$ 521,813
NCDOT SIDEWALK PROJECTS (SMITH LEVEL AND OLD FAYETTEVILLE TO NC 54	\$ -	\$ -	\$ -	\$ 171,360	\$ -	\$ -	\$ -
PARK MAINTENANCE FUNDING	\$ 209,310	\$ 52,500	\$ 82,400	\$ 86,500	\$ 77,700	\$ 359,300	\$ 120,000
TOWN PARKING LOTS							
PUBLIC WORKS FACILITY							
MARTIN LUTHER KING, JR. PARK - DEBT SERVICE & OPERATING IMPACT	\$ -	\$ -	\$ -	\$ -	\$ 376,709	\$ 373,363	\$ 370,304
TOTAL OF ALL CAPITAL INVESTMENTS RECOMMENDED FOR FUNDING BY FISCAL YEAR	\$2,886,138	\$3,297,651	\$3,304,520	\$3,416,885	\$3,878,563	\$4,010,481	\$3,897,816
LESS GRANT REVENUE FOR FIRE SUBSTATION	\$ (113,000)	\$ (92,000)	\$ (67,000)	\$ (42,000)	\$ -	\$ -	\$ -
ADJUSTED FUNDING TOTAL	\$2,773,138	\$3,205,651	\$3,237,520	\$3,374,885	\$3,878,563	\$4,010,481	\$3,897,816
TOTAL TAX RATE EQUIVALENT	18.1	20.2	19.7	19.9	22.1	22.0	20.7
CURRENT TAX RATE:	68.63	68.63	68.63	68.63	68.63	68.63	68.63
% OF TOTAL TAX RATE COMMITTED TO CIP:	26.4%	29.4%	28.7%	28.9%	32.1%	32.1%	30.1%

Unfunded Projects

Bicycle and Pedestrian Improvements

The 2005 Downtown Circulation Study has identified opportunities to add more off-road connections and upgrade the on-road system of bike paths in Carrboro. The Bel Arbor Multi-Use Path (Phipps and Simpson Street to Bel Arbor Lane), which is part of the Town's 2006 Parks and Recreation Master Plan is included in this study. Also considered is the addition of bicycle detectors at signalized intersections which would improve the downtown bicycle facilities as well as reinforce the right of cyclists to operate on the road. These will be considered once the bike plan is adopted. The S. Greensboro Sidewalk (between Old Pittsboro Rd. and the eastbound ramp from NC 54 Bypass) remains unfunded at this time.

Greenways

The Town's Comprehensive Parks and Recreation Master Plan has adopted a greenways plan as one of its elements. These greenways will provide opportunities to provide a system of trails along major creeks in Carrboro's Planning Area and to coordinate these improvements to link with existing and planned trails in Chapel Hill and Orange County and to link neighborhoods and park facilities. The Board of Aldermen is planning to fund the Morgan Creek Greenway and a portion of the Bolin Creek Greenway from Estes Drive to Hogan Farm with bond funding approved in the November 2003 referendum. However, several greenway projects remain unfunded at this time, largely due to the anticipated timing of the projects being beyond the six years being reviewed in the CIP. These greenways include: Sunset Creek Branch (Bolin Creek at Horace Williams to Sunset Bolin Creek); Bolin

Creek from Hogan Farm to Union Grove Church Road; and Jones Creek Branch (Bolin Creek at Hogan Farms to Eubanks Road).

Gymnasium

The town's Comprehensive Parks and Recreation Master Plan strongly recommends the construction of a gymnasium inclusive of two basketball courts, a meeting room, and office and storage spaces. During the public input process, citizens identified a facility such as this as the top priority for Carrboro as critical to meeting general and athletic programming needs in the community.

Local Road Improvements

It is important for the town's development that streets are kept in good condition. There are other local road improvements that could be conducted such as Rainbow and Dove Streets. These roads need to be widened to include curb and gutter. They also in some cases would need a stormwater swale section. However, no citizen petitions have come forward and the projects currently remain unfunded.

UNFUNDED PROJECTS
PROJECT
Bicycle and Pedestrian Improvements
Greenways
Gymnasium
Local Road Improvements
Outdoor Swimming Pool
Roberson St. Improvements

Outdoor Swimming Pool

The Town's Comprehensive Master Parks and Recreation Plan recommends one public pool for each set of 25,000 people. Carrboro is currently without a swimming facility. Several public input sessions within the community have expressed support for an outdoor pool.

Roberson Street Improvements

The Downtown Carrboro: New Vision report recommends improvements to Roberson Street. These improvements have the potential to enliven the downtown core and will highlight Roberson Street as a priority location for development. The improvements include underground utilities, sidewalk improvements, on-street parking, lighting, and connections throughout the area.

Town Hall Renovations

Town Hall, originally constructed in 1930, needs considerable renovations in order to maintain its usefulness. These major renovations, identified in a facilities use study conducted in 1995, would make the building suitable for organizational and community needs. Without these renovations, Town Hall will not be able to accommodate future space needs.