ADOPTED

CAPITAL IMPROVEMENT PROGRAM

Fiscal Year 2013-14 Through

Fiscal Year 2018-19

T OWN OF CARRBORO, NORTH CAROLINA
CAPITAL IMPROVEMENTS PROGRAM
FY 2013-14 THROUGH FY 2018-19

BOARD OF ALDERMEN

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David L. Andrews, ICMA-CM

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Andy Vogel, Information and Technology Manager
Sandra Svoboda, CIP Coordinator

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Message from the Manager

January 15, 2013

Dear Mayor and Board of Aldermen,

It is with pleasure that I submit to you the Capital Improvements Program (CIP) for FY 2013-14 through FY 2018-19. While capital planning is not an exact science, it is a proven approach for capital improvement planning while protecting the Town's financial health.

The CIP represents a 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, economic development assessment, and various master plans for Recreation and Parks. A prominent feature of the CIP is the sidewalk and greenways construction program, approved by citizens in a November 2003 bond referendum, to create a more walkable community.

This year, the CIP plan reflects significant progress in capital projects. We have completed the Weaver Street Reconstruction project. The Town has completed 20 sidewalks covering 4.06 miles. Four more projects are under construction or anticipated to begin construction in FY 2012-13 for another 3.08 miles. With the issuance of $4.6 million general obligation bonds in December 2012, permanent financing is now in place to complete sidewalks and greenways authorized by the 2003 bond referendum.

The Town continues its investment in road infrastructure with a planned 15-year cycle street resurfacing program. The CIP for FY 2013-14 through FY 2018-19 continues to provide for vehicle and equipment replacement with a focus on economical use, maximum utilization, and evaluation of alternative fuel or hybrid vehicles. The Vehicle Replacement Schedule includes additions to the fleet with a new patrol vehicle, a new solid waste vehicle, and a new vacuum leaf loader truck. The purchase of a replacement pumper fire truck has been deferred the past two fiscal years due to budgetary reasons.

The development and construction of Martin Luther King, Jr. Park continues to be delayed. The master plan approved by the Board in September 2004 will need to be updated and is proposed to be undertaken in FY 2013-14 with construction projected for FY 2016-17.

Parking lot construction and a new public works facility is also proposed for funding beyond FY 2018-19. Construction of a new Public Works facility with estimated construction costs of over $14.0 million would be the most expensive project ever undertaken by the Town.

As in past years, needs outstrip the revenue capacity and some projects must go unfunded. A list of unfunded town projects is presented on page 38.

The total cost of the CIP for FY 2013-14 through FY 2018-19 is $40.3 million. Current projects total $10.7 million or 26.7% and $21.4 million or 53.3% are proposed for new projects. A little less than $1.0 million or 2.4% is for compliance with mandated stormwater management requirements. For vehicles and equipment the CIP includes $6.8 million or 17.1% over the next six years.

		AMOUNT	% OF TOTAL
Current Projects	$	10,757,219	26.7%
Mandated Stormwater Management		979,900	2.4%
Vehicles and Equipment		6,894,459	17.1%
Technology		207,500	0.5%
New Projects		21,470,384	53.3%
TOTAL	$	40,309,462	100.0%

Overall there is a net increase of $696,506 in the CIP from last year. This is due primarily to the completion of the Weaver Street Reconstruction ($1,466,370); the addition of two more required storm water management projects ($238,000); and, the additions of new projects for Town Commons Improvements ($162,000), S. Greensboro Sidewalk ($1,051,300), Greensboro-Lloyd Bikeway ($200,512) and Rogers Road Remediation Project ($900,000).

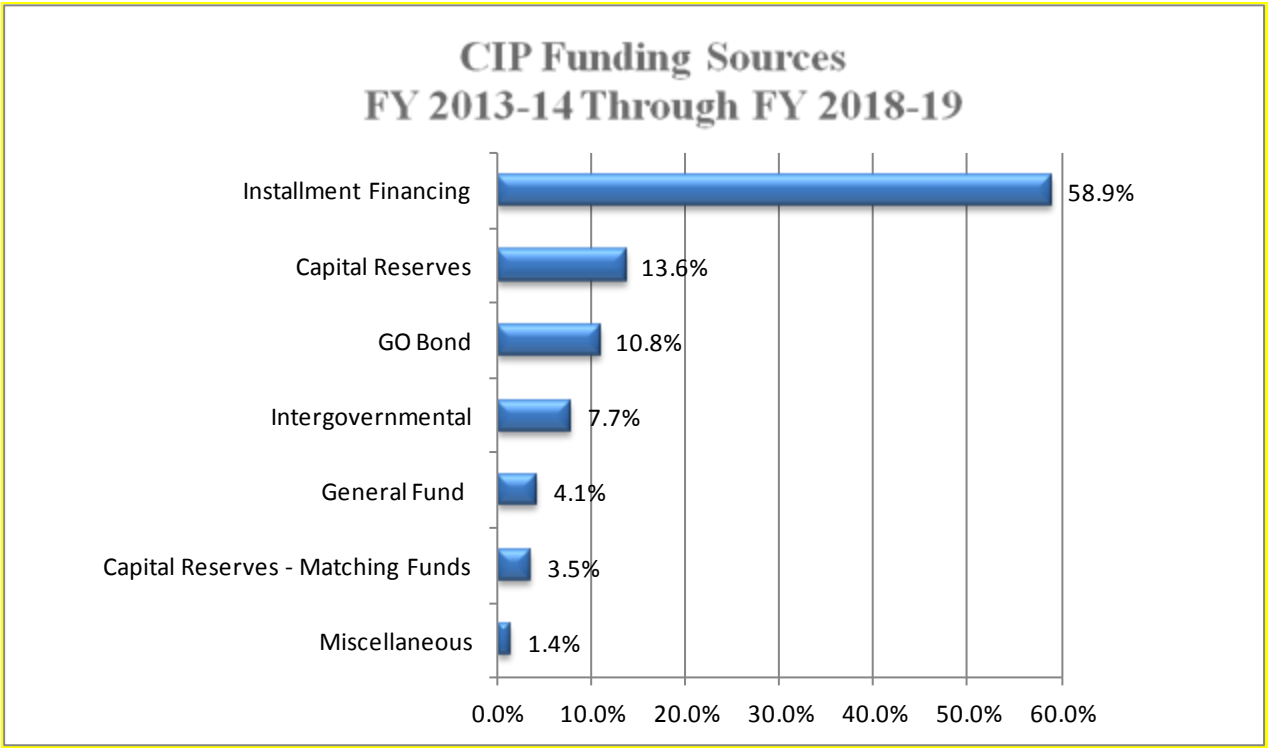
PROJECTS	CURRENT CIP FY 2012-13 THRU 20017-18	RECOMMENDED CIP FY 2013-14 THRU 2018-19	DIFFERENCE
Greenways	**$ 3,662,696**	**$ 3,881,628**	**$ 218,932**
Martin Luther King, Jr. Park	**2,986,224**	**2,363,944**	**(622,280)**
Park Maintenance and Repair	**1,339,732**	**1,332,154**	**(7,578)**
Public Works Facility	**13,812,486**	**14,339,096**	**526,610**
Sidewalks	**5,560,096**	**5,314,354**	**(245,742)**
Street Resurfacing	**2,447,990**	**2,182,616**	**(265,374)**
Town Parking Lots	**500,000**	**500,000**	**-**
Information Technology	**187,000**	**207,500**	**20,500**
Equipment/Vehicle Lease-Purchase	**6,953,462**	**6,894,459**	**(59,003)**
Weaver St. Reconstruction	**1,466,370**	**-**	**(1,466,370)**
Stormwater Management	**696,900**	**979,900**	**283,000**
Town Commons	**-**	**162,000**	**162,000**
S. Greensboro Sidewalk	**-**	**1,051,300**	**1,051,300**
Greensboro-Lloyd Bikeway	**-**	**200,512**	**200,512**
Rogers Road Remediation Project	**-**	**900,000**	**900,000**
TOTAL PROJECTS	**$39,612,956**	**$ 40,309,462**	**$696,506**

Project costs are updated periodically depending on the type of project. For example, street resurfacing costs are adjusted each year due to the fluctuation of petroleum product costs. Updated sidewalk costs are based on current estimates calculating a cost per foot. The Public Works facility projected cost, at this point in time, is not based on any final design. However, the original estimate prepared by a consultant in 2005 has been updated to keep construction estimates as current as possible. Greenways costs have increased due to new estimates for

construction of the Bolin Creek Greenway.

Information Technology CIP projects include costs for an in-car video system for police vehicles; automatic vehicle locator for police vehicles which will assist Orange County Emergency Management Services in dispatching patrol units that are closer to calls for service reducing call response times; Orange County OSSI CAD interface for Police Department Mobile Computer Terminals (MCTs) which support data sharing between public safety agencies; and document scanning/GIS integration for the Planning Department.

To fund the $40.3 million CIP, roughly 70% or $28.0 million is anticipated to be funded through general obligation bonds or installment financing debt, 10.8% and 58.9%, respectively. Twenty nine percent or $6.9 million of the installment financing is for the replacement of Town vehicles and equipment.



As indicated in the analysis of the CIP impact on the Town's financial condition, the overall per capita debt ratio is $487 and will gradually decrease to $475 in FY 2017-18. While this rate is above the average of $395 for Towns similarly sized, it is well below the high level of $1,168 for each year. Debt service as a percentage of operating budget is less than 10% each year. With the additional proposed debt, debt service is projected to rise to 8.3% of operating budget in FY 2017-18.

Financing capital needs requires a revenue stream to pay for the debt service costs. The most significant impact of the CIP is the potential property tax burden that may occur over the next six years should the Town implement all of the projects proposed in the CIP. As the Impact on Town's Annual Operating Budget shows (Appendix B), debt service will increase from $1.2

million in FY 2012-13 to $2.2 million in FY 2016-17 when installment financing is proposed for construction of the Martin Luther King, Jr. Park. The need for Capital Reserve Fund resources for future projects is estimated to increase from $764,102 in FY 2012-13 to over $2.0 million in FY 2015-16.

As with major financing decisions, there are challenges and choices the Town must make in carrying out its CIP over the coming years. With a tax base comprised of residential properties and limited commercial base, the ability to sustain a large Capital Improvements Program will require a combination of debt financing and the use of capital reserve funds. To minimize increases in the residential tax rate for citizens, it will require a continuous on-going evaluation of capital needs and priorities. Additionally, efforts will need to be undertaken to diversify the Town's tax base beyond the heavy reliance on residential property taxes. Such diversification might include impact fees for recreation and transportation purposes, meal taxes, special tax districts for economic development, real estate transfer taxes, and grants.

I am proud of the Capital Improvements Program accomplishments so far, especially in light of the slowly recovering local economy. Town staff has delayed purchases of major equipment and remained diligent and frugal in their day-to-day operations as we seek to build upon and maintain the assets currently owned by the Town.

I look forward to discussing the projects included in the CIP for FY 2013-14 through FY 2018-19 and working to bring to life the vision of our residents and the Board.

Sincerely,

David L. Andrews, ICMA-CM
Town Manager

OBJECTIVES OF CAPITAL IMPROVEMENTS PROGRAM

The six-year CIP is a planning tool, not a budget. Adjustments for anticipated projects may be made each year during development of the annual budget. The CIP is revised as needed and strives to achieve the following five (5) 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 with potential future revenues.
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.

The Capital Improvements Program (CIP) includes projects that are high dollar (more than $100,000); large in size; irregular in frequency; and involve assets that last for many years. Vehicles and capital equipment (exceeding $25,000 per item) - both additions and replacements - are considered for the Town's lease-purchase schedule based on criteria established in the Town vehicle replacement policy. Also, Information Technology (IT) projects which cost $15,000 or more are evaluated, prioritized and included in the CIP. IT projects emphasized in the CIP focus on the significant IT needs not previously funded, whereas the annual operating budget focuses on replacements, upgrades and maintenance costs.

Town staff develops and maintains a projection of capital projects for the next six years based on previous capital plans, community needs assessments, and projects approved by the Board of Aldermen. Each project in the CIP is tied to projected revenues that equal expenditures.

Future planning considers periods of revenue surplus and shortfall and adjusts 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.

Major capital decisions tend to have a greater fiscal impact than that required of annual operating and maintenance decisions and require different planning and budgetary methods.
The Town's CIP recognizes the borrowing limitation and debt tolerance of the Town. The CIP budget includes a financial analysis and 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.

Summary of CIP Projects by Fiscal Year

	Previous Expenditures	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 & BEYOND
CURRENT PROJECTS								
Street Resurfacing		$ 378,416	$ 601,400		$ 601,400		$ 601,400	
Park Maintenance and Repair	$ 145,911	$ 35,115	$ 272,681	$ 205,573	$ 84,746	$ 138,600	$ 259,528	$ 190,000
Bolin Creek Greenway	$ 164,700	$ 51,480	$ 693,300					
Wilson Park MU Path	$ 48,716	$ 369,899						
Morgan Creek MU Path	$ 94,903	$ 187,630	$ 317,467					
Sidewalks	$ 2,804,447	$ 1,206,701	$ 1,303,206					
TOTAL CURRENT PROJECTS	**$ 3,258,677**	**$ 2,229,241**	**$ 3,188,054**	**$ 205,573**	**$ 686,146**	**$ 138,600**	**$ 860,928**	**$ 190,000**
MANDATED STORMWATER MANAGEMENT			**$ 80,000**	**$ 361,900**	**$ 295,000**	**$ 243,000**		
VEHICLES/EQUIPMENT	**$ 298,850**	**$ 397,320**	**$ 1,807,886**	**$ 1,745,374**	**$ 904,433**	**$ 678,586**	**$ 710,386**	**$ 351,624**
TEHCNOLOGY PROJECTS		**$ 80,000**	**$ 72,500**	**$ 55,000**				
NEW PROJECTS								
Carrboro High School MU Path	$ 5,000				$ 106,920	$ 747,774		
Greensboro-Lloyd Street Bike Way			$ 40,000	$ -	$ 160,512			
Jones Creek Greenway			$ 97,814	$ 996,025				
Martin Luther King Park	$ 596,250		$ 25,000			$ 186,746	$ 1,555,948	
PW Facility	$ 756,486							$ 13,582,610
South Greensboro Sidewalk				$ 105,130	$ 946,170			
Town Parking Lots								$ 500,000
Town Commons	$ -		$ 10,000	$ 12,500	$ 139,500			
Rogers Road Remediation Project			$ 450,000	$ 450,000				
TOTAL NEW PROJECTS	**$ 1,357,736**	**$ -**	**$ 622,814**	**$ 1,563,655**	**$ 1,353,102**	**$ 934,520**	**$ 1,555,948**	**$ 14,082,610**
TOTAL ALL PROJECTS	**$ 4,915,262**	**$ 2,706,561**	**$ 5,771,254**	**$ 3,931,502**	**$ 3,238,681**	**$ 1,994,706**	**$ 3,127,262**	**$ 14,624,234**

REVENUES	**Previous Revenues**	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19 & BEYOND**
Installment Financing	$ 1,329,336	$ 397,320	$ 1,807,886	$ 1,745,374	$ 904,433	$ 865,332	$ 2,266,334	$ 14,434,234
GO Bonds	$ 2,228,612	$ 1,066,321	$ 1,071,042	$ -	$ -	$ -	$ -	$ -
Capital Reserves	$ 5,000	$ 399,622	$ 1,306,429	$ 929,530	$ 1,982,070	$ 243,000	$ 601,400	$ -
Capital Reserves - Matching Funds	$ -	$ 364,480	$ 256,579	$ 566,675	$ 53,487	$ 149,555		
Intergovernmental	$ 645,725	$ 363,703	$ 871,091	$ 429,350	$ 213,945	$ 598,219	$ -	$ -
General Fund	$ 201,861	$ 115,115	$ 410,181	$ 260,573	$ 84,746	$ 138,600	$ 259,528	$ 190,000
General Fund - Matching Funds		$ -						
Miscellaneous (e.g., Payment in Lieu)	$ 504,727	$ -	$ 48,046	$ -	$ -	$ -	$ -	$ -
TOTAL REVENUES	**$ 4,915,262**	**$ 2,706,561**	**$ 5,771,254**	**$ 3,931,502**	**$ 3,238,681**	**$ 1,994,706**	**$ 3,127,262**	**$ 14,624,234**

INDIVIDUAL PROJECT DESCRIPTIONS

CURRENT PROJECTS

Street Resurfacing

Project Description
The Town currently maintains approximately 44.16 miles of paved roads. The Town makes an annual allocation for maintaining and resurfacing streets. The street resurfacing schedule is based on a pavement condition survey performed every 3 years. The Average Pavement Conditions Rating (PCR) for the entire maintained road system, based on the February 2011 study, was 89.0% which is higher than the 2008 Average PCR value of 85.7% and is an indication that our program is being effective in the short term. Both ratings fall within the Good Category range of 81%-90%.

Define Problem
Resurfacing each street every 15 years prevents critical surface deterioration and avoids expensive roadway replacement or reconstruction. To maintain the 15 year cycle, approximately 5 to 5 1/2 miles of streets need to be resurfaced every 2 years. A two-year bid cycle reduces administrative time and construction cost.

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 the Capital Reserve Fund to cover the cost of resurfacing every other year.

Operating Impact
Not applicable.

STREET RESURFACING

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng			$ 1,400		$ 1,400		$ 1,400		$ 4,200
Land/ROW									$ -
Construction		$ 378,416	$ 600,000		$ 600,000		$ 600,000		$ 2,178,416
Equip/Furnishing									$ -
Other									$ -
Contingencies									$ -
TOTAL	$ -	$ 378,416	$ 601,400	$ -	$ 601,400	$ -	$ 601,400	$ -	$ 2,182,616
FUNDING SOURCES									
Installment Financing									$ -
GO Bond									$ -
Capital Reserves		$ 378,416	$ 601,400	$ -	$ 601,400	$ -	$ 601,400	$ -	$ 2,182,616
Capital Reserves - Matching Funds									
Intergovernmental Revenues									$ -
General Fund									$ -
General Fund - Matching Funds									
Miscellaneous - *Payment in Lieu*									$ -
Total Funding	$ -	$ 378,416	$ 601,400	$ -	$ 601,400	$ -	$ 601,400	$ -	$ 2,182,616
OPERATING BUDGET EFFECTS									
Personnel Costs									$ -
Operating and Maintenance									$ -
Capital Outlays									$ -
Total Operating Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
*Minus New Revenues**									$ -
Net Operating Effect	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Personnel (FTE)									0.0

Sidewalks

Project Description

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. The Town encourages all state road improvements to include bike lanes on both sides of the road and, where feasible, sidewalks.

Pine Street Sidewalk Construction

In 2003 the citizens approved $4.6 million of general obligation bonds for a comprehensive sidewalk and greenway construction program. The list of sidewalks to be constructed is reviewed on occasion by the board. The Town has completed 20 sidewalks covering 4.06 miles. Four projects are under construction or anticipated to begin construction in FY 2012-13 for another 3.08 miles.

Sidewalks Completed

Ashe St.	Jones Ferry Rd (at Old Fay.)
Bim St.	Lisa Drive
Bolin Forest	Lloyd St.
Brewer Lane	N. Greensboro St.
Cheek St.	Old Fayetteville Rd.
Elm St.	Pleasant
Fowler St.	Quail Roost
Hanna St.	S. Greensboro St.
James St.	West Main St. (near Post Office)
Jones Ferry Rd. (Rt. 54)	Williams St.

Several sidewalks have been supplemented by non-bond funds.

- Safe Routes to School funds (SRTS) were used to help fund the sidewalk construction on Elm St. that was completed in September of 2012.

- Rogers Road sidewalk project is expected to be designed in FY 2012-13 and construction planned for FY 2013-14. This project will be funded with a combination of bond funds and STP-DA funds.

- The Smith Level Rd. improvements by NCDOT will include sidewalk installation with

the Town required to provide a 30 % local match, currently estimated at $42,412. Construction is planned for the later part of FY 2012-13.

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 Town commercial centers, parks, schools and similar activity centers. Suitable urban roadways are needed to handle and sustain the development of the Town 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.

Elm Street Sidewalk

Project Alternatives

Alternatives to this project include no sidewalks or the provision of temporary gravel or asphalt paths.

Recommended Solutions

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

Operating Impact

The construction of new sidewalks is not expected to have an immediate impact on the town's operating budget. In the long-run additional sidewalk facilities will produce an increase in sidewalk maintenance costs. In FY 2013-14, there will be additional debt costs when the Town issues the $4.6 million general obligation bonds authorized for sidewalk and greenway projects.

SIDEWALKS

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng	$ 686,378	$ 219,040	$ 147,000						$ 1,052,418
Land/ROW	$ 4,358	$ 20,000							$ 24,358
Construction	$ 2,093,867	$ 937,661	$ 1,126,206						$ 4,157,734
Equip/Furnishing									$ -
Other	$ 19,843	$ 30,000	$ 30,000						$ 79,843
Contingencies	$ -								$ -
TOTAL	$ 2,804,447	$ 1,206,701	$ 1,303,206	$ -	$ -	$ -	$ -	$ -	$ 5,314,354
FUNDING SOURCES									
Installment Financing									$ -
GO Bond	$ 2,175,663	$ 821,015	$ 923,697		$ -				$ 3,920,375
Capital Reserves		$ 21,206	$ 165,029						$ 186,235
Capital Reserves - Matching Funds		$ 364,480	$ 214,480						$ 578,960
Intergovernmental Revenues	$ 414,326								$ 414,326
General Fund	$ 11,700								$ 11,700
General Fund - Matching Funds									$ -
Miscellaneous - *Payment in Lieu*	$ 202,758								$ 202,758
Total Funding	$ 2,804,447	$ 1,206,701	$ 1,303,206	$ -	$ -	$ -	$ -	$ -	$ 5,314,354
OPERATING BUDGET EFFECTS									
Personnel Costs									$ -
Operating and Maintenance									$ -
Capital Outlays									$ -
Total Operating Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
*Minus New Revenues**									$ -
Net Operating Effect	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Personnel (FTE)									0.0

Recreation and Parks Facilities Maintenance Fund

Project Description
This is an annual source of funds for recreational parks and facilities maintenance and replacement. This concept, modeled after the Town's street resurfacing funding program, will offset costs such as field maintenance, court resurfacing, and refurbishment of park facilities.

Define Problem
Historically, park maintenance needs have been deferred and funded without support of a long-range schedule or plan to ensure the orderly upkeep of the Town's parks and recreational facilities. Park infrastructures need to be renovated or replaced on a fixed schedule to minimize liability risk and conform to current safety standards.

Project Alternatives
Continue to budget on an as-needed basis and pursue funding for needs when resources are identified.

Recommended Solutions
Set aside an annual allocation to provide funding for ongoing park and facility maintenance and replacement needs.

Operating Impact
The orderly replacement and maintenance of facilities and associated equipment minimizes the additional maintenance costs incurred compared to when facilities are in a state of disrepair. Included in FY 2013-14 are three new projects. Anderson Park basketball and tennis courts are in need of resurfacing. The gradual wear of tennis and basketball courts can eventually result in hazardous conditions for players and liability issues for the Town. For this reason, tennis and basketball courts should be professionally resurfaced every 4-5 years.

The bathroom facility at Anderson Park needs replacing due to age and condition. The current facility has poor lighting and its design creates safety issues. Replacement of the bathroom facility will increase use of the park and provide a safe bathroom facility for park patrons.

There are several projects that have been placed on hold in the past that will need to be considered for inclusion in the maintenance schedule at some point. These projects include: renovation of field #4 at Anderson Park ($56,028); renovation of the multi-purpose field at Anderson Park ($48,659); replacement of play equipment at Town Commons ($48,652); replacement of lights at Anderson Park Multi-purpose field ($99,907); and, replacement of tennis court lights at Anderson Park.

RECREATION AND PARKS FACILITIES MAINTENANCE FUND

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng	$ 3,467								$ 3,467
Land/ROW									$ -
Construction	$ 142,444		$ 241,459				$ 186,763		$ 570,666
Equip/Furnishing		$ 35,115						$ 110,000	$ 145,115
Other			$ 21,222	$ 205,573	$ 84,746	$ 138,600	$ 72,765	$ 80,000	$ 602,906
Contingencies			$ 10,000						$ 10,000
TOTAL	$ 145,911	$ 35,115	$ 272,681	$ 205,573	$ 84,746	$ 138,600	$ 259,528	$ 190,000	$ 1,332,154
FUNDING SOURCES									
Installment Financing					$ -	$ -			$ -
GO Bond									$ -
Capital Reserves									$ -
Capital Reserves - Matching Funds									
Intergovernmental Revenues									$ -
General Fund	$ 145,911	$ 35,115	$ 272,681	$ 205,573	$ 84,746	$ 138,600	$ 259,528	$ 190,000	$ 1,332,154
General Fund - Matching Funds									
Miscellaneous - *Payment in Lieu*									$ -
Total Funding	$ 145,911	$ 35,115	$ 272,681	$ 205,573	$ 84,746	$ 138,600	$ 259,528	$ 190,000	$ 1,332,154
OPERATING BUDGET EFFECTS									
Personnel Costs									$ -
Operating and Maintenance									$ -
Capital Outlays									$ -
Total Operating Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
*Minus New Revenues**									$ -
Net Operating Effect	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Personnel (FTE)									0.0

SUMMARY OF PARK MAINTENANCE PROJECTS

	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL
Wilson Park Bathroom	$ 145,911								$ 145,911
Century Center Drape Replacement		$ 25,115							$ 25,115
Century Center LCD TV Installation		$ 10,000							$ 10,000
Anderson Park Basketball Court Resurfacing			$ 12,127						$ 12,127
Anderson Park Tennis Court Resurfacing			$ 9,095						$ 9,095
Anderson Park Bathroom Facility			$ 251,459						$ 251,459
Baldwin Basketball Court Renovation				$ 45,490					$ 45,490
Wilson Park Tennis Court Replacement				$ 160,083					$ 160,083
Anderson Fitness Stations					$ 41,087				$ 41,087
Anderson Park Pavillion Replacement					$ 43,659				$ 43,659
Anderson and Wilson Playground Replacement						$ 138,600			$ 138,600
Brewer's Lane Basketball Court Renovation							$ 72,765		$ 72,765
Century Center Renovation (New Elevator)							$ 186,763		$ 186,763
Baldwin Park 2-5 Playground Equipment								$ 60,000	$ 60,000
Century Center Floor Replacement								$ 80,000	$ 80,000
Anderson Park Basketball Lights								$ 50,000	$ 50,000
Total	$ 145,911	$ 35,115	$ 272,681	$ 205,573	$ 84,746	$ 138,600	$ 259,528	$ 190,000	$ 1,332,154

Greenway Trails

Project Description
A system of multi-use greenways in Carrboro's Planning Area, will link existing and planned trails in Chapel Hill and Orange County, as well as 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 and Carrboro Comprehensive Bicycle Transportation Plan. Through the Metropolitan Planning Organization project funding process, the Town has secured financing for construction of Morgan Creek Greenway from University Lake to Smith Level Road; and, Bolin Creek Greenway from Estes Drive to Homestead Road.

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 construction for Bolin Creek Greenway (Wilson Park Multi-Use Path) Phase 1A is underway and should be completed by end of FY 2012-13. Preliminary engineering for Bolin Creek Phase 1B and Morgan Creek is underway and construction is anticipated to begin by summer of 2013.

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 for greenways.

Project Alternatives
An alternative to creating a system of greenways is to create selected linear parks or to simply continue without greenway facilities.

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 connects with Chapel Hill's system at Smith Level Road and continues west to link with the University Lake Property.

In addition to those recommended in the Comprehensive Master Plan, two new trails are proposed: 1) Jones Creek Greenway which will extend the Town's greenway network north of Homestead Road connecting with the Twin Creeks Greenway and Bolin Creek Greenway Phase 1B, and, 2) Carrboro High School Multi-Use Path which will connect the future Morgan Creek Greenway to BPW Club Road.

Operating Impact

Additional personnel and equipment for maintenance as well as the possibility of police personnel for added security may be needed.

GREENWAYS

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng	$ 313,319	$ 244,871	$ 148,615	$ 111,247	$ 106,920	$ -			$ 924,972
Land/ROW				$ 10,675		$ -			$ 10,675
Construction		$ 303,138	$ 862,191	$ 741,646	$ -	$ 747,774	$ -		$ 2,654,749
Equip/Furnishing				$ -		$ -			$ -
Other				$ -		$ -			$ -
Contingencies		$ 61,000	$ 97,775	$ 132,457		$ -			$ 291,232
TOTAL	$ 313,319	$ 609,009	$ 1,108,581	$ 996,025	$ 106,920	$ 747,774	$ -	$ -	$ 3,881,628
FUNDING SOURCES									
Installment Financing									$ -
GO Bond	$ 52,949	$ 245,306	$ 147,345					$ -	$ 445,600
Capital Reserves	$ 5,000				$ -	$ -	$ -		$ 5,000
Capital Reserves - Matching Funds			$ 42,099	$ 566,675	$ 21,384	$ 149,555			$ 779,713
Intergovernmental Revenues	$ 231,399	$ 363,703	$ 871,091	$ 429,350	$ 85,536	$ 598,219	$ -		$ 2,579,298
General Fund	$ 1,000					$ -			$ 1,000
General Fund - Matching Funds									$ -
Miscellaneous - *Payment in Lieu*	$ 22,971		$ 48,046						$ 71,017
Total Funding	$ 313,319	$ 609,009	$ 1,108,581	$ 996,025	$ 106,920	$ 747,774	$ -	$ -	$ 3,881,628
OPERATING BUDGET EFFECTS									
Personnel Costs	$ 22,050		$ 9,800	$ 9,800	$ 9,800	$ 9,800	$ -	$ -	$ 61,250
Operating and Maintenance							$ -	$ -	$ -
Capital Outlays									$ -
Total Operating Costs	$ 22,050	$ -	$ 9,800	$ 9,800	$ 9,800	$ 9,800	$ -	$ -	$ 61,250
*Minus New Revenues**									$ -
Net Operating Effect	$ 22,050	$ -	$ 9,800	$ 9,800	$ 9,800	$ 9,800	$ -	$ -	$ 61,250
New Personnel (FTE)	0.24		0.7	0.2	0.2	0.2	0.0	0.0	1.5

Wilson Park Multi-Use Path Construction

MANDATED PROJECTS

Stormwater Management

Project Description
To comply with stormwater retrofits, four sites have been identified: 1) one adjacent to Carrboro Elementary School and the Frances Shetley bike path; 2) one adjacent to Morgan Creek, the Public Works facility and land owned by the Canterbury Town Homes Home Owners Association; 3) one at Anderson Park between/behind the recreational fields, and 4) one at the entrance of Carrboro Plaza.

Define Problem
Local governments must develop a program to identify opportunities for retrofits and other projects to reduce nutrient loading from existing developed lands in the Jordan Lake watershed based on regulatory requirements from the State. Under the Jordan Lake rules, the Town is required by 2023 to reduce nitrogen loading from existing development by 8%. The Town is required to install two retrofits per year beginning in 2014.

Project Alternatives
There are other potential sites in Town but they would not be as cost effective as the sites identified.

Recommended Solution
Proceed with the engineering/design study to address hydrology, geotechnical considerations, utilities and development of construction drawings.

Operating Impact
The stormwater wetlands will have to be maintained after installation. Maintenance costs could include personnel and material costs, and/or the cost of contracting out these services. Annual maintenance activities can include minor grading, monitoring condition of vegetation and replanting, if necessary.

STORMWATER MANAGEMENT

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng			$ 80,000	$ 25,000	$ 40,000				$ 145,000
Land/ROW									$ -
Construction				$ 257,200	$ 232,000	$ 194,000			$ 683,200
Equip/Furnishing									$ -
Other									$ -
Contingencies				$ 79,700	$ 23,000	$ 49,000			$ 151,700
TOTAL	$ -	$ -	$ 80,000	$ 361,900	$ 295,000	$ 243,000	$ -	$ -	$ 979,900
FUNDING SOURCES									
Installment Financing									$ -
GO Bond									$ -
Capital Reserves	$ -		$ 80,000	$ 361,900	$ 295,000	$ 243,000			$ 979,900
Capital Reserves - Matching Funds									
Intergovernmental Revenues									$ -
General Fund									$ -
General Fund -Matching Funds									
Miscellaneous - *Payment in Lieu*									$ -
Total Funding	$ -	$ -	$ 80,000	$ 361,900	$ 295,000	$ 243,000	$ -	$ -	$ 979,900
OPERATING BUDGET EFFECTS									
Personnel Costs									$ -
Operating and Maintenance					$ 1,000	$ 500	$ 3,500	$ 2,000	$ 7,000
Capital Outlays									$ -
Total Operating Costs	$ -	$ -	$ -	$ -	$ 1,000	$ 500	$ 3,500	$ 2,000	$ 7,000
*Minus New Revenues**									$ -
Net Operating Effect	$ -	$ -	$ -	$ -	$ 1,000	$ 500	$ 3,500	$ 2,000	$ 7,000
New Personnel (FTE)									0.0

VEHICLES AND EQUIPMENT

Lease-Purchase Schedule for Vehicles and Equipment

Project Description
The Town's policy and practice is to provide 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. In regards to vehicles, the Town evaluates whether there are suitable hybrids or alternative fuel vehicles available before purchasing non-hybrids or non-alternative vehicles.

The schedule for FY 2013-14 includes additions to the fleet with a new patrol vehicle, new solid waste vehicle, and a new vacuum leaf loader truck. The purchase of a replacement pumper fire truck has been deferred the past two fiscal years due to budgetary reasons. Each year when the operating budget is developed, the vehicle and equipment schedule is reviewed and re-prioritized based on the Town's anticipated revenues and debt tolerance.

Define Problem
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 must also provide for the adequate maintenance of vehicles and equipment on a regular schedule 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.

Project Alternatives
Without this schedule the alternative would be to possibly incur major repair expenses to maintain vehicles and equipment that are outdated and beyond their useful life.

Recommended Solution Operating Impact
Replacement vehicles should be acquired with the goal of minimizing operational costs by replacing the vehicles in a timely manner.

EQUIPMENT & VEHICLES FUNDED WITH INSTALLMENT FINANCING

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng									$ -
Land/ROW									$ -
Construction									$ -
Equip/Furnishing	$ 298,850	$ 397,320	$ 1,807,886	$ 1,745,374	$ 904,433	$ 678,586	$ 710,386	$ 351,624	$ 6,894,459
Other									$ -
Contingencies									$ -
TOTAL	$ 298,850	$ 397,320	$ 1,807,886	$ 1,745,374	$ 904,433	$ 678,586	$ 710,386	$ 351,624	$ 6,894,459

FUNDING SOURCES									
Installment Financing	$ 298,850	$ 397,320	$ 1,807,886	$ 1,745,374	$ 904,433	$ 678,586	$ 710,386	$ 351,624	$ 6,894,459
GO Bond									$ -
Capital Reserves									$ -
Capital Reserves - Matching Funds									
Intergovernmental Revenues									$ -
General Fund Operating Revenues									$ -
General Fund - Matching Funds									$ -
Miscellaneous - *Payment in Lieu*									
Total Funding	$ 298,850	$ 397,320	$ 1,807,886	$ 1,745,374	$ 904,433	$ 678,586	$ 710,386	$ 351,624	$ 6,894,459

OPERATING BUDGET EFFECTS									
Personnel Costs									$ -
Operating and Maintenance									$ -
Capital Outlays	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Operating Costs									$ -
*Minus New Revenues**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Operating Effect									
New Personnel (FTE)									0.0

	Fiscal Year 2013-2014			
Police	Patrol Vehicles-Replace vehicle #212	9yrs 84,634	$	38,896
Police	Patrol Vehicles-Replace vehicle #215	7yrs 83,713	$	38,896
Police	Patrol Vehicles-Replace vehicle #216	7yrs 80,644	$	38,896
Police	Patrol Vehicles-Replace vehicle #217	7yrs 68,670	$	38,896
Police	Patrol Vehicles-Replace vehicle #218	7yrs 68,821	$	38,896
Police	Patrol Vehicles-Replace vehicle #219	7yrs 88,817	$	38,896
Police	Patrol Vehicles-Replace vehicle #221	7yrs 84,472	$	38,896
Police	Patrol Vehicle		$	38,896
Police	Administration- Replace vehicle #203	8yrs 30,000	$	30,800
Police	Administration- Replace vehicle #004	8yrs 81,300	$	30,800
Public Works	Ventrac Tractor Edger/72" Mower	(Replaces Units #091 #098)	$	29,768
Public Works	Solid Waste - Fully Automated - Replace #54	Autocar Expert 2000 Body	$	268,800
Public Works	Vacuum Leaf Loader Truck		$	210,000
Public Works	Solid Waste - Front Loader New Addition to Fleet		$	243,000
Fire	Pumper Truck-Replace #934	19yrs 62,000	$	683,550
		TOTAL	**$**	**1,807,886**
	Fiscal Year 2014-2015			
Public Works	Streets-New Holland Tractor Replace #044/Boom Mower-Replace #040		$	96,000
Public Works	Streets-Sweeper Truck-Replace vehicle #008		$	240,000
Public Works	Streets-F-450 Truck-Replace vehicle #017		$	50,000
Public Works	Solid Waste-Condor Labire #800		$	268,800
Planning	Ford F-150-Replace # 134		$	18,000
Police	Patrol Vehicles-Replace vehicle #222		$	38,900
Police	Patrol Vehicles-Replace vehicle #223		$	38,900
Police	Patrol Vehicles-Replace vehicle #224		$	38,900
Police	Patrol Vehicles-Replace vehicle #225		$	38,900
Police	Patrol Vehicles-Replace vehicle #226 K-9		$	38,900
Police	Patrol Vehicle		$	38,900
Police	Investigations-Replace # 227		$	31,395
Fire-Rescue	Engine-1998 Ferrara-Replace #931		$	717,728
Public Works	L&G F-150 Supercab Replace vehicle #030		$	23,250
Rec & Parks	Small Pick up -Replace #015	2 yrs deferred low mileage 10 yrs. 36,167	$	18,291
Rec & Parks	Full SizePick up -Replace #016	2 yrs deferred low mileage 11 yrs 23,547	$	17,640
Planning	Mid size SUV - Replace #135	2 yrs deferred low mileage 11 yrs 29,432	$	30,870
		TOTAL	**$**	**1,745,374**
	Fiscal Year 2015-2016			
Public Works	Solid Waste - Replace #801		$	282,240
Public Works	Fleet Maintenance-Hybrid Sedan-Replace vehicle #220		$	28,000
Public Works	Streets-F-350 4x4 Truck-Replace vehicle #041		$	36,465
Public Works	L&G-Dump Truck-Replace vehicle #031		$	53,600
Public Works	L&G John Deere Tractor-Replace vehicle #064		$	41,000
Public Works	L&G John Deere 997 Mower-Replace #603		$	16,328
IT	Mid size van-Replace vehicle #012		$	21,000
Rec & Parks	Ford E-350 Van-Replace vehicle # 701		$	33,700
Police	Patrol Vehicles-Replace vehicle #229		$	40,845
Police	Patrol Vehicles-Replace vehicle #230		$	40,845
Police	Patrol Vehicles-Replace vehicle #231		$	40,845
Police	Patrol Vehicles-Replace vehicle #235 K-9		$	40,845
Police	Patrol Vehicle		$	40,845
Police	Investigations-Replace #234		$	33,000
Police	Community Services-Replace vehicle #228		$	40,845
Police	Community Services-Replace vehicle #232		$	40,845
Police	Community Services-Replace vehicle #233		$	40,845
Planning	Hybrid Honda Civic		$	32,340
		TOTAL	**$**	**904,433**

	Fiscal Year 2016-2017		
Public Works	Fleet Maintenance-Ford Ranger 4x4 Replace vehicle #700	$	24,441
Public Works	Streets-580/Case Backhoe Super M #060	$	87,106
Public Works	L&G-Ford F350 With Flat Bed Utility #602	$	32,162
Public Works	L&G-Ford Ranger Replace vehicle # 600	$	21,441
Public Works	Solid Waste-Condor Labire #802	$	334,000
Police	Investigations-Replace vehicle # 237	$	34,842
Police	Patrol Vehicle	$	42,880
Fire-Rescue	Ford F-250 HD 4x4 Shift Comander Replace vehicle # 987	$	53,470
Public Works	Streets - Replace Lee Boy Roller #039 16 yrs Hrs 167	$	48,244
	TOTAL	**$**	**678,586**
	Fiscal Year 2017-2018		
Public Works	Fleet Maintenance-Ford Ranger Replace vehicle #706	$	21,000
Public Works	Supervision-Ford Ranger Replace vehicle #704	$	21,000
Public Works	Building & Maintenance-Ford Ranger Replace vehicle #705	$	21,000
Public Works	Streets - Dump Truck Replace vehicle #033	$	108,000
Public Works	L&G-Ford F-250 HD 4 X 2 Replace vehicle #604	$	28,670
Public Works	Solid Waste - Autocar Frontloader #804	$	294,000
Police	Patrol Vehicles-Replace vehicle #202	$	45,024
Police	Patrol Vehicles-Replace vehicle #236 K-9	$	45,024
Police	Patrol Vehicles-Replace vehicle #238	$	45,024
Police	Patrol Vehicle	$	45,024
Fire-Rescue	Supervision-Ford Expedition #986	$	36,620
	TOTAL	**$**	**710,386**
	Fiscal Year 2018-2019		
Public Works	Streets - Dump Truck Replace vehicle # 501	$	162,524
Police	Patrol Vehicles-Replace vehicle #239	$	47,275
Police	Patrol Vehicles-Replace vehicle #240	$	47,275
Police	Patrol Vehicles-Replace vehicle #241	$	47,275
Police	Patrol Vehicles-Replace vehicle #242	$	47,275
	TOTAL	**$**	**351,624**

TECHNOLOGY PROJECTS

Information Technology Schedule

Project Description
All new Information Technology projects that cost $15,000 or greater are included on the Information Technology Schedule. Included in FY 2013-14 are costs for an in-car video system for police vehicles, automatic vehicle locator for police vehicles which will assist Orange County Emergency Management Services in dispatching patrol units that are closer to calls for service reducing call response times and Orange County OSSI CAD interface for Police Department Mobile Computer Terminals (MCTs) which will support data sharing between public safety agencies.

Define Problem
Maintenance and upgrades of information technology are critical to the efficient and effective operations of the Town. 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 devoted to 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 on a regular on-going basis to ensure efficient and effective service delivery.

Operating Impact
The operating impact is the cost of annual software support and upgrades.

INFORMATION TECHNOLOGY

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng									$ -
Land/ROW									$ -
Construction									$ -
Equip/Furnishing		$ 80,000	$ 72,500	$ 55,000	$ -				$ 207,500
Other									$ -
Contingencies									$ -
TOTAL	$ -	$ 80,000	$ 72,500	$ 55,000	$ -	$ -	$ -	$ -	$ 207,500
FUNDING SOURCES									
Installment Financing									$ -
GO Bond									$ -
Capital Reserves									$ -
Capital Reserves - Matching Funds									
Intergovernmental Revenues									$ -
General Fund Operating Revenues	$ -	$ 80,000	$ 72,500	$ 55,000	$ -	$ -	$ -	$ -	$ 207,500
General Fund - Matching Funds									$ -
Miscellaneous - *Payment in Lieu*	$ -				$ -	$ -	$ -	$ -	$ -
Total Funding	$ -	$ 80,000	$ 72,500	$ 55,000	$ -	$ -	$ -	$ -	$ 207,500
OPERATING BUDGET EFFECTS									
Personnel Costs		$ -		$ -		$ -			$ -
Operating and Maintenance			$ 27,200		$ 15,000				$ 42,200
Capital Outlays	$ -	$ -		$ -		$ -	$ -	$ -	$ -
Total Operating Costs			$ 27,200		$ 15,000				$ 42,200
*Minus New Revenues**		$ -	$ -	$ -		$ -	$ -	$ -	$ -
Net Operating Effect	$ -	$ -	$ 27,200	$ -	$ 15,000	$ -	$ -	$ -	$ 42,200
New Personnel (FTE)									0

INFORMATION TECHNOLOGY PROJECTS	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18 AND BEYOND	TOTAL
Street Sign Management System		$ 15,000						$ 15,000
Website Development and Streaming Board of Aldermen Video Hosting		$ 65,000	$ -					$ 65,000
PD In-Car Video System and Infrastructure			$ 21,500					$ 21,500
OC CAD Interface for PD MCT's with Mapping			$ 23,000					$ 23,000
Police Department Automatic Vehicle Locator (AVL)			$ 28,000					$ 28,000
Planning - Document Scanning/GIS Integration				$ 55,000				$ 55,000
								$ -
Total	$ -	$ 80,000	$ 72,500	$ 55,000	$ -	$ -	$ -	$ 207,500
OPERATING BUDGET EFFECTS								
Personnel Costs								$ -
Operating and Maintenance			$ 27,200	$ -	$ 15,000	$ -		$ 42,200
Capital Outlays								$ -
Total Operating Costs	$ -	$ -	$ 27,200	$ -	$ 15,000	$ -	$ -	$ 42,200
*Minus New Revenues**								$ -
Net Operating Effect	$ -	$ -	$ 27,200	$ -	$ 15,000	$ -	$ -	$ 42,200
New Personnel (FTE)								0.0

NEW PROJECTS

Martin Luther King, Jr. Park

Project Description
In December 1999, the Town purchased 9.5 acres of land in the Hillsborough Road/Pathway Drive area and designated it as a neighborhood 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. Since the current master plan was completed, requests for space to hold art and vendor-oriented events have increased and the needs/wishes of the community have evolved. Therefore, staff is proposing an alternative plan be considered. Suggested amenities to be considered for the park are a community garden, spray ground, restroom, picnic shelter, two pavilions, ping pong tables, farm-themed playground, amphitheatre, sculpture garden, adult fitness circuit, and skate 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
The park can continue to be used in its current state with no major improvements.

Recommended Solution
Update the current master plan and consider the proposed alternative to begin construction in 2017.

Operating Impact
Additional personnel and equipment will be required to maintain the park grounds.

MARTIN LUTHER KING, JR. PARK

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng	$ 42,533		$ 25,000			$ 186,746	$ 73,435		$ 327,714
Land/ROW	$ 552,700								$ 552,700
Construction							$ 1,482,513		$ 1,482,513
Equip/Furnishing									$ -
Other	$ 1,017								$ 1,017
Contingencies									$ -
TOTAL	$ 596,250	$ -	$ 25,000	$ -	$ -	$ 186,746	$ 1,555,948	$ -	$ 2,363,944
FUNDING SOURCES									
Installment Financing	$ 274,000			$ -	$ -	$ 186,746	$ 1,555,948	$ -	$ 2,016,694
GO Bond									$ -
Capital Reserves									$ -
Capital Reserves - Matching Funds									
Intergovernmental Revenues									$ -
General Fund	$ 43,250		$ 25,000						$ 68,250
General Fund - Matching Funds									
Miscellaneous - *Payment in Lieu*	$ 279,000								$ 279,000
Total Funding	$ 596,250	$ -	$ 25,000	$ -	$ -	$ 186,746	$ 1,555,948	$ -	$ 2,363,944
OPERATING BUDGET EFFECTS									
Personnel Costs								$ 18,400	$ 18,400
Operating and Maintenance									$ -
Capital Outlays								$ 10,395	$ 10,395
Total Operating Costs	$ -	$ -	$ -	$ -	$ -		$ -	$ 28,795	$ 28,795
*Minus New Revenues**									$ -
Net Operating Effect	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 28,795	$ 28,795
New Personnel (FTE)								0.3	0.3

Proposed Martin Luther King, Jr. Park Layout

Greensboro-Lloyd Bikeway

Project Description

This project would serve as a spur to the Campus-to-Campus Bicycle Connector Project. The project was approved for a federal Congestion Mitigation and Air Quality allocation for FY 2016 by the Durham-Chapel Hill-Carrboro MPO on 10/12/2011. This will pay for 80% of the project's detailed design and engineering costs.

Define Problem

Provide a safe east-west access for bicycle and pedestrian traffic that is an alternative to segments of E. Main St., Weaver St., and N. Greensboro St. that experience heavy motor vehicle traffic.

Project Alternatives

Without being built, bicyclists and pedestrians must travel to Weaver Street, Main Street or other locations to cross the tracks.

Recommended Solution

Construct a multi-use (bicycle and pedestrian) path connecting Greensboro and Lloyd Sts., including a railroad crossing.

A feasibility study estimated to cost $40,000 is proposed for FY 2013-14 with construction to begin in FY 2015-16.

Operating Impact

Additional maintenance costs would be incurred from the additional length of path. The costs could be mitigated with an adopt-a-path sponsorship program, and by using a durable surface such as concrete.

GREENSBORO-LLOYD BIKEWAY

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng			$ 40,000		$ 24,825				$ 64,825
Land/ROW					$ 11,923				$ 11,923
Construction					$ 123,764				$ 123,764
Equip/Furnishing									$ -
Other									$ -
Contingencies									$ -
TOTAL	$ -	$ -	$ 40,000	$ -	$ 160,512	$ -	$ -	$ -	$ 200,512
FUNDING SOURCES									
Installment Financing									$ -
GO Bond									$ -
Capital Reserves	$ -			$ -					$ -
Capital Reserves - Matching Funds					$ 32,103				$ 32,103
Intergovernmental Revenues					$ 128,409				$ 128,409
General Fund			$ 40,000						$ 40,000
General Fund - Matching Funds									
Miscellaneous - *Payment in Lieu*									$ -
Total Funding	$ -	$ -	$ 40,000	$ -	$ 160,512	$ -	$ -	$ -	$ 200,512
OPERATING BUDGET EFFECTS									
Personnel Costs									$ -
Operating and Maintenance									$ -
Capital Outlays									$ -
Total Operating Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
*Minus New Revenues**									$ -
Net Operating Effect	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Personnel (FTE)									0.0

South Greensboro Sidewalk

Project Description
A sidewalk on the west side of S. Greensboro St. from the northern end of Old Pittsboro Rd. to Public Works Driveway would fill a major gap for pedestrians from the higher-density area along Smith Level Rd., south of NC-54 bypass, to downtown. It will provide access to downtown transit service for residents along S. Greensboro St. and Smith Level Rd and access to the J bus stop on S. Greensboro St. across from Rand Rd.

Define Problem
There is a need for a safe walking environment for pedestrians traveling north and south on South Greensboro St. and underneath NC-54 bypass.

Project Alternatives
Construct a side path (bicycle and pedestrian shared use path).

Recommended Solution
Construct a sidewalk on the west side of S. Greensboro St. from the northern end of Old Pittsboro Rd. to Public Works Driveway.

Operating Impact
Operating budget costs is a lump sum representation of approximately 400 staff hours that would be needed for project administration during planning, design, and construction. Additional maintenance and policing staff hours may be necessary as a result of the project, although the exact extent of hours cannot be predicted at this time.

S. GREENSBORO SIDEWALK

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng				$ 105,130	$ 105,130				$ 210,260
Land/ROW					$ 20,000				$ 20,000
Construction					$ 663,345				$ 663,345
Equip/Furnishing									$ -
Other									$ -
Contingencies					$ 157,695				$ 157,695
TOTAL	$ -	$ -	$ -	$ 105,130	$ 946,170	$ -	$ -	$ -	$ 1,051,300
FUNDING SOURCES									
Installment Financing									$ -
GO Bond									$ -
Capital Reserves				$ 105,130	$ 946,170				$ 1,051,300
Capital Reserves - Matching Funds									$ -
Intergovernmental Revenues									$ -
General Fund									$ -
General Fund - Matching Funds									$ -
Miscellaneous - *Payment in Lieu*									$ -
Total Funding	$ -	$ -	$ -	$ 105,130	$ 946,170	$ -	$ -	$ -	$ 1,051,300
OPERATING BUDGET EFFECTS									
Personnel Costs				$ 9,800	$ 9,800				$ 19,600
Operating and Maintenance									$ -
Capital Outlays									$ -
Total Operating Costs	$ -	$ -	$ -	$ 9,800	$ 9,800	$ -	$ -	$ -	$ 19,600
*Minus New Revenues**									$ -
Net Operating Effect	$ -	$ -	$ -	$ 9,800	$ 9,800	$ -	$ -	$ -	$ 19,600
New Personnel (FTE)				0.2	0.2				0.4

Town Commons Grounds Improvements

Project Description
The Town Commons area was built in 2001 and is the host to many different types of events - Weekly Farmer's Market, Recreation and Parks annual events such as Carrboro Day, July 4th, Music Festival, and Halloween with activities taking place under the shelters and on the grounds, and special events such as the Get Out The Vote rally in 2008 and the Tift Merritt concert in Sept of 2012.

Define Problem
The usage of the Town Commons by the Farmer's market has increased over time, not only in terms of the number of vendors, but also in frequency (Wed. & Sat.) and length of season (Saturday market is now year round).

Farmer's Market reps have approached Town staff about the possibility of doing some major grounds improvements since the additional foot traffic and vendors vehicle traffic is taking its' toll on the turf and grounds. Because of the multiple types of activities that take place on the Town Commons and the fact that these activities have evolved over time, any major improvements should have a comprehensive approach and take into account all existing activities and possible future activities.

Project Alternatives
Continue routine maintenance of infield and surrounding grounds by placing gravel in worn areas in an effort to control drainage and erosion. Another alternative, but one that will likely not be acceptable, is the cancellation of events for an extended period of time (6 – 9 Months) to re-grade and re-establish the turf.

Recommended Solution
A comprehensive planning/engineering study is needed to determine needs and possibilities. The improvements are unknown at this time, but we would anticipate some re-grading and seeding, storm sewer modification along with the possible addition of pervious pavers. Electrical upgrades, plumbing upgrades and the installation of an irrigation system may also be considered. An amount of $10,000 is proposed for FY 2013-14 for an initial study; $12,500 for engineering design in FY 2014-15; $12,500 for construction inspection engineering in FY 2015-16; and, $100,000 for construction in FY 2015-16.

Operating Impact
A successful installation may result in reduced operational maintenance costs currently associated with maintaining this facility. Additional infrastructure (irrigation system, storm drainage) could possibly increase annual operating costs.

TOWN COMMONS IMPROVEMENTS

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng			$ 10,000	$ 12,500	$ 12,500				$ 35,000
Land/ROW									$ -
Construction					$ 100,000				$ 100,000
Equip/Furnishing									$ -
Other									$ -
Contingencies					$ 27,000				$ 27,000
TOTAL	$ -	$ -	$ 10,000	$ 12,500	$ 139,500	$ -	$ -	$ -	$ 162,000
FUNDING SOURCES									
Installment Financing									$ -
GO Bond									$ -
Capital Reserves	$ -		$ 10,000	$ 12,500	$ 139,500	$ -			$ 162,000
Capital Reserves - Matching Funds									
Intergovernmental Revenues									$ -
General Fund Operating Revenues									$ -
General Fund - Matching Funds									
Miscellaneous - *Payment in Lieu*									$ -
Total Funding	$ -	$ -	$ 10,000	$ 12,500	$ 139,500	$ -	$ -	$ -	$ 162,000
OPERATING BUDGET EFFECTS									
Personnel Costs									$ -
Operating and Maintenance									$ -
Capital Outlays									$ -
Total Operating Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
*Minus New Revenues**									$ -
Net Operating Effect	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Personnel (FTE)									0.0

Rogers Road Remediation Project

Project Description
This project is a joint effort with Chapel Hill and Orange County to undertake remedial activities in the Rogers Eubanks Road Neighborhood due to closure of the County Landfill.

Define Problem
Orange County will close the County Landfill in June 2013. Once the landfill closes, remediation efforts, including installation of a public sewer system, will be necessary. Homes will need to be connected to the sewer system.

Project Alternatives
None

Recommended Solution
Continue to work with the Orange County, Chapel Hill and local residents to define a process to undertake the remedial activities for the Rogers Eubanks Road Neighborhood.

Operating Impact
The Town has committed up to $900,000 for its share of anticipated remedial costs. The Town will enter into a cost sharing interlocal agreement with Chapel Hill and Orange County with reimbursement to Orange County expected to begin in FY 2013-14.

ROGERS ROAD REMEDIATION PROJECT

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng									$ -
Land/ROW									$ -
Construction			$ 450,000	$ 450,000					$ 900,000
Equip/Furnishing									$ -
Other									$ -
Contingencies									$ -
TOTAL	$ -	$ -	$ 450,000	$ 450,000	$ -	$ -	$ -	$ -	$ 900,000
FUNDING SOURCES									
Installment Financing									$ -
GO Bond									$ -
Capital Reserves	$ -		$ 450,000	$ 450,000					$ 900,000
Capital Reserves - Matching Funds									$ -
Intergovernmental Revenues									$ -
General Fund									$ -
General Fund - Matching Funds									$ -
Miscellaneous - *Payment in Lieu*									$ -
Total Funding	$ -	$ -	$ 450,000	$ 450,000	$ -	$ -	$ -	$ -	$ 900,000
OPERATING BUDGET EFFECTS									
Personnel Costs									$ -
Operating and Maintenance									$ -
Capital Outlays									$ -
Total Operating Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
*Minus New Revenues**									$ -
Net Operating Effect	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Personnel (FTE)									0.0

Town Parking Lots

Project Description
This project will maintain public parking in the downtown area to support the commercial business district and maintain the current number of parking spaces in the central business district. The Town purchased one parking lot at the corner of Rosemary Street and Sunset Drive in FY03-04 at a cost of $114,000. The Town also leases lots at 106 E. Main St., 108 E. Main St., 200 E. Main St., 105 Laurel Ave., 303 Weaver St., and 100 Roberson St. Total annual cost of these leases is $47,696.

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 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 Regional Technology Strategies (RTS) report that assesses Carrboro's economic development needs, recommends providing more adequate parking downtown and that a more comprehensive study of downtown parking be done to find the most cost-effective, environmentally appropriate, and business friendly parking structure.

Project Alternative
An alternative to buying the properties would be to change the ordinance so that the properties 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.

TOWN PARKING LOTS

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 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									
Installment Financing	$ -			$ -		$ -		$ 500,000	$ 500,000
GO Bond									$ -
Capital Reserves	$ -								$ -
Capital Reserves - Matching Funds									
Intergovernmental Revenues									$ -
General Fund									$ -
General Fund -Matching Funds									
Miscellaneous - *Payment in Lieu*									$ -
Total Funding	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000	$ 500,000
OPERATING BUDGET EFFECTS									
Personnel Costs									$ -
Operating and Maintenance									$ -
Capital Outlays									$ -
Total Operating Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
*Minus New Revenues**									$ -
Net Operating Effect	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Personnel (FTE)									0.0

Public Works Facility

Project Description
The Town has purchased 26 acres of land off Old NC 86 to construct a new public works facility to move it from its Smith Level Rd. location and provide a more modern structure to improve operations and adequate storage.

Define Problem
Located on 2.5 acres, approximately 40 percent of the current public works facility is located within a designated flood plain on Smith Level Road. The department has outgrown the current facility with respect to storage and office space. Most materials are stored in separate sheds away from the main building; some are exposed to the elements. Vehicles and equipment are also stored outside, many left out in the open. The fleet maintenance garage area is cramped for space and does not have any floor drains which can restrict vehicle preparation and clean-up. Bathroom and locker room facilities are inadequate. Supervisors work in poorly lit, cramped offices that do not have adequate electrical outlets. The conference room serves as an office for crew leaders and is also used for filing.

Project Alternatives
Remain in current facility as it is and/or make repairs and upgrades to existing facility.

Recommended Solution
In the future construct a new public works facility on the Old NC 86 land that has already been purchased. The construction budget initially developed with the help of MHA*works* Architects has been adjusted to current (FY 2013-14) dollars for construction in FY 18-19 and beyond.

Operating Budget
Daily and annual operating costs would depend upon facility size. Estimated increase in annual operating costs is approximately $7,000 to $8,000.

PUBLIC WORKS FACILITY

PROJECT COST ESTIMATES	PREVIOUS YEARS EXPENSES	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND	TOTAL PROJECT
Planning/Arch/Eng	$ 4,355							$ 1,692,145	$ 1,696,500
Land/ROW	$ 751,881								$ 751,881
Construction	$ -							$ 8,460,725	$ 8,460,725
Equip/Furnishing								$ 1,447,996	$ 1,447,996
Other	$ 250							$ -	$ 250
Contingencies								$ 1,981,744	$ 1,981,744
TOTAL	$ 756,486	$ -	$ -	$ -	$ -	$ -	$ -	$ 13,582,610	$ 14,339,096

FUNDING SOURCES									
Installment Financing	$ 756,486						$ -	$ 13,582,610	$ 14,339,096
GO Bond									$ -
Capital Reserves									$ -
Capital Reserves - Matching Funds									
Intergovernmental Revenues									$ -
General Fund									$ -
General Fund - Matching Funds									
Miscellaneous - *Payment in Lieu*									$ -
Total Funding	$ 756,486	$ -	$ -	$ -	$ -	$ -	$ -	$ 13,582,610	$ 14,339,096

OPERATING BUDGET EFFECTS									
Personnel Costs									$ -
Operating and Maintenance								$ 7,500	$ 7,500
Capital Outlays									$ -
Total Operating Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,500	$ 7,500
*Minus New Revenues**									$ -
Net Operating Effect	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,500	$ 7,500
New Personnel (FTE)									0.0

Unfunded Projects

Town Hall Renovations

Town Hall, originally constructed in 1922, 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.

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.

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.

Impact on Town's Overall Financial Condition And Operating Budget

The Town's debt structure is comprised of installment financing and GO bonds for capital improvements, equipment or vehicle replacements. Because debt load is a large expenditure, credit rating industries monitor these financial obligations resulting from the borrowing of money. Credit firms analyze a government's ability to afford debt in numerous ways. Debt is considered to be under favorable circumstances, when the 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.

To understand the impact of the CIP on the Town's overall financial condition (i.e., debt burden and debt service) and annual operating budget, the CIP planning process includes the calculation of debt burden and debt service ratios. These debt ratios are monitored by the Local Government Commission and credit rating industries in assessing the fiscal condition of the Town. The Town currently has the following credit ratings: AA+ with Standard and Poor's; Aa2 with Moody's; and 83 with North Carolina Municipal Council. These are considered very favorable ratings for municipalities similar to Carrboro.

The impact of the CIP on Town debt ratios in Appendix A is based on an additional $17.2 million in debt service costs to fund capital projects over a six-year period. Projects financed with General Obligation Bond debt assumes a 20-year term; installment purchase financing for vehicles and equipment five to seven year term; and, installment purchase financing for all other projects assumes a 15-year term. For vehicles and equipment debt financing, we estimate a 3.5% interest rate in FY 2012-13 and increase the rate to 4.0% in 2015-16 and 4.5% for year 2016-17 and afterwards. Other long term installment debt financing assumes an interest rate of 6.0%.

Several financial ratios are used to evaluate ability to repay as well as the capacity to incur debt. One measure of debt capacity is the *percent of outstanding principal (debt) to assessed valuation*, and the other is on a *per capita basis*. The Town compares these two debt ratios to its peer town group (i.e., population of 10,000 to 24,999) as identified by the Local Government Commission (LGC). The LGC calculates the debt-to-assessed valuation ratio for each jurisdiction and determines the overall debt-to-assessed valuation ratio as being low, average, or high. The Town strives to avoid the "high" debt burden.

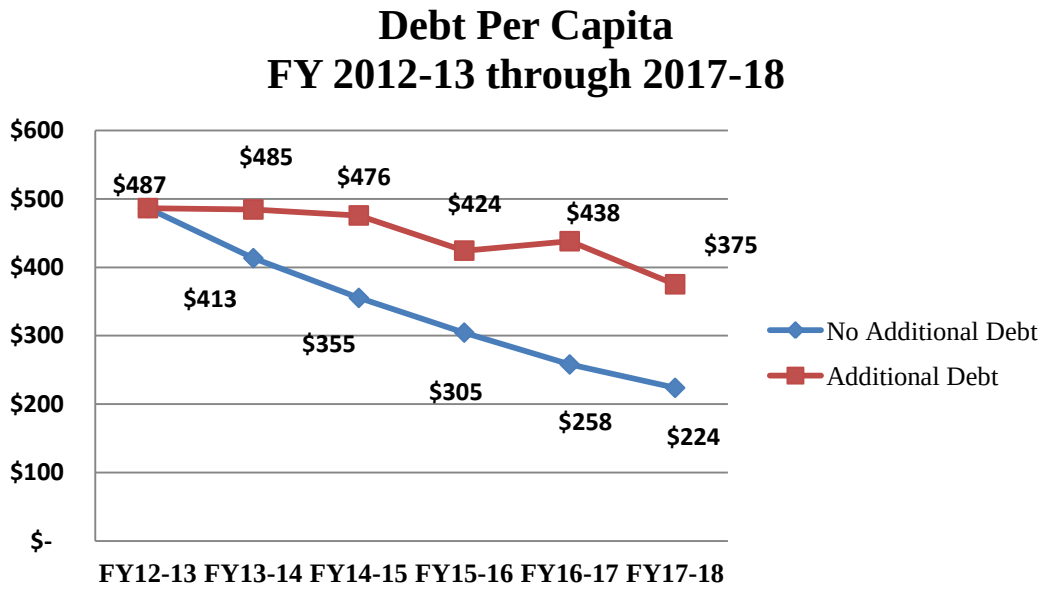
Debt to Assessed Valuation

The Town's debt-to-assessed valuation ratio is above the average and considerably below the high level, for municipalities comparable in size. As of June 30, 2011 the average debt-to-assessed valuation ratio for municipalities with population 10,000-24,999, was .3380% with a high level being .9950%. Carrboro's ratio was .492% and is projected to gradually decrease to .22% by FY 2017-18. With the additional proposed CIP debt this ratio is estimated to decrease to at a slower rate .37% in 2017-18.

Overall the Town's debt is below the legal limit required by NC General Statutes, GS 159-55 which limits net debt to eight percent (8%) or less of a local government's total property valuation. For Carrboro the legal debt limit is $152,417,005 based on the June 30, 2012 audited financial statements with a valuation of $11,972,777,796.

Debt Per Capita

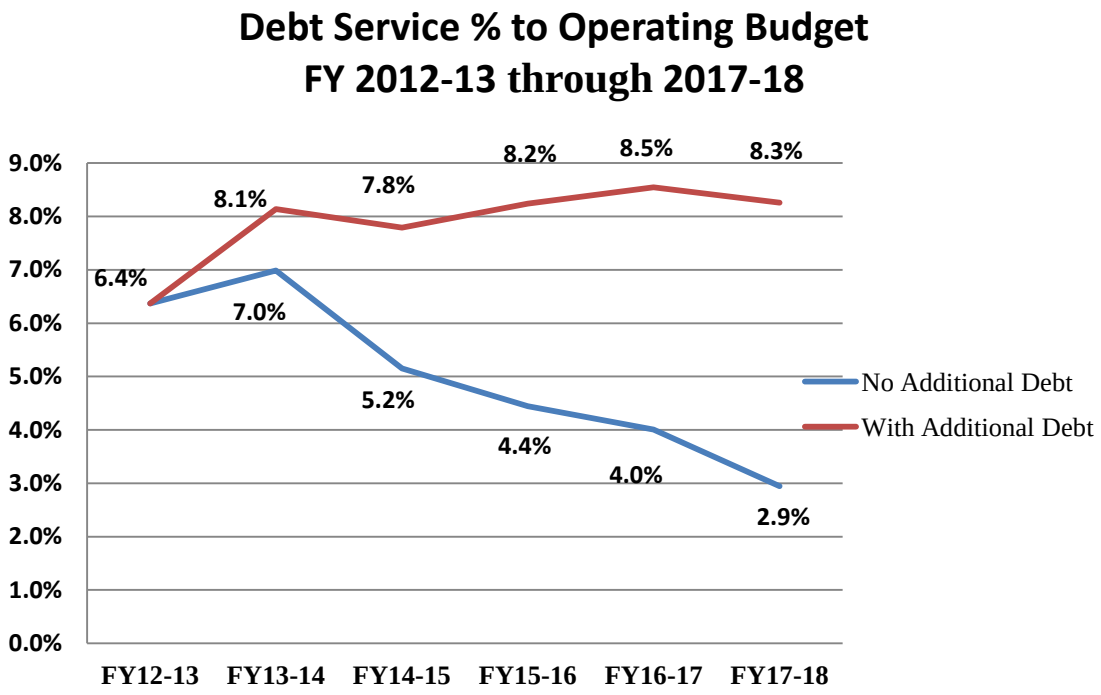
At June 30, 2011 the Town's per capita debt reported by the LGC was $484 compared to the average of $395 for peer group. The peer group high was $1,168. The estimated per capita debt ratio for the Town in FY 2012-13 is $487. With no additional debt this ratio estimate will gradually decrease to $224 in FY 2017-18. With the CIP proposed additional debt, this ratio is projected to decrease to $375 in FY 2017-18.



Debt Burden

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% of operating revenues as a potential problem while 10% is considered acceptable debt burden. 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. The Town's goal is to keep total debt service at or below 12%, considering this to be a moderate level of debt.

The Town's current debt service as a percentage of the FY 2012-13 adopted operating budget is estimated to be 6.4%. Due to the issuance of $4.6 million Sidewalk and Greenway General Obligation Bonds in December 2012, the percentage of debt service is expected to increase to 7.0% in FY 2013-14 and gradually decrease to 2.9% in 2017-18. This trend results from the reduction in outstanding principal resulting in reduced interest costs. With the additional debt service proposed in the CIP, the percentage of debt service in the operating budget is anticipated to increase to 8.1% in FY 2013-14 and gradually decrease to 8.3% in 2017-18.



The most significant impact of the CIP is the potential property tax burden that may occur over the next six years should the Town implement all of the projects proposed in the CIP. As the Impact on Town's Annual Operating Budget shows (Appendix B), debt service will increase from $1.2 million in FY 2012-13 to $2.2 million in 2016-17 when installment financing is proposed for construction of the Martin Luther King, Jr. Park. The need for Capital Reserve Fund resources for future projects is estimated to increase from $764,102 in 2012-13 to over $2.0 million in 2015-16. This is necessary for costs related to mandated storm water management compliance projects and/or funds needed to match other federal or state grants.

As with most financing decisions, there are challenges and choices the Town must make in carrying out its CIP over the coming years. With a tax base consisting mainly of residential properties and limited or no commercial base, the ability to sustain the CIP yet minimize increases in the tax rate for citizens will require a continuous on-going evaluation of capital needs and priorities. Financing this CIP will require a reasonable and careful balance of debt financing and the use of resources dedicated in the Capital Reserve Fund.

Appendix A

Impact of CIP on Debt Ratios

Includes Bonds Issued 2013							
CURRENT DEBT SERVICE COSTS	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 AND BEYOND
General Obligation Debt	$ 28,738	$ 353,715	$ 343,669	$ 338,285	$ 332,902	$ 327,519	$ 3,910,505
Installment Puchase Debt, Long Term	$ 694,301	$ 681,759	$ 669,247	$ 632,063	$ 619,560	$ 451,188	$ 1,802,181
Installment Purchase Debt, Vehicles & Equipment	$ 515,631	$ 519,631	$ 246,545	$ 148,303	$ 86,609	$ -	$ -
TOTAL CURRENT DEBT SERVICE OBLIGATIONS	$ 1,238,670	$ 1,555,105	$ 1,259,461	$ 1,118,651	$ 1,039,071	$ 778,707	$ 5,712,686
ADDITIONAL DEBT SERVICE COSTS, RECOMMENDED IN CIP							
General Obligation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Installment Puchase Debt, Long Term	$ -	$ -	$ -	$ -	$ 81,231	$ 162,462	$ 16,275,848
Installment Purchase Debt, Vehicles & Equipment	$ -	$ 386,873	$ 760,368	$ 955,715	$ 1,102,280	$ 1,255,715	$ 945,490
FUTURE DEBT SERVICE, RECOMMENDED CIP	$ -	$ 386,873	$ 760,368	$ 955,715	$ 1,183,511	$ 1,418,177	$ 17,221,338
TOTAL CURRENT & FUTURE DEBT SERVICE OBLIGATIONS	$ 1,238,670	$ 1,941,978	$ 2,019,829	$ 2,074,366	$ 2,222,582	$ 2,196,884	$ 22,934,024
TOTAL DEBT (OUTSTANDING PRINCIPAL)							
GO Bond, Long Term Debt	$ 4,600,000	$ 4,350,000	$ 4,100,000	$ 3,850,000	$ 3,600,000	$ 3,350,000	$ 3,350,000
Installment Purchase, Long Term Debt	$ 3,979,545	$ 3,451,918	$ 2,915,914	$ 2,396,132	$ 1,868,326	$ 1,488,334	$ 1,231,667
Installment Purchase, Vehicles & Equipment	$ 947,797	$ 455,294	$ 222,906	$ 82,879	$ -	$ -	$ -
CURRENT OUTSTANDING PRINCIPAL	$ 9,527,342	$ 8,257,212	$ 7,238,820	$ 6,329,011	$ 5,468,326	$ 4,838,334	$ 4,581,667
ADDITIONAL DEBT (OUTSTANDING PRINCIPAL):							
Installment Purchase, Long Term Debt	$ -	$ -	$ -	$ -	$ 1,661,463	$ 1,581,082	$ 1,496,631
Installment Purchase, Short Term Vehicles & Equipment	$ -	$ 1,421,013	$ 2,455,755	$ 2,490,425	$ 2,157,441	$ 1,692,993	$ 1,165,042
FUTURE OUTSTANDING PRINCIPAL	$ -	$ 1,421,013	$ 2,455,755	$ 2,490,425	$ 3,818,904	$ 3,274,075	$ 2,661,673
TOTAL OUTSTANDING PRINCIPAL, CURRENT & RECOMMENDED	$ 9,527,342	$ 9,678,225	$ 9,694,575	$ 8,819,436	$ 9,287,230	$ 8,112,409	$ 7,243,340
Population (Assumes 2% growth)	19,582	19,974	20,373	20,781	21,196	21,620	22,053
Projected Assessed Valuation (Assumes 2% growth)	$ 2,012,233,352	$ 2,052,478,019	$ 2,093,527,579	$ 2,135,398,131	$ 2,178,106,094	$ 2,221,668,215	$ 2,266,101,580
WITHOUT ADDITIONAL DEBT							
Projected Budget - 3% growth w short term debt and w/o additional long-term debt only + CIP PAYG only	$ 19,441,491	$ 22,253,891	$ 24,437,305	$ 25,164,367	$ 25,924,052	$ 26,446,935	$ 31,635,729
ESTIMATED RATIOS							
% Outstanding Principal to Assessed Valuation	0.47%	0.40%	0.35%	0.30%	0.25%	0.22%	0.20%
% Debt Service to Total Budget	6.37%	6.99%	5.15%	4.45%	4.01%	2.94%	18.06%
Debt Per Capita	$ 487	$ 413	$ 355	$ 305	$ 258	$ 224	N/A
Note: LGC report shows Town ratios at .492% to assessed valuation and per capita at $484 for FY 2010-11							
WITH ADDITIONAL DEBT							
Projected Budget + Additional Debt Service + CIP PAYG and Operating Impact Costs	$ 19,441,491	$ 23,863,699	$ 25,933,510	$ 25,168,367	$ 26,005,283	$ 26,609,397	N/A
ESTIMATED RATIOS							
% Outstanding Principal to Assessed Valuation	0.47%	0.47%	0.46%	0.41%	0.43%	0.37%	N/A
% Debt Service to Total Budget	6.37%	8.14%	7.79%	8.24%	8.55%	8.26%	N/A
Debt Per Capita	$ 487	$ 485	$ 476	$ 424	$ 438	$ 375	N/A

LGC DEBT RATIOS, Population (10,000-24,999) FY 2010-11 :	LOW	AVERAGE	HIGH
Outstanding Principal (Debt) as % of Assessed Valuation	0.0630	0.3380	0.9950
Outstanding Principal (Debt) Per Capita	$ 38.00	$ 395.00	$ 1,168.00

CREDIT RATING INDUSTRY STANDARD:	BUDGET STRAIN	ACCEPTABLE
Debt Service as a % of the Operating Budget	20%	10%

Appendix B

Impact on the Town's Annual Operating Budget

CURRENT DEBT SERVICE	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19 & BEYOND
CENTURY CENTER	$ 229,879	$ 229,879	$ 229,879	$ 229,879	$ 229,879	$ 99,593	$ -
MARTIN LUTHER KING, JR PARK	24,673	24,673	24,673	-	-	-	-
PUBLIC WORKS LAND	61,938	59,854	57,801	55,748	53,704	26,076	-
ADAMS TRACT	53,120	51,480	49,840	48,200	46,560	44,920	84,897
SIDEWALK AND GREENWAYS GO BONDS	28,738	353,715	343,669	338,285	332,902	327,519	3,910,505
FIRE SUBSTATION	324,691	315,873	307,055	298,236	289,418	280,600	1,717,284
VEHICLE/EQPMT INSTALLMENT DEBT SERVICE, CURRENT	515,631	519,631	246,545	148,303	86,609	-	-
CURRENT DEBT SERVICE	**$ 1,238,670**	**$ 1,555,105**	**$ 1,259,461**	**$ 1,118,651**	**$ 1,039,071**	**$ 778,707**	**$ 5,712,686**

FUTURE DEBT (UNFUNDED PROJECTS)							
LONG-TERM INSTALLMENT DEBT SERVICE COSTS							
MARTIN LUTHER KING JR. PARK	$ -	$ -	$ -	$ -	$ 81,231	$ 162,462	$ 2,193,238
PUBLIC WORKS FACILITY							13,582,610
TOWN PARKING							500,000
FUTURE INSTALLMENT DEBT	**$ -**	**$ -**	**$ -**	**$ -**	**$ 81,231**	**$ 162,462**	**$ 16,275,848**
FUTURE VEHICLE & EQUIPMENT DEBT	**$ -**	**$ 386,873**	**$ 760,368**	**$ 955,715**	**$ 1,102,280**	**$ 1,255,715**	**$ 945,490**
TOTAL CURRENT & FUTURE DEBT	**$ 1,238,670**	**$ 1,941,978**	**$ 2,019,829**	**$ 2,074,366**	**$ 2,222,582**	**$ 2,196,884**	**$ 22,934,024**

CAPITAL RESERVE FUND - FUTURE PROJECTS	**$ 764,102**	**$ 1,563,008**	**$ 1,496,205**	**$ 2,035,557**	**$ 392,555**	**$ 601,400**	**$ -**
OPERATING IMPACT OF PROJECTS	**$ 25,000**	**$ 46,800**	**$ -**	**$ 16,000**	**$ 28,100**	**$ 7,000**	**$ 4,000**
GRAND TOTAL COSTS FOR CIP IMPLEMENTATION	**$ 2,027,772**	**$ 3,551,786**	**$ 3,516,034**	**$ 4,125,923**	**$ 2,643,237**	**$ 2,805,284**	**$ 22,938,024**

LESS FUNDS ALREADY SET ASIDE IN CAPITAL RESERVE/DESIGNATED FUND BALANCE	-	-	-	-	-	-	-
CAPITAL AND OPERATING COSTS							
DIFFERENCE FROM PRIOR FISCAL YEAR	271,178	1,524,014	(35,751)	609,889	(1,482,686)	162,047	20,132,740
REVENUE PER PENNY OF TAX	**$ 193,835**	**$ 197,712**	**$ 201,666**	**$ 205,699**	**$ 209,813**	**$ 214,010**	**$ 218,290**
TAX RATE EQUIVALENT (CENTS) FOR BOTH CAPITAL AND OPERATING COSTS	**N/A**	**7.71**	**(0.18)**	**2.96**	**(7.07)**	**0.76**	**N/A**
CAPITAL COSTS ONLY							
DIFFERENCE IN CAPITAL COSTS FROM PRIOR FISCAL YEAR	$ (1,463,509)	$ 1,502,214	$ 11,049	$ 593,889	$ (1,494,786)	$ 183,147	$ 20,135,740
REVENUE PER PENNY OF TAX	**$ 193,835**	**$ 200,619**	**$ 207,641**	**$ 214,908**	**$ 222,430**	**$ 230,215**	**$ 238,273**
TAX RATE EQUIVALENT (CENTS) - CAPITAL COSTS ONLY	**N/A**	**7.49**	**0.05**	**2.76**	**(6.72)**	**0.80**	**N/A**

Revenue per Penny of tax for FY12-13 as stated in adopted budget