



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Meeting Agenda Town Council



Tuesday, January 21, 2020

7:00 PM

Council Chambers - Room 110

7:00-7:10

A. POETRY READING, RESOLUTIONS, PROCLAMATIONS, AND ACKNOWLEDGEMENTS

7:10-7:15

B. ANNOUNCEMENT OF UPCOMING MEETINGS

7:15-7:20

C. REQUESTS FROM VISITORS AND SPEAKERS FROM THE FLOOR

Comments are limited to three minutes per speaker.

7:20-7:30

D. CONSENT AGENDA

1. [20-80](#) Approval of Minutes from September 17, November 19 and December 3, 2019 and Amendments to June 26, 2018 Meeting Minutes Via Attached Resolution
Attachments: [Attachment A - A RESOLUTION AMENDING THE JUNE 26, 2018 MEETING MINUTES](#)
2. [19-380](#) Request to Consider Resolution to Continue Participation in the Transportation Demand Management Program for FY2020-21.
PURPOSE: The purpose of this item is for the Town Council to consider authorizing the Town Manager to Execute a Memorandum of Agreement with the Town of Chapel Hill for Carrboro's participation in the Regional Transportation Demand Management program for FY2020-2021.
Attachments: [Attachment A - Resolution](#)
[Attachment B - TJCOG Overview](#)
[Attachment C - NCDOT Overview](#)
3. [19-381](#) Resolution supporting continued participation in Watch for Me NC 2020

PURPOSE: The purpose of this agenda item is for the Council to consider adopting a resolution in support of continued participation in this year's Watch for Me NC program conducted by the North Carolina Department of Transportation and UNC's Highway Safety Research Center.

Attachments: [Attachment A - Resolution](#)

[Attachment B - Carrboro PD Support Letter - Watch For Me NC 2020](#)

4. [20-79](#)

Revised Interlocal Agreement with Orange County and the Town of Chapel Hill Related to the Historic Rogers Road Area Private Sewer Service Lateral Connection Installations for Qualified Low-to-Moderate-Income (LMI) Homeowners - Cost Share

PURPOSE: To consider approval of a revised Interlocal Agreement between Orange County, the Town of Chapel Hill, and the Town of Carrboro to jointly fund the costs of private sewer service lateral connection installations for qualified Low-to-Moderate-Income (LMI) homeowners in the Historic Rogers Road sewer service area. The revision primarily relates to modifying the method of hiring licensed plumbers to install the onsite private sewer lateral connections.

Attachments: [Attachment A - Resolution Authorizing Manager](#)

[Attachment B - Revised Interlocal Agreement](#)

5. [20-75](#)

Update on Anticipated Schedule for the South Greensboro Street Sidewalk Project (TIP# C-5650)

PURPOSE: The purpose of this agenda item is to provide the Town Council with information relating to the South Greensboro Street Sidewalk project prior to commencement. .

Attachments: [Attachment A - Resolution](#)

[Attachment B- Anticipated Timeline for Project Completio](#)

6. [20-73](#)

Affordable Housing Advisory Commission Funding Recommendation

PURPOSE: The purpose of this item is for the Town Council to consider recommended funding for one nonprofit affordable housing application to the Affordable Housing Special Revenue Fund.

Attachments: [Attachment A AHAC Signed Rec -AHSRF 01152020](#)

[Attachment B -AHSRF Application Summary](#)

[Attachment C Resolution](#)

E. OTHER MATTERS

7:30-7:50

1. [20-74](#)

Complete Count Committee and 2020 Census

PURPOSE: The purpose of this agenda item is to provide the Town Council with an update on the activities relating to the Complete County Committee and to help launch the 2020 Census for Orange County.

Attachments: [Attachment A - What-the-Census-wants-to-know](#)
[Attachment B - Why-the-Census-Matters](#)
[Attachment C - Map of Be Counted Sites](#)

7:50-8:10

2. [20-76](#) Comprehensive Annual Financial Report (CAFR) and Independent Audit for Fiscal Year Ended June 30, 2019

PURPOSE: The purpose of this agenda item is for the Town's independent auditor, Dixon Hughes Goodman LLP, to present and deliver to the Town Council the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019.

Attachments: [Board Resolution of CAFR Acceptance 12-2014](#)
[Town of Carrboro 6-30-19 issued cafr](#)

8:10-8:40

3. [20-70](#) Update on the Greene Tract - 'Path Forward' Resolution and authorization for Town Manager to sign Interlocal Agreement Related to the Greene Tract Environmental Assessment Cost Share

PURPOSE: The purpose of this agenda item is to consider adoption of resolution that updates and consolidates expectations about the Greene Tract and a separate resolution that authorizes the Town Manager to sign an interlocal agreement between Carrboro, Orange County, and the Town of Chapel Hill to jointly fund the costs of an environmental assessment related to the Greene Tract.

Attachments: [Attachment A - Resolution for path forward](#)
[Attachment B - ILA to obtain EA](#)
[Attachment C - Proposed resolution on environmental study](#)

F. PUBLIC HEARING

8:40-9:00

1. [19-374](#) Public Hearing on Proposed Amendments to the Stormwater Rate Structure

PURPOSE: The purpose of this item is for the Council to consider adoption of the proposed amendments to the stormwater utility rate structure.

Attachments: [Attachment A - Rate Change Resolution](#)
[Attachment B- Staff Memo](#)
[Attachment C - Advisory Board Recommendations](#)

9:00-9:20

2. [19-384](#) Public Hearing for Community Input on Town Budget for Upcoming FY 2020-21

PURPOSE: This is a public hearing to receive comments from the public regarding the upcoming budget for the Town beginning July 1, 2020.

G. OTHER MATTERS**9:20-9:50**

1. [20-71](#) Energy and Climate Protection Plan and Community Climate Action Plan Implementation Update

PURPOSE: The purpose of this item is to update the Council on Energy and Climate Protection Plan and Community Climate Action Plan Implementation Efforts

Attachments: [Attachment A - Resolution To Receive Update](#)
[Attachment B - ECPP and CCAP Update January 2020](#)
[Attachment C - Summary of EAB Recommendations for CCAP and ECPP](#)
[Attachment D - EAB EV Ready Requirements Petition](#)

9:50-10:20

2. [20-72](#) Report on Possible 10-year Annual Climate Emergency Budget Proposal

PURPOSE: The purpose of this item is to provide a report on a possible 10-year Annual Climate Emergency Budget Proposal for implementing updated climate action plan goals.

Attachments: [Attachment A - Resolution To Receive 10-Year Climate Emergency Budget](#)
[Attachment B - Resolution Regarding Climate Action Goals and Budget Plan](#)
[Attachment C - CCAP Budget](#)
[Attachment D - 10 Year Annual Climate Emergency Budget Proposal](#)

H. MATTERS BY COUNCIL MEMBERS



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Agenda Item Abstract

File Number:20-80

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

Approval of Minutes from September 17, November 19 and December 3, 2019 and Amendments to June 26, 2018 Meeting Minutes Via Attached Resolution

A RESOLUTION AMENDING THE JUNE 26, 2018 MEETING MINUTES

NOW, THEREFORE BE IT RESOLVED BY THE CARRBORO TOWN COUNCIL THAT THE FOLLOWING AMENDMENTS ARE MADE TO THE PREVIOUSLY ADOPTED JUNE 26, 2018 MEETING MINUTES:

- 1) The consistency resolution on page 8 shall capture that the motion was made by Alderman **Slade** and Seconded by Alderman **Foushee**.
- 2) The ordinance motion language for the adoption of Ordinance No.27/2017-18 shall be amended to read: **A motion was made by Alderman Chaney, seconded by Alderman Seils to approve the ordinance, with the condition that the Town undertake a review with the neighborhood at 18 months and, at minimum, 18 month intervals.**



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Agenda Item Abstract

File Number: 19-380

Agenda Date: 1/21/2020

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In Control: Board of Aldermen

Version: 1

TITLE:

Request to Consider Resolution to Continue Participation in the Transportation Demand Management Program for FY2020-21.

PURPOSE: The purpose of this item is for the Town Council to consider authorizing the Town Manager to Execute a Memorandum of Agreement with the Town of Chapel Hill for Carrboro's participation in the Regional Transportation Demand Management program for FY2020-2021.

DEPARTMENT: Planning

CONTACT INFORMATION: Zachary Hallock, 919-918-7329, zhallock@townofcarrboro.org
<<mailto:zhallock@townofcarrboro.org>>

INFORMATION: Transportation Demand Management (TDM) programs promote alternatives to single occupant vehicles for personal commuter transportation for the purpose of improving air quality, reducing transportation congestion, and expanding mobility options. In 2006-2007, Go Triangle, Triangle J Council of Governments (TJCOG), the two Metropolitan Planning Organizations (Capital Area MPO and Durham-Chapel Hill-Carrboro MPO) and the North Carolina Department of Transportation created the Triangle Region Seven Year Long Range Travel Demand Management Plan to improve TDM efforts in the Triangle. The regional program, funded by NCDOT is administered by TJCOG as a reimbursement-based grant program. Information about the program is provided (Attachment B and Attachment C). Additional details about the TJCOG TDM program can be found at:

<<https://www.tjcog.org/programs-land-use-transportation/transportation-demand-management>>

The Town of Carrboro has participated with the Town of Chapel Hill in the regional Transportation Demand Management (TDM) program for the last several years. Chapel Hill serves as the grant recipient and the Town of Carrboro partners as a sub-recipient. The Town of Carrboro receives up to a 50-percent match on staff and vehicle costs for activities such as the Open Streets event in April, and a 2-percent reimbursement of the Transportation Planner's salary for the year.

Due to the competitiveness of the grant application process, the amount which staff are requesting for Carrboro's TDM activities has been reduced from previous years. In the past, we had applied for a 50-percent grant on approximate \$9,000. The amount we are applying for has been lowered to \$5,500 (a 50-percent reimbursement of \$2,750 as identified above), in order to give our application a greater chance of being accepted and increase the chance to receive some grant funding for the TDM activities which the Town will

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continue participating in throughout the year regardless.

FISCAL & STAFF IMPACT: The anticipated fiscal impact for the Town's participation in the TDM program for FY2020-2021 is up to \$5,500, which includes a 50-percent reimbursement for staff and vehicle costs for specific activities such as the April Open Streets Event, Bike on Bus and other TDM outreach events throughout the year; plus approximately 2-percent of the Transportation Planner's Salary.

RECOMMENDATION: Staff recommends that the Council consider adopting the resolution (Attachment A) to authorize the Town Manager to execute a Memorandum of Agreement with the Town of Chapel Hill for the FY2020-2021 Transportation Demand Management program, a grant from Triangle J Council of Governments.

A RESOLUTION AUTHORIZING THE MANAGER TO EXECUTE A
MEMORANDUM OF AGREEMENT WITH THE TOWN OF CHAPEL HILL FOR
CARRBORO'S PARTICIPATION IN THE REGIONAL TRANSPORTATION
DEMAND MANAGEMENT PROGRAM FOR FISCAL YEAR 2020-21

WHEREAS, the North Carolina Department of Transportation, Capital Area MPO, and Durham-Chapel Hill-Carrboro MPO have provided funding to the Triangle J Council of Governments to support Transportation Demand Management activities in the region; and

WHEREAS, the Triangle J Council of Governments has issued a call for Transportation Demand Management grant applications for FY2020-21; and

WHEREAS, the Town of Carrboro has partnered with the Town of Chapel Hill since 2010 on Transportation Demand Management program promotions; and

WHEREAS, Carrboro has developed a set of Transportation Demand Management activities as a sub-recipient of the Town of Chapel Hill's FY2020-21 Transportation Demand Management grant application;

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Carrboro that the Council approves continued participation in an application for regional Transportation Demand Management funding in FY2020-21, and authorizes the Town Manager to execute a Memorandum of Agreement with the Town of Chapel High for that purpose.

This the 21st day of January, 2020.

TRIANGLE TDM GRANT PROGRAM

ROLES AND RESPONSIBILITIES

Updated December 2019

NC DEPARTMENT OF TRANSPORTATION

The NC Department of Transportation (NCDOT) provides the overall policy framework for TDM in North Carolina and the state funding and fiscal oversight for regional TDM programs and individual Transportation Management Associations. NCDOT's involvement is guided by the Statewide Transportation Demand Management Plan (April 2004) and is administered by its Public Transportation Division. NCDOT also provides funding for the statewide ride-matching program software (managed by GoTriangle) as well as other TDM programs, projects (e.g., Fortify), and studies. NCDOT has given funding to the Triangle TDM program since 2007.

METROPOLITAN PLANNING ORGANIZATIONS

The two Triangle MPOs, Capital Area Metropolitan Planning Organization (CAMPO) and Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO), provide federal Congestion Mitigation and Air Quality (CMAQ) Improvement Program funding for the Triangle TDM Program. The MPOs serve as the coordinating agencies between local governments, NCDOT, and FHWA. They are responsible for carrying out an annual work program, a portion of which includes updating Metropolitan Transportation Improvement Programs (a seven-year project programming schedule) and the Long-Range Transportation Plan (a minimum twenty-year forecast of projects and programs). TDM has been a part of the Metropolitan Transportation Improvement Programs since 2008.

OVERSIGHT COMMITTEE

The Triangle TDM Program Oversight Committee is made up of representatives from the three program funders (NCDOT, CAMPO, and DCHC MPO) as well as the NC Department of Environment and Natural Resources' Division of Air Quality and Triangle J Council of Government (TJCOG). The three funders are the voting members of the Committee while the other two are in an advisory capacity.

The Oversight Committee releases the annual call for projects (Request for Proposals), reviews proposals and funding requests, provides comments as appropriate, and approves the budget for the program as well as budgets for individual sub-recipients. The Oversight Committee also provides strategic direction for the program, establishing program priorities and coordinating the program with other transportation issues and considerations and overseeing updates to the 7-Year Plan.

TDM PROGRAM ADMINISTRATOR

Triangle J Council of Governments (TJCOG) serves as the administrator of the Triangle TDM Program, linking state and MPO policies and funding with local and regional service providers. As such, TJCOG is primarily responsible for the Program Administration Performance Area in the 7-Year TDM Plan, which includes ensuring TDM programs are consistent with the 7-Year TDM Plan, providing overall management and dispersal of TDM funds as approved by the Triangle TDM Oversight Committee, and coordinating evaluation and monitoring activities for the Program (surveys, annual impact reports, etc.). In this role, TJCOG coordinates contracts, provides administrative support to the Oversight Committee, liaises between the Oversight Committee and Service Providers, as well as amongst the Service Providers themselves, answers budget questions, and attends monthly GoPartner meetings to help coordinate local and regional programs.

TJCOG has responsibilities under other Performance Areas as well. For example, TJCOG is responsible for several Strategies under the Planning Performance Area, such as identifying and promoting TDM-supportive public policies. TJCOG also administers the regional Best Workplaces for Commuters program which encourages employers to provide and support TDM employee benefits and recognizes their efforts.

REGIONAL SERVICE PROVIDER

As the only regional Service Provider funded by the Program, Go Triangle's TDM division implements and coordinates regional TDM services and is the lead agency on all regional marketing and outreach initiatives. GoTriangle coordinates closely with local Service Providers through the GoPartners committee to plan and conduct numerous TDM initiatives, campaigns, and services. GoTriangle also coordinates the region's ridematching system and vanpool services under the grant.

Additionally, GoTriangle functions as a local Service Provider for Wake County. It provides TDM services to all Wake County areas not covered by any other local Service Provider as well as certain hotspots specifically approved by the Oversight Committee.

LOCAL SERVICE PROVIDER

Local Service Providers are primarily responsible for developing and implementing campaigns to market TDM services and providing TDM outreach in their hotspots. They are expected to be experts in knowing the TDM related characteristics and needs of their target audience, thereby possessing the skill and knowledge to design strong campaigns to increase TDM participation. Additionally, the Local Service Providers work closely with the Regional Service Provider (GoTriangle). They attend GoPartner regional meetings, support and promote regional outreach efforts, and implement all regional campaigns. Further, they also collaborate with and support other Local Service Providers and create long lasting partnerships with any local organizations that can help them promote alternative transportation choices amongst residents.

The Local Service Providers are also responsible to monitor, track and report on their activities on a regular basis.

TRANSPORTATION DEMAND MANAGEMENT (TDM) PROGRAM OVERVIEW

BACKGROUND

TDM programs promote alternative transportation options to the single occupant vehicle. Included among these alternatives are carpooling, vanpooling, telecommuting, transit, bicycle, flexible work hours, compressed workweeks and parking policies/pricing structures. The NCDOT Public Transportation Division (PTD) is funding these TDM programs to continue supporting the provisions of the Ambient Air Quality Improvement Act of 1999, Senate Bill 953, which addressed concerns over ground level ozone pollution from motor vehicles and the need to deal with increasing vehicle miles traveled (VMT) and NOx emissions. The bill established a goal of reducing the growth of commuter VMT in the state by 25 percent from 2000 until 2009 and that goal was achieved. Continuing strides have been made in the years following this achievement.

The organizations applying must be public bodies responsible for promotion of TDM activities with a TDM Plan in place and may also provide services such as carpool/vanpool matching and vehicles for use in vanpooling. It is the intent of this program to fund only one organization per region. Urban areas in the state that are interested in a TDM Program but do not currently receive state TDM funds should contact Gretchen Vetter, Transportation Program Planner, at (919) 707-4695 or e-mail gavetter@ncdot.gov to discuss planning requirements for establishing a TDM Program. New applicants are required to submit a final adopted TDM Plan with their application.

ELIGIBLE COSTS

This program funds ONLY administrative costs associated with TDM programs, up to 50 percent of the total administrative expenses. This includes salaries, fringe benefits, office supplies, marketing and other program related items. The entire list of eligible administrative items is included in the TDM application form in Partner Connect. Detailed definitions of each item are contained in the Uniform Public Transportation Accounting System document. Please contact Gretchen Vetter at (919) 707-4695 or gavetter@ncdot.gov if you would like a copy of this document. This program does not fund capital expenses such as vehicle or vehicle parts acquisition, building costs, or operating costs like vehicle maintenance. This program also does not provide funding for prizes and incentives and does not provide funding for food for events/meetings/etc. (except personal per diem during travel, as stated in the NCDOT Travel Policy).

PROGRAM GOAL

The goal of the statewide TDM Program is to continue the average annual percentage reduction in the growth of commuter VMT that was achieved between 2000 and 2015. There are six TDM Strategies listed below that all applicants should employ to accomplish the TDM Program Goal.

STRATEGIES

There are six TDM Strategies that all applicants should employ to accomplish the TDM Program Goal and should be included in their TDM Plans:

1. Conduct marketing efforts/activities identified in a marketing plan;
2. Coordinate with local transportation and land use planning efforts;
3. Facilitate ridematching services through the [ShareTheRideNC](http://www.ShareTheRideNC.org) website;
4. Promote the Best Workplaces for Commuter Program;
5. Collect and calculate data on VMT reductions through TDM activities; and
6. Operate in a manner consistent with the NCDOT goals regarding making our transportation network safer, making our transportation network move people and goods more efficiently, and making our infrastructure last longer.

WORKPLAN

Every application must include a spreadsheet outlining activities the TDM Program will be undertaking in support of the six strategies listed above. The TDM workplan spreadsheet must be formatted to have headers titled with the following information:

1. Activity/Task Description
2. Products/Deliverables
3. Purpose - Desired Result - Why?
4. When Will Activity Be Performed
5. How Will You Measure Your Efforts?
6. Work Completed to Date column

The last column will be left blank when submitting your application. It will need to be filled in during the course of the funding year and submitted with quarterly invoices for payment. An example format is included in the application materials. Use this format in your application. There are five major activities that must be included in every TDM work plan. They are described below:

- 1. Promotion:** TDM Programs must actively promote the rideshare matching website www.ShareTheRideNC.org and increase the number of registrants in the database. This is the main venue through which the public can easily access match lists, and it also includes matching for biking and information on transit. The [website](#) provides access for the public and also provides reports for individual employers, which can assist the TDM Program in promotion and event planning. This promotion must include employer on-site events as well as public marketing campaigns.
- 2. Best Workplaces for Commuters:** The work plans of the TDM Programs must have an emphasis on the Best Workplaces for Commuters Program. The TDM Programs must have measurable goals and objectives for achieving designation of

employers as BWC. This will include a goal of identifying a certain number of target employers who already offer some commuter benefits and/or have a large employee base which would make them prime candidates for BWC designation. All TDM Programs must be knowledgeable of the BWC Program components and requirements, and assist employers in getting designated as a BWC if needed.

3. **Monitoring and Reporting:** TDM Programs must gather data such as trip length, number of carpools/vanpools, number of telecommuters, etc. during the year so that they can calculate progress in reducing the growth of commuter VMT. These reductions are the justification for state funding of the expenses incurred in administering and marketing the TDM Programs.
4. **Public Relations:** TDM Coordinators must be visible in local planning efforts and TDM issues/activities need to be part of Planning Commission, Transit Board, City Council, County Commission and MPO/RPO agendas. Elected and appointed officials need to be aware of the social, environmental, economic and financial benefits accruing from the TDM Programs in order to support the program and integrate it into the community. Also, TDM needs to be included in land use planning and transportation planning components of an area, particularly long range transportation plans and congestion management plans.
5. **Marketing:** TDM Programs must include an activity and budget for development of a marketing plan during FY 2018, if a marketing plan is not already developed. This plan will provide the framework for the timing of marketing activities, the relationship between the different marketing activities, and the purpose of the marketing activities. It also will document how the proposed marketing campaigns and activities will be analyzed for effectiveness, such as market penetration and name recognition. This will permit an assessment of the value of various marketing activities in order to target the most effective marketing techniques. The marketing plan is comprised of 4 elements:

1. Identification of Audiences
2. Development of Key Messages
3. Delivery Options
4. Feedback Measures

SUCCESS PLAN

All existing TDM Programs and potential applicants must develop a NCDOT initiated Success Plan in order to receive TDM funds. These success plans allow an organization to strategically plan for future development and growth. Outcomes and measurables from this plan will be used to gauge the effectiveness of TDM programs across the state. Existing TDM programs will continue to work on developing success plans through quarterly NCDOT training sessions and upcoming performance planning initiatives, while new applicants should contact Gretchen Vetter for questions regarding plan development.

PERFORMANCE MEASURES

All activities in the TDM Work plan must include performance measures, which will be detailed in column 5 - How Will You Measure Your Efforts? These are indicators used to determine the effect that activities are having in accomplishing desired results, and will be included in the TDM Workplan column space. They commonly involve an input measure, output measure, process measure, and outcome measure.

Input Measure: Describes the amount of resources used to conduct an activity, produce an output or provide a service.

Example: Number of employers targeted for BWC designation.

Output Measure: Describes the amount of work completed or produced.

Example: Number of employers designated BWC employer.

Process Measure: Describes the quality or timeliness of a service.

Example: Number of employers designated as BWC employers by End of Year Celebration event

Outcome Measure: Describes the results achieved by an activity, process, or program.

Example: Percentage of targeted employers who became designated as a BWC employer

The quarterly reports of program progress will include use of measurable performance measures and the effectiveness of each activity toward reaching the goal as described above. In particular, specify how the TDM tasks will reduce the amount of commuter VMT.

FUNDING REQUEST JUSTIFICATION

Each applicant must complete a Funding Request Justification form. Applicants should use this form to provide a brief description of their project, outline the benefits of the proposed program, and discuss the impacts that would result should their program not be funded.

INVOICING AND REPORTING

Each TDM program must invoice NCDOT at least quarterly, per contract requirements. The quarterly invoices will be due no later than 30 days past the end of the quarter. The quarter time periods are July to September, October to December, January to March and April to June. The final invoice is due no later than 90 days past the end of the funding year. A status report on tasks/activities accomplishments (see information on workplan spreadsheet in the Workplan and Performance Measures section) will be required to be submitted with the quarterly invoices along with other supporting documentation. The final invoice will include a summary of the entire year's tasks/activities accomplishments as specified in the workplan format, as well as calculations of commuter VMT reductions attributable to the TDM program activities.

TIMETABLE

August 25, 2016 - TDM application package sent to all TDM Programs

November 4, 2016 - FY 2016 TDM applications and budget to be submitted in Partner Connect

March 2017 - FY 2018 TDM Projects will be presented to the NC Board of Transportation

July 1, 2017 - Beginning of state fiscal year and Period of Performance for FY 2018 TDM Programs



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Agenda Item Abstract

File Number:19-381

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Resolution supporting continued participation in Watch for Me NC 2020

PURPOSE: The purpose of this agenda item is for the Council to consider adopting a resolution in support of continued participation in this year's Watch for Me NC program conducted by the North Carolina Department of Transportation and UNC's Highway Safety Research Center.

DEPARTMENT: Planning

CONTACT INFORMATION: Zachary Hallock, 919-918-7329, zhallock@townofcarrboro.org
<<mailto:zhallock@townofcarrboro.org>>

INFORMATION: Every year since 2015, when the Board of Aldermen adopted a resolution supporting participation in the Watch for Me NC program, the Planning Department in conjunction with the Police Department, have coordinated in preparing an application for the program. The program encourages local communities to 1) present safety and education messages to drivers, pedestrians and cyclists and 2) conduct high visibility enforcement efforts by local law enforcement to reduce violations of safety laws. Member communities will receive additional, specialized training from the North Carolina Department of Transportation. Staff will continue to look for innovative ways to incorporate the Watch for Me NC message as a part of other outreach activities where relevant. A letter from the Carrboro Police Department supporting the application can be found as Attachment B.

Additional information about this program can be found at the following link:

<<http://www.watchformenc.org/about/>>.

FISCAL & STAFF IMPACT: There is staff time associated with the continued enforcement efforts and coordination meetings related to Watch for Me NC.

RECOMMENDATION: Staff recommend the Council consider the resolution (Attachment A) directing continued participation in Watch for Me NC and provide comments as desired.

A RESOLUTION SUPPORTING CONTINUED PARTICIPATION IN THE NORTH
CAROLINA DEPARTMENT OF TRANSPORTATION'S PEDESTRIAN AND BICYCLE
SAFETY CAMPAIGN WATCH FOR ME NC FOR 2020

WHEREAS, *Carrboro Vision 2020* states that the “safe and adequate flow of bus, auto, bicycle and pedestrian traffic within and around Carrboro is essential” (Policy 4.0); and

WHEREAS, education and outreach are crucial components to help Carrboro residents safely navigate the transportation system (as identified in the 2009 and draft 2019 Bicycle Plans) and staff will continue to identify innovative ways to reach as many people as possible; and

WHEREAS, the Town of Carrboro acknowledges the need to better educate pedestrians, bicyclists and drivers on how to share the road safely; and

WHEREAS, the North Carolina Department of Transportation and UNC's Highway Safety Research Center are continuing to lead a statewide pedestrian and bicycle safety campaign, known as Watch for Me NC; and

WHEREAS, the North Carolina Department of Transportation and the Highway Safety Research Center are seeking commitments from North Carolina communities for continued involvement in the Watch for Me NC 2020 campaign; and

WHEREAS, the Town of Carrboro has participated in the Watch for Me NC campaign every year since 2015; and

WHEREAS, the Watch for Me NC campaign would provide safety education for pedestrians, cyclists and drivers through various strategies and provide training to local law enforcement officers to support educational outreach activities and provide information for campaign evaluation.

NOW THEREFORE BE IT RESOLVED by the Carrboro Town Council that the Council pledges, in cooperation with the North Carolina Department of Transportation, to participate in the 2020 Watch for Me NC campaign.

BE IT FURTHER RESOLVED that the Planning Department, Police Department, and other departments if directed by the Town Manager, are to coordinate with staff from other municipalities and stakeholders involved in the Watch for Me NC campaign as necessary to ensure successful participation.

This is the 21st day of January in the year 2020.

**TOWN OF CARRBORO POLICE DEPARTMENT****Walter Horton, Chief of Police**100 N. Greensboro St.
Carrboro, NC 27510

PHONE: 919-918-7397

FAX: 919-942-4473

To whom it may concern,

The Carrboro Police Department wishes to support the Watch For Me NC Campaign again, for the 2020 calendar year. The Town of Carrboro and the Carrboro Police Department are dedicated to providing an atmosphere which encourages bicycle and pedestrian traffic and is safe for all modes of transportation. We feel that the Watch for Me Campaign is an excellent tool to help us achieve this goal. The Carrboro Police Department pledges to continue to provide education and enforcement to motorists at pedestrian crosswalks. We will continue education and enforcement for bicyclists who violate vehicular laws which create a safety risk for themselves and others. We periodically hand out pedestrian safety brochures to pedestrians at crosswalks. We will continue to partner with the Town of Carrboro's Planning and Transportation Department to provide training and education opportunities for children and youth in our community.

Sgt. Brent Hobby
Community Services Division
Carrboro Police Department
(919) 918-7397 Main
(919) 918-7410 Office
(919) 942-4473 Fax
chobby@townofcarrboro.org



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Revised Interlocal Agreement with Orange County and the Town of Chapel Hill Related to the Historic Rogers Road Area Private Sewer Service Lateral Connection Installations for Qualified Low-to-Moderate-Income (LMI) Homeowners - Cost Share

PURPOSE: To consider approval of a revised Interlocal Agreement between Orange County, the Town of Chapel Hill, and the Town of Carrboro to jointly fund the costs of private sewer service lateral connection installations for qualified Low-to-Moderate-Income (LMI) homeowners in the Historic Rogers Road sewer service area. The revision primarily relates to modifying the method of hiring licensed plumbers to install the onsite private sewer lateral connections.

DEPARTMENT: Planning Department

CONTACT INFORMATION: Marty Roupe, 919-918-7333, mroupe@townofcarrboro.org
<<mailto:mroupe@townofcarrboro.org>>; Trish McGuire, 919-918-7327, pmcguire@townofcarrboro.org

INFORMATION: The newly constructed Historic Rogers Road Area gravity sewer system is a public system owned by Orange County and operated by the Orange Water and Sewer Authority (OWASA). The general contractor for the sewer expansion project has installed approximately 108 sewer service stub-outs/clean-outs to lots within the Historic Rogers Road sewer service area. The design and construction of the Historic Rogers Road Area gravity sewer system was initiated based on the recommendations contained within the Historic Rogers Road Neighborhood Task Force Final Report dated September 17, 2013. The 67-page report is available on-line at:

<<http://www.townofcarrboro.org/DocumentCenter/View/5936/Mapping-Our-Communitys-Future-Report>>.

The costs associated with the design and construction of the gravity sewer system were shared between Orange County, the Town of Chapel Hill, and the Town of Carrboro as specified in an Interlocal Agreement entered into on December 13, 2016.

Orange County, in partnership with the Towns of Chapel Hill and Carrboro, will be providing joint funding to cover the costs of private sewer service lateral connection installations, septic tank abandonments and payments of OWASA sewer system development fees for qualified LMI homeowners of existing dwellings located on Heritage Lots within the Historic Rogers Road sewer service area. The costs associated with private sewer service lateral connection installations for qualified LMI homeowners were shared between Orange County, the Town of Chapel Hill, and the Town of Carrboro as specified in a separate Interlocal Agreement entered into on July 1, 2019.

The Interlocal Agreement executed on July 1, 2019 specifies that Orange County “...shall issue an informal request for qualifications (RFQ) so as to pre-qualify a minimum of five (5) licensed plumbers for the installation of private sewer service lateral connections for LMI Heritage Lot Households.” Orange County advertised an informal RFQ on August 8, 2019 and received zero submissions from qualified licensed plumbers. Subsequent feedback from local licensed plumbers suggested that, due to current high workloads/backlogs, qualified vendors were unable and/or unwilling to commit the time and resources needed to prepare and submit a detailed Statement of Qualifications (SOQ) to Orange County in response to Orange County’s RFQ. In addition, qualified vendors were not interested in pursuing the RFQ due to the inability to guarantee the award of a monetary contract for performing the work and not knowing in advance the site-specifics of each potential installation job.

The proposed revised Interlocal Agreement (Attachment B) will nullify and replace the existing Interlocal Agreement executed on July 1, 2019. The overall cost share percentages within the proposed revised Interlocal Agreement will remain unchanged from the existing Interlocal Agreement (i.e. 14% Carrboro, 43% Chapel Hill, 43% Orange County). The proposed revised Interlocal Agreement is identical to the existing Interlocal Agreement executed on July 1, 2019, with the exception of the following items:

- 1) Rather than pre-qualifying a group of licensed plumbers to competitively bid the private sewer service lateral connection installation work, Orange County will competitively bid each individual private sewer service lateral connection (or each group/cluster of private sewer service lateral connections) upon qualification of the respective individual LMI applicants. The lowest responsive and responsible bidder for each individual competitive bid will be formally awarded the associated work for each individual competitive bid.
- 2) The number of Heritage Lots and Heritage Lots With Pre-Existing Dwellings have increased by three (3) properties, based on lot configuration and engineering feasibility corrections. The number of identified Heritage Lots has been revised from 81 to 84. The number of Heritage Lots With Pre-Existing Dwellings has been revised from 62 to 65. The revised number of Heritage Lots and Heritage Lots With Pre-Existing Dwellings are displayed on the updated map dated November 25, 2019.
- 3) The overall Orange County budget for this initiative has been revised from \$243,000 to \$220,000, so as to match actual/available Orange County budget allocations. The overall estimated number of private sewer service lateral connections has been updated to match Orange County’s actual/available budget. Orange County is currently budgeted for a total of 10 connections within the Town of Carrboro’s jurisdictional area and a total of 15 connections within the Town of Chapel Hill’s jurisdictional area. The anticipated cost per connection has been reduced from \$9,000 per connection to \$8,800 per connection, based on a recently bid project within the Historic Rogers Road area. The overall cost share percentages will remain the same: 14% Carrboro, 43% Chapel Hill, 43% Orange County.

The proposed revised Interlocal Agreement (Attachment B) is the product of a joint collaborative review effort

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

by the Rogers Road Staff Working Group. The Group generally meets on a weekly basis and consists of designated representatives from Orange County, the Towns of Chapel Hill and Carrboro, and OWASA. The proposed revised Interlocal Agreement has also been reviewed and approved by the respective Attorneys of the three local governments. The Carrboro Town Council and Orange County Board of Commissioners are scheduled to consider the proposed revised Interlocal Agreement on January 21, 2020 and the Town of Chapel Hill is scheduled to consider the proposed revised Interlocal Agreement on January 22, 2020.

FISCAL & STAFF IMPACT: Funds have been appropriated already within the budget to cover Carrboro's portion of the costs associated with this item.

RECOMMENDATION: Staff recommends that the Board of Aldermen adopt the attached resolution updating the Interlocal Agreement.

Attahment A

RESOLUTION

**A RESOLUTION AUTHORIZING THE TOWN MANAGER TO EXECUTE AN
INTERLOCAL AGREEMENT WITH ORANGE COUNTY AND THE TOWN OF
CHAPEL HILL**

NOW, THEREFORE BE IT RESOLVED, that the Town of Carrboro Board of Aldermen hereby authorize the Town Manager to execute an interlocal agreement with Orange County and the Town of Chapel Hill for sharing costs related to connecting private sewer lateral service lines to low and moderate income homes in Historic Rogers Road Neighborhood.

This the 21st day of January 2020.

Attachment B, Page 1

NORTH CAROLINA ORANGE COUNTY

REVISED INTERLOCAL AGREEMENT BETWEEN AND AMONG ORANGE COUNTY AND THE TOWNS OF CARRBORO AND CHAPEL HILL REGARDING THE REIMBURSEMENT OF COSTS FOR INSTALLATION OF PRIVATE SEWER SERVICE LATERAL CONNECTIONS FOR LOW-TO-MODERATE INCOME HOMEOWNERS OF HERITAGE LOTS WITH EXISTING DWELLINGS IN THE ROGERS ROAD SEWER PROJECT AREA

THIS REVISED AGREEMENT, made and entered into this ____ day of _____, 2020 between and among the Towns of Carrboro and Chapel Hill, both North Carolina municipal corporations (hereinafter jointly referred to as the “Towns”), and Orange County, a political subdivision of the State of North Carolina (hereinafter referred to as the “County”), for reimbursement to the County by the Towns for the County’s expenditures for the installation of private sewer service lateral connections for low-to-moderate income homeowners of Heritage Lots with existing dwellings in the Rogers Road Sewer Project Area (hereinafter referred to as “LMI Heritage Lot Households”). County and Towns may be referred to collectively as the “Parties”. This Agreement supersedes and replaces the Interlocal Agreement between the Parties entered into as of July 1, 2019.

WITNESSETH

WHEREAS, the Parties entered into an Interlocal Agreement on July 1, 2019, hereinafter referred to as the “Original Agreement”; and

WHEREAS, the Parties have determined that it is necessary to enter into a new and revised agreement to replace and supersede the Original Agreement; and

WHEREAS, the County and Towns are public bodies, politic and/or corporate, under the laws of the State of North Carolina and are vested with the power and authority by Article 20 of North Carolina General Statute Chapter 160A to enter into this Interlocal Agreement (hereinafter referred to as the “Agreement”); and

WHEREAS, the Historic Rogers Road Neighborhood Task Force Report (dated September 13, 2013) identified 86 parcels in the Rogers Road Sewer Project Area as Heritage Lots, as defined and shown in exhibits therein; and

WHEREAS, representatives of the County and Towns have previously agreed in principle that the total number of Heritage Lots in the Rogers Road Sewer Project Area has been reduced from 86 Heritage Lots to 84 Heritage Lots, due to lot configuration and engineering feasibility corrections that were completed subsequent to the release of the Historic Rogers Road Neighborhood Task Force Report; and

Attachment B, Page 2

WHEREAS, representatives of the County and Towns have previously agreed in principle that 65 of the 84 Heritage Lots in the Rogers Road Sewer Project Area had existing dwellings located on the respective Heritage Lot parcels concurrent with the release date of the Historic Rogers Road Neighborhood Task Force Report (based on the evaluation of March 2013 aerial imagery), and have identified the 65 Heritage Lots with existing dwellings; and

WHEREAS, the 65 Heritage Lots in the Rogers Road Sewer Project Area with existing dwelling units may have household income levels at or below 80% of the area median income as defined by U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, representatives of the County and Towns have previously agreed in principle to jointly fund the installation of private sewer service lateral connections for the 65 Heritage Lots with existing dwellings and with household income levels at or below 80% of the area median income (LMI Heritage Lot Households) to the public sewer system under construction; and

WHEREAS, as defined in the following schedule, the timeline for joint funding coverage will begin after the execution of this Agreement by all Parties and upon the County's receipt of a valid dated application from the LMI Heritage Lot Household: Year 1 and Year 2 (100% cost coverage); Year 3 (50% cost coverage); Year 4 and beyond (0% cost coverage); and

WHEREAS, representatives of the County and Towns have previously agreed in principle that the County will solicit competitive bids from licensed local plumbing contractors, and will select the lowest responsive and responsible bidder for the installation of private sewer service lateral connections for LMI Heritage Lot Households; and

WHEREAS, the County has pre-allocated \$220,000 for the installation of private sewer service lateral connections for LMI Heritage Lot Households wishing to connect, to be reimbursed by the Towns, in part, in accordance with this Agreement; and

WHEREAS, the County's expenditures for the installation of private sewer service lateral connections for LMI Heritage Lot Households will include the cost of installation by the lowest responsive and responsible bidder of the private sewer service lateral and associated appurtenances (i.e. from the existing sewer service stub-out at the property line to the household to be served), the cost of disconnecting and abandoning the existing septic system per County standards, the Orange Water and Sewer Authority (OWASA) sewer system development fee, and all other applicable fees; and

WHEREAS, the total number of LMI Heritage Lot Households wishing to connect within the specified three-year period for joint funding (i.e. Year 1, Year 2, Year 3) and the exact cost for each LMI Heritage Lot Household wishing to connect are unknown at this time due to the variable sizes of the dwellings to be served, the variable distances

Attachment B, Page 3

between the dwellings and the public sewer service stub-outs, and other specific characteristics of each lot; and

WHEREAS, representatives of the County and Towns have previously agreed in principle on an educated estimate of ten (10) LMI Heritage Lot Households wishing to connect within Town of Carrboro jurisdictional areas within the specified three-year period for joint funding (i.e. Year 1, Year 2, Year 3) and on an educated estimate of fifteen (15) LMI Heritage Lot Households wishing to connect within Town of Chapel Hill jurisdictional areas within the specified three-year period for joint funding (i.e. Year 1, Year 2, Year 3); and

WHEREAS, representatives of the County and Towns have previously agreed in principle that each LMI Heritage Lot Household wishing to connect within Year 1 and Year 2 following the execution of this Agreement will have an estimated 100% coverage joint funding cost of approximately \$8,800 per LMI Heritage Lot Household; and

WHEREAS, representatives of the County and Towns have previously agreed in principle that each LMI Heritage Lot Household wishing to connect within Year 3 following the execution of this Agreement will have an estimated 50% coverage joint funding cost of approximately \$4,400 per LMI Heritage Lot Household; and

WHEREAS, the County and Towns desire to formally establish the terms of the Towns' reimbursements to the County for the installation of private sewer service lateral connections for LMI Heritage Lot Households connections.

NOW, THEREFORE, in consideration of the foregoing and based on mutual promises and obligations set forth herein, the receipt and sufficiency of which is hereby acknowledged, the County and Towns agree as follows:

1. TERM AND TERMINATION

- a. This Agreement shall commence upon execution by all Parties and shall continue until all reimbursements are paid in full with such payment in full occurring no later than June 30, 2023.
- b. The Original Agreement is hereby superseded and replaced by this Agreement.
- c. The Town of Carrboro shall provide payment to the County up to 14% of the current total project estimate, or \$30,800, whichever is less, plus any financing costs (up to 3 percent annually) incurred by the County for the installation of LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction unless mutually agreed by both the Town of Carrboro and the County. These payments are for the installation of up to ten (10) LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction. The Town of Carrboro shall, within thirty (30) days of

Attachment B, Page 4

receipt of a County generated invoice, reimburse the County for the Town of Carrboro's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction.

- d. The Town of Chapel Hill shall provide payment to the County of up to 43% of the current total project estimate, or \$94,600, whichever is less, plus any financing costs (up to 3 percent annually) incurred by the County for the installation of LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction unless mutually agreed by both the Town of Chapel Hill and the County. These payments are for the installation of up to fifteen (15) LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction. The Town of Chapel Hill shall, within thirty (30) days of receipt of a County generated invoice, reimburse the County for the Town of Chapel Hill's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction.
- e. If overall participation by LMI Heritage Lot Households exceeds the \$220,000 pre-allocated by the County, the County will request additional funds and this Agreement will be amended so as to adjust Sections 1-4 accordingly, subject to funding availability and approval by governing boards of the Parties.
- f. This Agreement may be renewed or amended upon written agreement of the Parties.

Attachment B, Page 5

2. TOTAL COSTS

Item	Carrboro Cost	Chapel Hill Cost	County Cost	Total Cost
<u>Carrboro Lots</u> (10 LMI Heritage Lot Household connections within Carrboro jurisdiction)	\$30,800	\$0	\$57,200	\$88,000
<u>Chapel Hill Lots</u> (15 LMI Heritage Lot Household connections within Chapel Hill jurisdiction)	\$0	\$94,600	\$37,400	\$132,000
TOTALS	\$30,800 (14% of total)	\$94,600 (43% of total)	\$94,600 (43% of total)	\$220,000 (100%)

3. RESPONSIBILITIES OF TOWNS

- a. As provided in Section 1b above, the Town of Carrboro is responsible for up to 14% of the current total project estimate, or \$30,800, whichever is less. The Town of Carrboro shall, within thirty (30) days of receipt of a County generated invoice, reimburse the County for the Town of Carrboro's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction.
- b. As provided in Section 1c above, the Town of Chapel Hill is responsible for up to 43% of the current total project estimate, or \$94,600, whichever is less. The Town of Chapel Hill shall, within thirty (30) days of receipt of a County generated invoice, reimburse the County for the Town of Chapel Hill's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction.
- c. The Town of Chapel Hill's funding contribution shall be used for the benefit of low and moderate income residents, as defined by HUD, residing within the Town of Chapel Hill's Extraterritorial Jurisdiction (ETJ).

Attachment B, Page 6

- d. The Towns shall pay their full agreed upon obligation as set out in this Section 3 within thirty (30) days of receipt of the County's invoice.
- e. The Towns shall have no further obligation for the cost of maintenance or repair of the private sewer laterals installed with the assistance of their funding, it being agreed by the Parties that the private sewer laterals and all associated work pursuant to this agreement shall upon completion belong to and be the responsibility of the private resident/homeowners.

4. **RESPONSIBILITIES OF COUNTY**

- a. The County shall issue an informal request for proposals (RFP) so as to solicit competitive bids from licensed local plumbing contractors for the installation of private sewer service lateral connections for LMI Heritage Lot Households. The County will formally award the private sewer service lateral connection installation work for LMI Heritage Lot Households to the lowest responsive and responsible bidder.
- b. Contracts for the installation of the private sewer lateral connections and associated work shall clearly state that neither the County nor the Towns shall have any financial responsibility or liability beyond providing the financial assistance and arranging for payment to the contracted plumbers (other than any permitting or inspections responsibilities they may have in their governmental capacities). Said contracts shall provide that the contracting plumbers shall indemnify and hold harmless the Parties for any and all claims arising out of the contracting plumbers' work for the LMI Heritage Lot Households.
- c. The County is responsible for up to 43% of the current total project estimate as shown in Section 2 above, or \$94,600 whichever is less.
- d. The County shall invoice the Towns for the specified reimbursement amounts and/or percentages as shown in Section 3. This invoice will be in the form of a single invoice upon the conclusion of the services contemplated in Section 1 and Section 2 within the respective jurisdiction of each Town and said invoice shall be accompanied by a written statement indicating those services have concluded.

5. **THIRD PARTY RIGHTS**

Nothing in this Agreement is intended to create, grant, or convey rights in or to any third party. Nothing herein is enforceable by any third party and the rights of the parties hereto to terminate or amend this Agreement are not subject to the consent of any third party.

Attachment B, Page 7

6. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement of the Parties hereto and is effective the date first above recorded.

[Signature Page to Follow]

Including pre-audit certificates for all Parties.

Attachment B, Page 8

In witness whereof, the Parties, by and through their authorized agents, have hereunder set their hands and seals as of the day and year first above written.

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Manager, Orange County

ATTEST

Finance Director, Orange County

[SEAL]

By: _____
Clerk

Attachment B, Page 9

In witness whereof, the Parties, by and through their authorized agents, have hereunder set their hands and seals as of the day and year first above written.

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Manager, Town of Carrboro

ATTEST

Finance Director, Town of Carrboro

[SEAL]

By: _____
Clerk

Attachment B, Page 10

In witness whereof, the Parties, by and through their authorized agents, have hereunder set their hands and seals as of the day and year first above written.

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Manager, Town of Chapel Hill

ATTEST

By:_____

Clerk

Finance Director, Town of Chapel Hill

[SEAL]



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:20-75

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Update on Anticipated Schedule for the South Greensboro Street Sidewalk Project (TIP# C-5650)

PURPOSE: The purpose of this agenda item is to provide the Town Council with information relating to the South Greensboro Street Sidewalk project prior to commencement. .

DEPARTMENT: Planning

CONTACT INFORMATION: Christina Moon - 919-918-7325, cmoon@townofcarrboro.org, cmoon@townofcarrboro.org; Zachary Hallock - 919-918-7329, zhallock@townofcarrboro.org, zhallock@townofcarrboro.org.

INFORMATION: The Town is in the process of finalizing a contract with Ramey Kemp & Associates to begin design work on the South Greensboro Street sidewalk project. The project will include a number of opportunities for public input, including drop-in sessions and public hearings, a process that has been used for the Jones Creek Greenway.

One of the first steps in the design process will be for the consultants to survey the corridor in order to have accurate information relating to the width of the existing right-of-way, paved travelway, and associated topography. This work will likely have some minor impact to traffic using the corridor, and may potentially require temporary lane closures. Part of the timing of this agenda item is to alert the Town Council and members of the community of this aspect of the project before the surveying crew begins its work. Staff is in the process of developing a webpage with information on scope and anticipated timeline for the project from design through to construction. Electronic messaging boards can be positioned at either end of the corridor a week before work begins to alert travelers of the project and potential delays.

Once completed, information from the survey will be delineated on a series of existing conditions maps to be shared with the public as part of the public input meetings to guide the placement of the sidewalk within the corridor. Public hearings on the project will be provided at 30-percent, 60-percent design and additional updates to the Council at 90-percent and 100-percent design.

FISCAL & STAFF IMPACT: There is no fiscal impact for receiving the update.

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

RECOMMENDATION: Staff recommends that the Town Council receive the update and anticipated schedule, and provide any input if desired.

A RESOLUTION RECEIVING THE UPDATE AND ANTICIPATED SCHEDULE FOR THE
SOUTH GREENSBORO STREET SIDEWALK PROJECT

WHEREAS, a Capital Project Ordinance to design and construct a sidewalk along one side of South Greensboro Street was adopted on June 27, 2017; and

WHEREAS, the Town Council has authorized the Town Manager to execute a contract for design services for the sidewalk project; and

WHEREAS, the Carrboro Town Council has made it a policy to hold public hearings on Town projects; and

NOW, THEREFORE, BE IT RESOLVED by the Carrboro Town Council, that the Town Council receives the update and anticipated schedule for the South Greensboro Street sidewalk project (TIP# C-5650).

BE IT FURTHER RESOLVED that the Carrboro Town Council provides the following comments:

This the 21st of January 2020.

Anticipated Timeline for Project Completion
C-5650 South Greensboro Street Sidewalk

Begin Project	Contract Execution
Project Update with Anticipated Schedule to Town Council	January 21, 2020
Begin Surveying	March 2020
Develop Project Limits/15% Mapping	April 2020
Public Workshop/Open House	April 2020
Town Council Meeting for Determining Preferred Alternative	May 2020
Drop-in Session followed by Town Council Public Hearing on 30% Design	June 2020
Begin Utility Coordination	June 2020
Begin NEPA Documentation	July 2020
Drop-in Session followed by Town Council Public Hearing on 60% Design	September 2020
Begin ROW Acquisition	October 2020
Town Council Update on 90% Design	January 2021
Permit Approvals	February 2021
Town Council Update on 100% Design	March 2021
100% Final Design Plans/Contract Documents	March 2021
Construction Authorization	April 2021
Advertise	April 2021



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:20-73

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Affordable Housing Advisory Commission Funding Recommendation

PURPOSE: The purpose of this item is for the Town Council to consider recommended funding for one nonprofit affordable housing application to the Affordable Housing Special Revenue Fund.

DEPARTMENT: Manager's Office

CONTACT INFORMATION: Anne-Marie Vanaman, Management Assistant, 919-918-7321, amvanaman@townofcarrboro.org <<mailto:amvanaman@townofcarrboro.org>>; Rebecca Buzzard, Project Manager, 919-918-7438, rbuzzard@townofcarrboro.org <<mailto:rbuzzard@townofcarrboro.org>>

INFORMATION: On March 5, 2019, the Town Council approved the pilot application process for the Affordable Housing Special Revenue Fund.

<<https://carrboro.legistar.com/LegislationDetail.aspx?ID=3875185&GUID=B29FF1CD-DC0B-4627-B6E8-0DDCC1205A46&Options=&Search>>=

In the third application cycle of the pilot process (January 1, 2020), one request was received and forwarded to the Affordable Housing Advisory Commission (AHAC) for review and scoring. On January 15, 2020, the AHAC discussed the request and voted to make the following recommendation:

Fully fund the request from Community Home Trust at \$30,000. These funds will support the acquisition of one single-family home, 105 Wesley Street, in the Carr Court neighborhood in Carrboro. The home will undergo repairs before purchase and will become part of the permanent affordable housing stock.

In their recommendation the AHAC encouraged CHT to keep the home affordable to households earning 30-60% AMI.

Agenda Date: 1/21/2020

File Type:Agendas

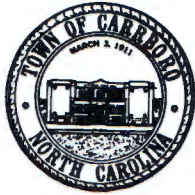
In Control: Board of Aldermen

Version: 1

The recommendation can be found in Attachment A. A summary of the funding request can be found in Attachment B.

FISCAL & STAFF IMPACT: This recommended funding allocation will be drawn from the Town's Affordable Housing Special Revenue Fund. This will leave \$101,717 in the Fund budget for FY20. There is no staff impact.

RECOMMENDATION: Staff recommends the Council consider approving the funding recommendation. A resolution for approval is provided in Attachment C.



TOWN OF CARRBORO

Affordable Housing Advisory Commission

301 West Main Street, Carrboro, North Carolina 27510

R E C O M M E N D A T I O N

JANUARY 15, 2020

Affordable Housing Special Revenue Fund Funding Recommendations

Motion was made by Terri Buckner, and seconded by Gabe Viñas, that the AHAC recommends that the Town Council consider the following:

The AHAC received one application for funding in the January 1, 2020 funding cycle. With \$131,717 available in the Affordable Housing Special Revenue Fund for the current fiscal year (FY19-20), the AHAC recommends to:

Fully fund the request from Community Home Trust at \$30,000. These funds will support the acquisition of one home in Carrboro, allow its current owner to age in place, and will keep the home permanently affordable.

Comments:

The AHAC encourages CHT keep the home affordable to households earning 30-60% AMI.

VOTE:

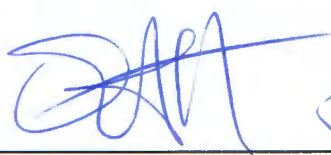
YES: (5) Quinton Harper, Betty Curry, Terri Buckner, Gabe Viñas, Amy Singleton

ABSENT/EXCUSED: (1) Cain Twyman

NOES: (0)

ABSTENTIONS: (0)

By a unanimous show of hands, the AHAC membership also indicated that no members have any financial interests that would pose a conflict of interest to the adoption of this amendment.



(Chair)



(Date)



AHSRF Application Checklist (for requests over \$5,000)

Applicant: Community Home Trust

Funding Cycle: January 2020

Type of Project: Acquisition

Amount Requested: \$30,000

Eligibility Criteria Checklist	Criteria Met?
The project is located within Town of Carrboro limits or ETJ.	Yes
The project addresses at least one funding priority area identified by the Town.	Yes
Requested funds will be used for at least one Town approved activity (permitted uses of funding).	Yes
Project benefits households earning 115% AMI or less.	Yes
The application is complete, including all required attachments, and is submitted on or before the established deadline.	Yes

Note: If application fails to meet all applicable criteria, the application is ineligible for consideration.

Income Group (Area Median Income)	Number of Beneficiaries	% of Total Beneficiaries
<30% of the AMI	1	100%
31%-60% of AMI		
61-80% of AMI		
81-100% of AMI		
101-115% of AMI		
TOTAL	1	100%

Note: Priority is given to households earning 80% AMI or below for homeownership and to households earning 60% AMI or below for renters.

Summary of Request: Community Home Trust (CHT) seeks “to strengthen our community with permanently affordable housing opportunities.” This request is to support the acquisition of 105 Wesley Street, a single family home in Carrboro, so that it may be added to the affordable housing stock, and so that its current occupant can age in place. See below for details:

105 Wesley is a 2 bedroom, 1 bath home built in 1957 located in the Carr Court neighborhood. Previously it was owned by two brothers. One brother has been residing there for over 20 years. Self-Help, working with the Jackson Center, purchased the home from the brothers in December 2019 through the Northside Neighborhood Initiative. (The brother currently residing in the home did not have the funds to purchase the home and is on a limited income. If he had been forced to move from his home, he could not have afforded to live elsewhere.)

Self-Help plans to combine some proceeds from the brother's sale with a grant from the Oak Foundation to complete repairs and renovations on the home, estimated to cost \$50,000.

Once the home is renovated, CHT will purchase the home for a price of \$130,000. They will rent the home to the residing brother for \$200-225/month which is 30% of his gross monthly income after utilities. He can live in the home as long as he likes. Afterward, the home will be preserved as an affordable home, either as a rental or ownership unit, serving households earning between 30%-80% AMI.

Community Home Trust is requesting \$30,000 toward the acquisition of this property, which is 23% of the overall budget. Other funding will come from CHT's project reserves (\$60,000) and HOME funds (\$40,000).

Timeline

Home is purchased by Self-Help	December 2019
Renovation is completed by Self-Help	March 2020
Home is sold to CHT	March 2020
Lease executed with tenant	March 2020

**A RESOLUTION APPROVING GRANT FUNDING FROM THE
AFFORDABLE HOUSING SPECIAL REVENUE FUND**

January 21, 2020

WHEREAS, the Town Council on, June 27, 2007, by the adoption of resolution no. 244/2006-07 created the Affordable Housing Special Revenue Fund; and

WHEREAS, the creation of the fund is another way in which the Council can advance its goal of increasing and maintaining the stock of affordable housing within the Town and its planning jurisdiction; and

WHEREAS, the Affordable Housing Advisory Commission (AHAC) reviewed a funding application for the Affordable Housing Special Revenue Fund on January 15, 2020; and

WHEREAS, the AHAC determined that the request met the criteria set forth in the Affordable Housing Special Revenue Fund; and

WHEREAS, the AHAC made the following funding recommendation:

Community Home Trust	\$30,000
-----------------------------	-----------------

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CARRBORO:

Section 1. Approves the recommended grant funding activity from the Affordable Housing Special Revenue Fund in FY2019-2020.

Section 2. Authorizes the Town Manager to develop and execute an agreement as necessary to carry out the Council's action.

Section 3. This resolution shall become effective upon adoption.



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:20-74

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Complete Count Committee and 2020 Census

PURPOSE: The purpose of this agenda item is to provide the Town Council with an update on the activities relating to the Complete County Committee and to help launch the 2020 Census for Orange County.

DEPARTMENT: Planning, Economic Development, and Manager's Office

CONTACT INFORMATION: Christina Moon - 919-918-7325; Patricia McGuire - 919-918-7327, pmcguire@townofcarrboro.org <<mailto:pmcguire@townofcarrboro.org>>; Annette Stone - 919-918-7319, astone@townofcarrboro.org <<mailto:astone@townofcarrboro.org>>; Rachel Heggen - 919-918-7314, rheggen@townofcarrboro.org <<mailto:rheggen@townofcarrboro.org>>.

INFORMATION: Council member Foushee and representatives from three Town departments have been participating in the Complete Count Committee, a collaborative effort, to organize and facilitate the upcoming 2020 census for Orange County, North Carolina. The committee began meeting in the fall of 2019, to develop a comprehensive strategy that would ensure that residents understand the purpose of the census, how it is used, what to expect and, perhaps most important how to be counted.

A summary of the key information is as follows. The 2020 census is about to get underway. Mailed to each household, will be a census card with a number on it; the number is needed to complete the form. Census forms may be completed online, by phone or by paper form. Twelve census sites will be located throughout the county, including McDougle Middle School in Carrboro. Computers will be available at the various sites with sufficient assistance to help residents login. Census workers may not assist in the actual completion of the form. A list and location map of the twelve sites may be found at the following link:

<<https://www.orangecountync.gov/2302/Be-Counted-Sites>>.

Only one card will be mailed to each household. Students living on campuses will be recorded by their school but students living off-campus as well as other households, where unrelated individuals share a residence, will need to work together to complete a single census form using number on the card mailed to that particular household.

Anticipated Timeline

- March 12-20, 2020 -- Census Bureau will mail invitations to respond <<https://www.census.gov/library/visualizations/2019/comm/2020-everyone.html>> to nearly every household in the country and activate the online response form.

Agenda Date: 1/21/2020

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- March 16-24, 2020 -- Reminder letters will be sent
- March 26-April 3, 2020 -- Reminder postcards sent to those who have not responded
- April 1, 2020 -- Census Day. You will fill out the questionnaire based on where you were living on this day.
- April 8-16, 2020 -- Reminder letter and paper questionnaire sent to those who have not responded
- April 20-27 -- Final reminder postcards sent before in-person follow-ups begin
- December 31, 2020 -- Final 2020 Census results will be delivered to the President of the United States

Additional information on the census, including a more detailed timeline as to when count totals may become available for use, please see the agenda materials from the June 11, 2019 Board of Aldermen meeting, available at the following link: (

<https://carrboro.legistar.com/LegislationDetail.aspx?ID=3976631&GUID=0674CF6F-F6D9-4AD3-AF5F-08B14042612B&Options=ID|Text|&Search=census>).

Orange County has also assembled a webpage with at-a-glance factsheets and short film (please see the following link: <https://www.orangecountync.gov/2092/Census-2020>).

FISCAL & STAFF IMPACT: There is no fiscal impact with receiving this information.

RECOMMENDATION: Staff recommends that the Town Council receive the update and formally announce the upcoming 2020 Census.

As required by the Census Act, the U.S. Census Bureau submitted a list of questions to Congress on March 29, 2018. Based on those questions, the 2020 Census will ask:

- **How many people are living or staying at your home on April 1, 2020.** This will help us count the entire U.S. population and ensure that we count people according to where they live on Census Day.
- **Whether the home is owned or rented.** This will help us produce statistics about homeownership and renting. The rates of homeownership serve as one indicator of the nation's economy. They also help in administering housing programs and informing planning decisions.
- **About the sex of each person in your home.** This allows us to create statistics about males and females, which can be used in planning and funding government programs. This data can also be used to enforce laws, regulations, and policies against discrimination.
- **About the age of each person in your home.** The U.S. Census Bureau creates statistics to better understand the size and characteristics of different age groups. Agencies use this data to plan and fund government programs that support specific age groups, including children and older adults.
- **About the race of each person in your home.** This allows us to create statistics about race and to provide other statistics by racial groups. This data helps federal agencies monitor compliance with anti-discrimination provisions, such as those in the Voting Rights Act and the Civil Rights Act.
- **About whether a person in your home is of Hispanic, Latino, or Spanish origin.** These responses help create statistics about this ethnic group. This is needed by federal agencies to monitor compliance with anti-discrimination provisions, such as those in the Voting Rights Act and the Civil Rights Act.
- **About the relationship of each person in your home.** This allows the Census Bureau to create estimates about families, households, and other groups. Relationship data is used in planning and funding government programs that support families, including people raising children alone.

Governments, businesses, communities, and nonprofits all rely on the data that these questions produce to make critical decisions.

Why the Census matters?

Next year, residents of Orange County will be asked to participate in the 2020 Census. It is important for all residents to complete the census, because the framers of the Constitution of the United States chose population to be the basis for sharing political power, not wealth or land.

“Representatives and direct Taxes shall be apportioned among the several States which may be included within this Union, according to their respective Numbers...”

- The Constitution of the United States, Article I, Section 2.

The census asks questions of people in homes and group living situations, including how many people live or stay in each home, and the sex, age and race of each person. The data collected determines the number of seats each state has in the U.S. House of Representatives (a process called apportionment). Federal funds, grants and support to states, counties and communities are based on population totals and breakdowns by sex, age, race and other factors.

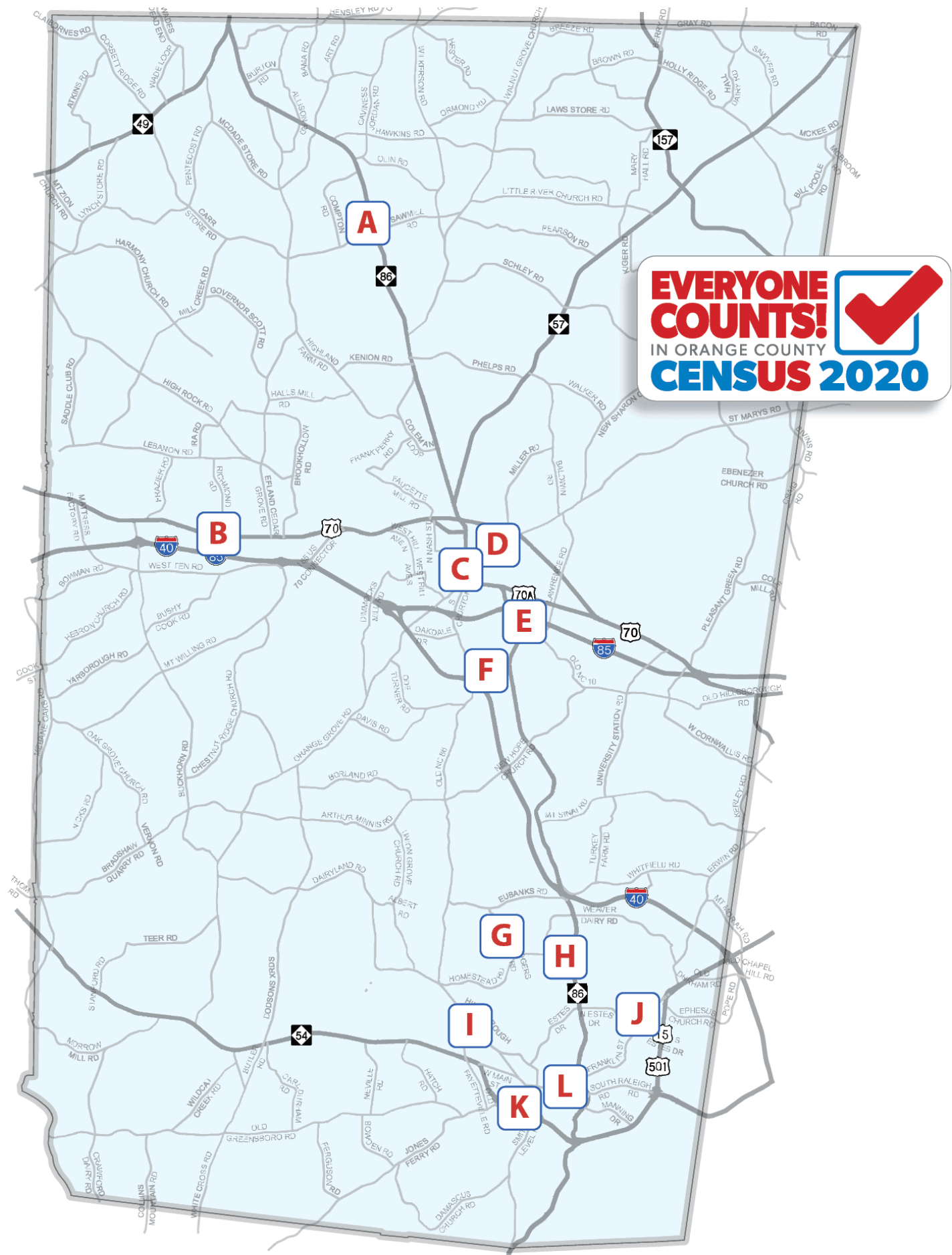
Your community benefits the most when the census counts everyone. Responding to the census helps your community get its fair share of more than \$675 billion per year in federal funds spent on schools, hospitals, roads, public works and other vital programs.

Businesses use census data to decide where to build factories, offices and stores, and this creates jobs. Developers use the census to build new homes and revitalize old neighborhoods. Local governments use the census for public safety and emergency preparedness. Residents use the census to support community initiatives involving legislation, quality-of-life and consumer advocacy.

The census will require counting an increasingly diverse and growing population of around 330 million people in more than 140 million housing units. The goal is to count everyone once, only once, and in the right place.

For more information about the census, please visit [census.gov](https://www.census.gov).

Be Counted Sites in Orange County



Map	Location	Address	City
A	Cedar Grove Community Center Here	5800 NC Highway 86 N	Hillsborough
J	Chapel Hill Library	100 Library Drive	Chapel Hill
F	Durham Technical Community College	525 College Park Road	Hillsborough
B	Efland Cheeks Community Center	117 Richmond Road	Efland
L	Hargraves Center	216 N Roberson Street	Chapel Hill
D	Hillsborough Town Hall	101 E. Orange St.	Hillsborough
C	Orange County Main Library	137 W Margaret Lane	Hillsborough
K	Orange County Cybrary	100 N Greensboro Street	Carrboro
I	McDougle Middle School Library	900 Old Fayetteville Road	Chapel Hill
E	Passmore Center	103 Meadowlands Drive	Hillsborough
G	Rogers Road Community Center	101 Edgar Street	Chapel Hill
H	Seymour Center	2551 Homestead Road	Chapel Hill



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:20-76

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Comprehensive Annual Financial Report (CAFR) and Independent Audit for Fiscal Year Ended June 30, 2019

PURPOSE: The purpose of this agenda item is for the Town's independent auditor, Dixon Hughes Goodman LLP, to present and deliver to the Town Council the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019.

DEPARTMENT: Finance

CONTACT INFORMATION: Arche McAdoo, 918-7439

INFORMATION: The Town is required to produce annually a Comprehensive Annual Financial Report that includes financial statements that have been audited by an independent certified public accounting firm. This report is submitted to the North Carolina Local Government Commission (LGC) and presented to the Town Council each year. By January 31, 2020 the CAFR, along with other financial information, must be filed with the Municipal Securities Rulemaking Board as part of the continuing disclosure requirements related to the Town's issuance of \$4.6 million General Obligation Sidewalk and Greenways Bonds, Series 2013.

Attachment B is the Comprehensive Annual Financial Report (CAFR) and Independent Auditors' Report for the year ended June 30, 2019. This Report will be presented to the Town Council by from Dixon Hughes Goodman, LLP on January 21, 2020.

The opinion of the Independent Auditors is that the *“financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Carrboro as of June 30, 2019, and the respective changes in financial position and cash flows, where appropriate, thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.”*

For the fiscal year ending June 30, 2019 the Town met state and federal expenditure thresholds which required an independent single audit be conducted. The Independent Auditors' opinion for the single audit report was *“the Town complied, in all material respects, with the compliance requirements that could have a direct and material effect on its major federal program for the year ended June 30, 2019”*. The independent auditors did not identify any deficiencies in internal control over compliance that were considered a material weakness.

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

The Carrboro Tourism Development Authority (CTDA) established by the Board in March 2013 is a public authority under the Local Government Budget and Fiscal Control Act. As such, the CTDA is required to produce its own independent audited financial statements. The accounting rules, however, require that the Town show the CTDA as a “component unit” in Town financial statements.

FISCAL & STAFF IMPACT: None.

RECOMMENDATION: That the Town Council approve Resolution A to accept the CAFR for fiscal year ended June 30, 2019.

A RESOLUTION ACCEPTING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT
AND INDEPENDENT AUDITOR'S REPORT FOR THE FISCAL YEAR ENDING JUNE 30,
2019

WHEREAS, the Carrboro Town Council have received the Comprehensive Annual Financial Report including Independent Auditors' opinion and Report to the Board of Aldermen for fiscal year ending June 30, 2019; and

WHEREAS, the Town Council have been informed by the Town's independent auditors, Dixon Hughes Goodman LLP, that the Town's financial statements are free of material misstatement and that the audit tests conducted by the firm did not uncover any material weaknesses;

NOW THEREFORE, THE CARRBORO TOWN COUNCIL;

Section 1: Accepts the Comprehensive Annual Financial Report with Independent Auditors' Report and Report to the Council for fiscal year ending June 30, 2019. .



Town of Carrboro

Comprehensive Annual Financial Report

Year Ended June 30, 2019

Prepared by Finance Department

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Town of Carrboro, North Carolina

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Town of Carrboro, North Carolina

Principal Officials

Board of Aldermen

Lydia Lavelle, Mayor
Damon Seils, Mayor Pro-Tempore
Sammy Slade
Bethany Chaney
Jacquelyn Gist
Barbara Foushee
Randee Haven-O'Donnell

Town Manager

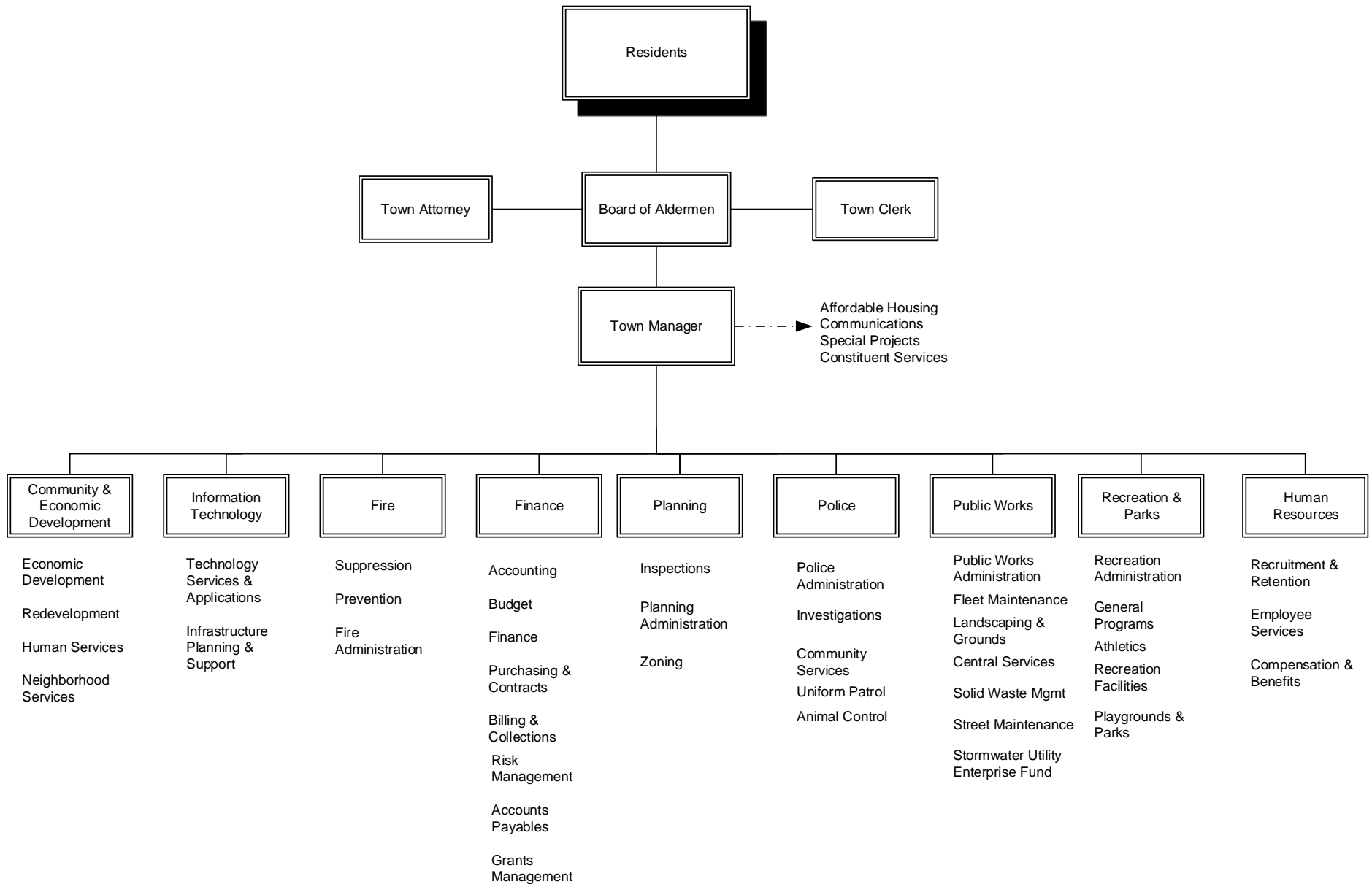
David Andrews

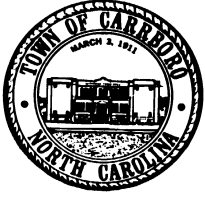
Finance Department

Arche L. McAdoo, Finance Director
Jane Bowden, Administrative Assistant
Donald Coble, Assistant to the Finance Director
Chandra Edwards, Accounting Technician/Receptionist
Edna Kirkman, Staff Accountant
Cary McNallen, Budget Analyst
Kathleen Nolan, Payroll and Benefits Coordinator

Town of Carrboro, North Carolina

Organizational Chart





TOWN OF CARRBORO

NORTH CAROLINA

WWW.TOWNOFCARRBORO.ORG

November 20, 2019

Honorable Mayor and Members of the Board of Aldermen Town of Carrboro

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Town of Carrboro for the fiscal year ended June 30, 2019 (FY 2018-19). As required by North Carolina General Statutes (NCGS), the CAFR includes financial statements that have been audited by an independent certified public accounting firm. Responsibility for the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed data accurately presents the financial position and the results of operations of the Town as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town's MD&A can be found immediately following the report of the independent auditors section. Other documents that are helpful in understanding the Town's budget and financial planning include the Town's annual operating budget and capital improvements plan documents. These documents, along with the annual audit report, are posted on the Town's website at <http://www.townofcarrboro.org/250/Financial-Documents>.

The Town is a small community located within Orange County in the north central portion of North Carolina. It is situated next to the Town of Chapel Hill and the University of North Carolina, and is near the Research Triangle Park. The area's topography is characterized by rolling hills. The Town, incorporated in 1911, now covers an area of 6.35 square miles and has a population of 21,009. The growth of the Town is directly related to the expansion of the University of North Carolina at Chapel Hill and growth in the Research Triangle Park. Enrollment at the University has increased slightly from 29,911 in 2017 to an estimated 30,011 in 2018. It is anticipated that expansion will continue to occur in University-related health facilities, such as the University of North Carolina Hospitals, and with the proposed development of the Carolina North Campus.

The character of the Town is driven by strategic priorities and values adopted by the Board with the goal of maintaining a sustainable community that is a highly desirable place to live. These strategic priorities are to:

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

The support for these strategic priorities is noted by the amounts allocated within the annual operating, special revenue and capital budgets, as well as the various awards received by the Town.

The Town commits a penny of the annual property tax rate exclusively for affordable housing. Maintaining and increasing the stock of affordable, safe and decent housing within the Town is a major goal of the Board. Almost two million dollars is provided annually for fare-free transit for Town residents to help reduce reliance on automobiles and to promote public transit, walking, and biking. Carrboro is one of 27 communities in the nation that has been awarded the Silver Level Bicycle-Friendly Community designation by the League of American Bicyclists in recognition of its commitment to providing safe accommodations and facilities for bicyclists, as well as efforts to encourage bicycling for fun, fitness, and transportation. Additionally, the Town has amended its street standards to require bike lanes on all collector roads. According to the latest census, 5.2% of residents in Carrboro bike to work. The community approved a \$4.6 million bond referendum in November 2003 to construct sidewalks and greenways to increase the safety and convenience of walking throughout the Town's neighborhoods.

Governance

The Town has a council/manager form of municipal government. Under the council/manager form of government, the Board of Aldermen performs the legislative functions of the Town: establishing laws and policies. The Board is an elected body and consists of a mayor and six aldermen. The mayor and the aldermen are elected by the voters of the entire town. The mayor is elected to serve a term of two years and the aldermen are elected to serve staggered terms of four years. The mayor acts as the official head of town government and presides at Board meetings. The mayor is a voting member of the Board. Appointments to advisory boards and committees are made by the Board.

The Board appoints a manager who carries out the laws and policies enacted by the Board, and is responsible for managing the Town's employees, finances, and resources. The Board also appoints a Town Clerk to maintain Town records, and appoints an attorney to represent the Board and Town administration in legal matters.

Local governments in North Carolina exist to provide a wide range of basic services on which we all depend: police and fire protection; public works (garbage collection, street resurfacing, fleet maintenance, landscaping, and building and grounds); planning; inspections and zoning; economic and community development; and parks and recreation programming. The major services provided by the Town include all of the services above, but exclude water and sewer services, and tax collections. Certain large costs assumed by the Town are for key services that are contracted with other governmental jurisdictions, such as transit, recycling, and landfill services. The Town also had administrative support units (e.g., personnel, technology, finance, budget, purchasing, etc.) that provide both direct services as well as indirect support services.

Economic Condition and Outlook

The median household income is \$56,573. Twenty-two percent of the households earn less than \$25,000 a year. Twenty-one percent of households make between \$25,000 and \$50,000 a year. Fifty-seven percent (57%) make more than \$50,000 a year.

Carrboro had a slight decrease in the unemployment rate from 3.6% in 2017 to 3.4% in 2018, which is well below the statewide rate of 4.45%. The local employment base is relatively stable with the University of North Carolina at Chapel Hill, the University of North Carolina Health Care System, and Research Triangle Park in close proximity to the Town.

The Town relies on a largely residential tax base to provide services. The commercial base is primarily retail with some service-oriented businesses. Major employers within Orange County (those with 450 or more employees) reflect the dominance of the professional services and retail sectors. The Town continues to experience modest growth and is considered to be a desirable place to live and work.

Long-term debt obligations for the Town decreased by 1.0% or \$301,536 from \$29,618,162 at June 30, 2018 to \$29,316,626 at June 30, 2019. This is primarily due to payments made on government obligation bonds and direct borrowing installment purchases.

The Town had debt retirement for this fiscal year with the principal repayment of \$824,548. There were no additions to debt during 2019.

For a more comprehensive analysis of the Town's capital needs and future financing, please consult the Town's Capital Improvements Program available on the Town's website. The potential impact on property tax rates of capital projects will be affected by the timing of the implementation of the proposed projects, availability of other revenue sources, and/or cost savings to fund the projects.

Major Town Initiatives

The following projects initiated in prior years will continue as a priority into FY2019-20:

- Implementation of new permitting software for planning, zoning and inspections,
- Completion of assessment of existing facilities for capital improvement,
- Implementation of parking plan strategies based on Town-wide parking study,
- Continue to evaluate solid waste operations for inclusion of "best practice" options,
- Continue to pursue gold level bicycle designation,
- Continued implementation of Strategic Energy and Climate Protection Plan.

Two major initiatives implemented in 2017-18 will continue development into 2019--20. In 2018-19 the Town established a fee schedule for storm water utility enterprise fund which will provide ongoing financial support for the utility. As the challenges of storm water and flooding continues, the Town will seek to develop a ten year financing model for the Storm Water Utility Enterprise Fund.

The Town will continue the planning and design of the 203 Project, a new facility to house the Orange County Southern Branch Library and program space for Town's Recreation and Parks Department. This facility is a joint undertaking with Orange County.

As noted above, the Board of Aldermen has established strategic priorities for the Town with the ultimate goal of creating and maintaining Carrboro as a sustainable community that is a highly desirable place to live. Some of the noteworthy accomplishments include:

- Town residents approved \$4.6 million of general obligation bonds in a referendum in November 2003 to construct sidewalks and greenways throughout the Town to increase the safety and convenience of walking. To date the Town has constructed 23 sidewalks covering more than 8.0 miles, completed construction of the Wilson Park Multi-Use Path, and constructed the Homestead-Chapel Hill High School Multi-Use Path.
- The Town has been awarded a Silver Award by the League of American Bicyclists as a Bicycle-Friendly Community (BFC). The award is presented to communities that are committed to bicycling, provide safe accommodations and facilities for bicyclists, and encourage bicycling for fun, fitness, and transportation. This is a four-year award valid through 2018. The Town's goal is to achieve Gold Level status.
- The Town continue to participate in the North Carolina League of Municipalities "Green Challenge," for Greenhouse Gas Emission Inventory and Reduction to reduce the carbon footprint; and to assess the Town's energy efficiency through the U.S. Environmental Protection Agency's "Energy Star Challenge" that involves reviewing and reducing utility consumption in Town facilities, streetlights, and fuel usage.

- The Town's continued commitment to the environment was rewarded with its national designation as a Tree City USA Town for the 30th year.
- The Town has AAA bond rating from Standard and Poor's and Aa1 bond rating from Moody's.

Financial Information

General Fund Balance

The Board has adopted a policy of maintaining a General Fund unassigned fund balance within a range of 22.5% to 35% of budgeted appropriations. When the General Fund unassigned fund balance exceeds 35%, the Town Manager may set aside an amount in assigned fund balance for transfer to Capital Projects Fund for specific future capital projects. Should the unassigned fund balance in the General Fund fall below 20%, the policy requires the Town Manager to develop and implement a plan to rebuild the balance to 22.5% within one year.

For the year ended June 30, 2019, the Town had a \$11.2 million General Fund unassigned fund balance or 51.9% of total General Fund expenditures. This compares to an unassigned fund balance of \$10.6 million or 52.3% of expenditures in 2018. In 2017 and 2018 the Town used reserves to fund construction improvements to Town Commons and to construct Martin Luther King, Jr. Park.

The Town's management continues to take a conservative approach to revenue projections in relation to the numerous decisions to adapt its operating budget, capital plans and financing to existing and future anticipated and unanticipated financial challenges. The steps taken in this regard include reducing less vital operating expenses, increasing emphasis on economic development activities, and prioritizing capital expenditures. The Town has AAA bond rating by Standard and Poor's and Aa1 by Moody's. These ratings indicate the Town's extremely strong creditworthiness and ability to meet financial obligations.

Budget Control

As required by North Carolina General Statutes, the Board of Aldermen adopts a budget ordinance prior to the beginning of each fiscal year. All governmental units are required to adopt a balanced budget by July 1 of each year. The budget ordinance adopted by the Board creates a legal limit on spending authorizations at the functional level. Through the use of a requisition encumbrance and purchase order system, the adequacy of available funds are ensured prior to the placement of orders and/or award of contracts.

Public input and review of the budget prior to adoption by the Board is encouraged. The budget is prepared by the Town Manager for a one-year fiscal cycle beginning July 1 and ending June 30 of the following year. The Town holds two public hearings, one to receive community input prior to development of the Manager's recommended budget and a legally mandated one following presentation of the Manager's recommended budget to the Board. Prior to the adoption of an annual budget, the Board may hold budget work sessions on the Manager's recommended budget. The adopted budget document is available at the Town Clerk's office and the Town's website for review.

Internal Controls

In order to provide a reasonable basis for making these representations, a comprehensive internal control framework has been designed in developing and maintaining the Town's accounting system. These internal accounting controls are designed to provide a reasonable, but not absolute, assurance regarding:

- Safeguarding of assets against loss from unauthorized use or disposition;
- Reliability of financial records for preparing financial statements in conformity with accounting principles generally accepted in the United States of America and maintaining accountability of assets;
- Effectiveness and efficiency of operations; and

- Compliance with applicable laws and regulations related to federal and state financial assistance programs.

The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the Town's internal accounting controls reasonably achieve the above objectives and provide reasonable assurance of proper recording of financial transactions.

Other Information

Independent Audit

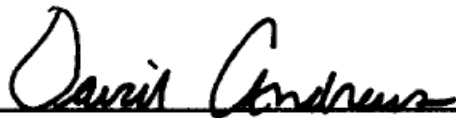
North Carolina General Statutes Chapter 15, the Local Government Budget and Fiscal Control Act, requires that units of local government have an annual audit by independent certified public accountants. The accounting firm of Dixon Hughes Goodman LLP was selected by the Board and performed this audit. The auditors' report on the basic financial statements, and combining and individual fund statements and other schedules are included in the financial section of this report. The auditors' reports on internal controls and compliance with applicable laws and regulations are included in the compliance section.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded, for the fifteenth consecutive year, a Certificate of Achievement for Excellence in Financial Reporting to the Town of Carrboro for its Comprehensive Annual Financial Report issued for fiscal year 2017-18. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to GFOA program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements and we will submit our CAFR for the fiscal year ended June 30, 2019 to the GFOA to determine its eligibility for another year. The Certificate Program managed by the GFOA was established in 1945, and is designed to recognize and encourage excellence in financial reporting by state and local governments. Further information about the Certificate Program can be obtained by visiting GFOA's website at: www.gfoa.org. The GFOA reports a growing awareness that the annual financial report should be management's report to its governing body, constituents, oversight bodies, resource providers, investors, and creditors. We agree with this direction and, in keeping with our past practice, have made available a copy of this report to each of you, Town departments, bond-rating agencies, the North Carolina Local Government Commission, and other financial institutions that have expressed an interest in the Town's financial affairs.

Preparation of this report would not have been possible without the hard work and dedication of the Finance Department Staff. Other departments of the Town have contributed directly or indirectly in the preparation of this report, and their cooperation and continued assistance is appreciated.



**David L. Andrews, ICMA-CM
Town Manager**



**Arche L. McAdoo
Finance Officer**



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Carrboro
North Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

Financial Section

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Independent Auditors' Report

Honorable Mayor, Board of Aldermen,
and Town Manager
Town of Carrboro
Carrboro, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Carrboro, North Carolina, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Carrboro's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Carrboro Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Carrboro as of June 30, 2019, and the respective changes in financial position and cash flows, where appropriate, thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 14, the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll on pages 64 through 65, the Schedule of Changes in Total OPEB Liability and Related Ratios on page 66, and the Local Government Employees' Retirement System Schedules of the Proportionate Share of the Net Pension Liability (Asset) and Contributions on pages 67 and 68, respectively, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and budgetary schedules, other schedules and statistical section, and the Schedule of Expenditures of Federal and State Awards as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administration Requirements, Cost Principles, and Audit Requirement for Federal Awards*, and the State Single Audit Implementation Act, are presented for purposes of additional analysis, and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, and the other schedules are the responsibility of management, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budgetary schedules and other schedules are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide assurance on them.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2019, on our consideration of the Town of Carrboro's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Carrboro's internal control over financial reporting and compliance.

Dixon Hughes Goodman LLP

**High Point, North Carolina
November 20, 2019**

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Management's Discussion and Analysis

As management of the Town of Carrboro, we offer readers of the Town of Carrboro's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2019. We encourage readers to read the information presented here in the Management Discussion and Analysis section in conjunction with the additional information that we have furnished in the Town's financial statements which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$30,671,328 (net position).
- Driven by revenues exceeding expenditures for the fiscal year, the total net position of the Town increased by \$3,458,159 from the amount previously reported at June 30, 2018.
- At June 30, 2019, the Town's governmental funds had combined ending fund balances of \$21,614,505, an increase of 0.6% or \$132,438 in comparison with the prior year. Approximately 49.7% or \$10,736,962 of this total amount is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the year unassigned fund balance for the General Fund was \$11,233,203 or 51.9% of total General Fund expenditures of \$21,661,648.
- Long-term debt obligations for the Town decreased by 1.0% or \$301,536 from \$29,618,162 at June 30, 2018 to \$29,316,626 at June 30, 2019. This is primarily due to payments made on government obligation bonds and direct borrowing installment purchases.
- The Town of Carrboro maintained its AAA bond rating with Standard and Poor's; and Aa1 by Moody's.

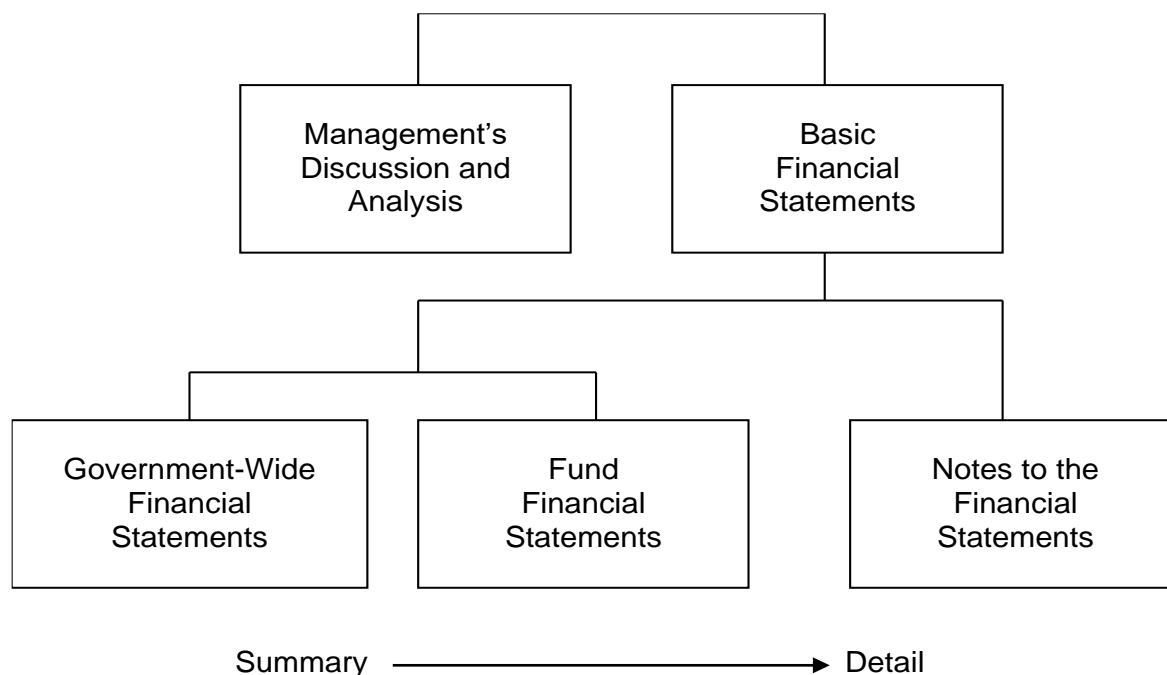
Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Town of Carrboro's basic financial statements. The Town's basic financial statements consist of three components (see Figure 1):

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements.

The basic financial statements present two different views of the Town through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Town, including a statistical section.

Required Components of Annual Financial Report
Figure 1



Basic financial statements

The first two statements in the basic financial statements are the **Government-Wide Financial Statements**. Exhibit 1 presents the Statement of Net Position and Exhibit 2 presents the Statement of Activities. They provide information about the Town's current financial position.

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government at a more detailed level than the government-wide statements. There are three parts to the Fund Financial Statements: (1) the governmental funds statements; (2) the proprietary fund statements; and (3) the budgetary comparison statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Town's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide financial statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Town's finances, similar in format to financial statements of a private-sector business. The statement of net position presents information on all of the Town's assets, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

Town of Carrboro, North Carolina Management's Discussion and Analysis

The two government-wide statements report the Town's net position and how they have changed. Net position reported on the *statement of net position* is the difference between the Town's total assets and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the Town's financial condition. The *statement of activities* presents information showing how the Town's net position has changed during the fiscal year.

The government-wide statements contain a category called governmental activities that include most of the Town's basic services such as public safety, public works, parks and recreation, and general government. Property taxes as well as state-collected local revenues including sales tax, electric franchise and state telecommunications monies, finance most of these activities.

The government-wide statements are divided into three categories: (1) governmental activities; (2) business-type activities; and (3) component units. The governmental activities include most of the Town's basic services such as public safety, fire, street maintenance, solid waste collection, planning, public spaces, parks, cemetery and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the Town charges customers to provide. This includes stormwater services offered by the Town. The final category is the component units. Although legally separate from the Town, the Tourism Development Authority is important to the Town. The Town exercises control over this entity by appointing its members and remits a percentage of taxes collected to each of these entities.

The government-wide financial statements are on pages 17 through 19 of this report.

Fund financial statements

The fund financial statements (see Figure 1) provide a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental funds - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. The Town's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* that provides a short-term spending focus. As a result, the governmental fund financial statements are focused on a detailed, short-term view that helps the reader determine if there are more or less financial resources available to finance the Town's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Town adopts an annual budget for its General Fund, as required by the North Carolina General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. Exhibit 5 shows four columns: (1) the original budget as adopted by the Board; (2) the final budget as amended by the Board; (3) the actual resources, charges to appropriations, and ending balances in the General Fund; and (4) the difference or variance between the final budget and the actual resources and charges.

Town of Carrboro, North Carolina
Management's Discussion and Analysis

Proprietary fund - The Stormwater Utility Enterprise Fund received funding from the General Fund in 2018. As of July 1, 2018, the Town has implemented a user fee schedule for stormwater operations and program expenses. Recognizing that the current user fee may not be sufficient to address the numerous stormwater capital improvements and repairs, the Town is looking to develop a ten-year financing plan and model.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 33 through 62 of this report.

Supplementary information - In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Town's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found beginning on page 63 of this report.

Government-wide financial analysis

Town of Carrboro's Net Position
Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 24,040,027	\$ 22,886,444	\$ 377,801	\$ 194,426	\$ 24,417,828	\$ 23,080,870
Capital assets, net	37,351,059	35,050,326	288,843	-	37,639,902	35,050,326
Deferred outflows of resources	2,576,157	1,875,220	27,599	7,435	2,603,756	1,882,655
Total assets and deferred outflows of resources	63,967,243	59,811,990	694,243	201,861	64,661,486	60,013,851
Long-term liabilities outstanding	29,159,067	29,486,528	157,559	131,634	29,316,626	29,618,162
Other liabilities	1,792,711	1,066,159	4,316	1,834	1,797,027	1,067,993
Total liabilities	30,951,778	30,552,687	161,875	133,468	31,113,653	30,686,155
Deferred inflows of resources	2,858,804	2,102,609	17,701	11,918	2,876,505	2,114,527
Net position:						
Net investment in capital assets	32,602,046	30,401,621	288,843	-	32,890,889	30,401,621
Restricted	3,869,297	2,719,947	-	-	3,869,297	2,719,947
Unrestricted	(6,314,682)	(5,964,874)	225,824	56,475	(6,088,858)	(5,908,399)
Total net position, ending	\$ 30,156,661	\$ 27,156,694	\$ 514,667	\$ 56,475	\$ 30,671,328	\$ 27,213,169

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and the deferred outflows of resources of the Town exceeded liabilities and deferred inflows of resources by \$30,671,328 as of June 30, 2019. The majority of net position (107%) reflects the Town's investment in capital assets (e.g., land, buildings, machinery, equipment, etc.); less any related debt still outstanding that was issued to acquire those items. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion (13% or \$3,869,297) of the Town's net position represent resources that are subject to external restrictions on how they may be used. The remaining balance of (\$6,088,858) (-20%) is unrestricted.

Town of Carrboro, North Carolina
Management's Discussion and Analysis

Several particular aspects of the Town's financial operations influenced the total unrestricted governmental net position.

- Property tax revenues increased by \$248,913 from \$12.9 million in 2018 to \$13.1 million in 2019.
- Local option sales tax revenues increased by 7.1% over the prior year.
- Other tax revenues, primarily from motor vehicle license taxes, remained stable at \$1.6 million.
- Unrestricted intergovernmental revenues increased by \$85,697 or 6.1%.

Town of Carrboro's Changes in Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 1,744,109	\$ 1,776,142	\$ 778,157	\$ -	\$ 2,522,266	\$ 1,776,142
Operating grants and contributions	832,607	641,436	-	-	832,607	641,436
Capital grants and contributions	2,504,061	13,080	-	-	2,504,061	13,080
General revenues:						
Property taxes	13,184,000	12,935,087	-	-	13,184,000	12,935,087
Local option sales taxes	4,880,680	4,557,933	-	-	4,880,680	4,557,933
Other taxes	1,630,840	1,601,362	-	-	1,630,840	1,601,362
Grant and contributions not restricted	1,492,028	1,406,331	-	-	1,492,028	1,406,331
Other	382,223	243,998	5,673	-	387,896	243,998
Total revenues	<u>26,650,548</u>	<u>23,175,369</u>	<u>783,830</u>	<u>-</u>	<u>27,434,378</u>	<u>23,175,369</u>
Expenses:						
General government	\$ 5,246,829	\$ 4,849,740	\$ -	\$ -	\$ 5,246,829	\$ 4,849,740
Public safety	7,735,947	7,469,443	-	-	7,735,947	7,469,443
Planning	1,422,374	1,206,329	-	-	1,422,374	1,206,329
Transportation	1,808,940	1,455,012	-	-	1,808,940	1,455,012
Public works	4,839,876	4,142,187	-	-	4,839,876	4,142,187
Parks and recreation	1,845,198	1,737,984	-	-	1,845,198	1,737,984
Economic and physical development	692,328	220,960	-	-	692,328	220,960
Interest on long-term debt	115,564	127,897	-	-	115,564	127,897
Stormwater	-	-	269,163	251,908	269,163	251,908
Total expenses	<u>23,707,056</u>	<u>21,209,552</u>	<u>269,163</u>	<u>251,908</u>	<u>23,976,219</u>	<u>21,461,460</u>
Increase (decrease) in net position before transfers	<u>2,943,492</u>	<u>1,965,817</u>	<u>514,667</u>	<u>(251,908)</u>	<u>3,458,159</u>	<u>1,713,909</u>
Transfers	<u>56,475</u>	<u>(308,383)</u>	<u>(56,475)</u>	<u>308,383</u>	<u>-</u>	<u>-</u>
Change in net position	<u>2,999,967</u>	<u>1,657,434</u>	<u>458,192</u>	<u>56,475</u>	<u>3,458,159</u>	<u>1,713,909</u>
Net position, beginning	<u>27,156,694</u>	<u>25,499,260</u>	<u>56,475</u>	<u>-</u>	<u>27,213,169</u>	<u>25,499,260</u>
Net position, ending	<u>\$ 30,156,661</u>	<u>\$ 27,156,694</u>	<u>\$ 514,667</u>	<u>\$ 56,475</u>	<u>\$ 30,671,328</u>	<u>\$ 27,213,169</u>

Town of Carrboro, North Carolina Management's Discussion and Analysis

Governmental activities. Governmental activities increased the Town's net position by \$2,999,967. Key elements of this change are as follows:

- Ad valorem property tax revenues increased by \$248,913 or 1.9% from \$12.9 million in 2018 to \$13.1 million in 2019. This increase is related to the revaluation of real property by the Orange County Tax Administrator in 2018, now that all appeals have been completed.
- Local option sales tax revenues increased by \$322,747 or 7.1% over the prior year. This reflects the continuing improvements in the local economy and expansion of local option sales tax to now include services, such as auto repairs and other personal services.
- Other tax revenues, primarily from motor vehicle license taxes, remained stable at \$1.6 million.
- Unrestricted intergovernmental revenues increased by \$85,697 or 6.1% due to increase in sales tax collections for electric and natural gas utilities.
- Revenues from fees and permits decreased by \$103,624 or 7.5% from \$1,377,586 in 2018 to \$1,273,962 in 2019. This is related to the cyclical nature of private development (i.e., permits are issued in one year and construction takes place the following year).
- Capital grants and contributions increased by \$2.5 million from \$13,080 in 2018 to \$2,504,061 in 2019, due primarily from increase in federal funding for capital projects. As a general rule, capital grants and contributions vary from year to year depending upon the completion and commencement of various capital projects.
- Expenses for total governmental activities increased by \$2,497,504 or 11.8% from \$21,209,552 in 2018 to \$23,707,056 in 2019.
- Expense for interest on long-term debt decreased from \$127,897 in 2018 to \$115,564 in 2019. The Town has not issued any major debt since the 2013 general obligation bonds for construction of sidewalks and greenways, and did not undertake lease purchases for vehicles and equipment in 2019.

Business-type activities. Business-type activities increase the Town's net position by \$458,192 due to the establishment of user fees for stormwater services in 2019.

Financial Analysis of the Town of Carrboro's Funds

Governmental Funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town's financing requirements

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$11,233,203, an increase of \$599,041 or 6.1% from \$10,634,162 in 2018. The total general fund balance for 2019 was \$17,704,251, a 7.1% increase over the 2018 amount of \$16,535,093. This increase in fund balance is due primarily to actual revenues (excluding other financings) exceeding expenses by \$2.2 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 51.9% of total General Fund expenditures of \$21,661,648. Total fund balance represents 81.7% of total General Fund expenditures.

Town of Carrboro, North Carolina Management's Discussion and Analysis

At June 30, 2019, the governmental funds of the Town of Carrboro reported a combined fund balance of \$21,614,505. The reported combined fund balance of the governmental funds includes a fund balance within the Bond Fund of \$159,221 and a fund balance within the Capital Projects Fund of \$2,824,693. These fund balances are either restricted or committed for capital project purposes.

General Fund Budgetary Highlights. During the fiscal year, the Town revised the General Fund budget on several occasions. Generally, these amendments fall into one of three categories: (1) to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; (2) to recognize new funding amounts from external sources, such as federal and state grants; or (3) increase appropriations that become necessary to maintain services. The General Fund budgeted expenditures were increased by \$958,520 (4.2%) from an original appropriation of \$22,612,722 to a final appropriation of \$23,571,242.

The comparison of revenue and expenditure financial activity with budgeted estimates suggests that the Town budgeted adequately for ongoing operations. Total revenue receipts were \$23,899,184, compared to budget of \$21,827,531.

Revenues from taxes (i.e., property, local option sales, and other) represent 82.1% of the total revenues. Property, sales and other tax revenues were above budget projections (\$1,598,649 or 8.9%).

Revenue from permits and fees represent 5.3% of total revenues, and were over budget projections by \$80,877 or 6.7%. Total revenue for permits and fees this year was \$1,273,962 compared to \$1,377,586 in 2018. These revenues fluctuate based on the number of approved private developments that actual begin or complete construction in a given year. Revenues from sales and services, and investment earnings were above budget projections by \$118,539 or 35.1%.

The unrestricted intergovernmental revenue receipts exceeded budget projections by \$69,939 or 4.9% for electric franchise, piped natural gas, video sales programming, telecommunication, and wine and beer licenses or taxes. These revenues totaled \$1,492,028 compared to \$1,406,331 in 2018.

Expenditures, as required by budget ordinance, should not exceed appropriated levels. Total expenditures were \$21,661,648, which was \$1,909,594 less than the final budget of \$23,571,242. All spending by function was in compliance with budgetary requirements.

All expenditures were less than final budget at June 30, 2019, but were 6.5% more than the prior year. Expenditures for general government were 14.3% higher than the prior year, increasing from \$4,735,147 in 2018 to \$5,414,220 in 2019. Actual expenditures for public safety decreased by 1.1% from \$6,804,321 in 2018 to \$6,724,929 in 2019. Actual expenditures for planning increased by 17.3% from 1,134,657 in 2018 to \$1,331,441 in 2019. Transportation expenditures increased 24.3% from \$1,455,012 in 2018 to \$1,808,940 in 2019. Public works expenditures increased by 7.1% from \$3,571,134 in 2018 to \$3,823,825 in 2019. Recreation and parks expenditures increased by 6.9% from \$11,503,476 in 2018 to \$1,607,124 in 2019. Debt service expenditures decreased by 16.6% from the prior year.

Capital asset and debt administration

Capital assets. The Town's investment in capital assets for its governmental-type activities as of June 30, 2019 totaled \$37,351,059 (net of accumulated depreciation) and the Town's investment in capital assets for its business-type activities as of June 30, 2019 totaled \$288,843. These assets include buildings, roads, land, machinery and equipment, and vehicles. Major capital asset transactions during the year include the replacement of police vehicles and solid waste equipment.

Town of Carrboro, North Carolina
Management's Discussion and Analysis

Town of Carrboro's Capital Assets (Net of Depreciation)
Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Capital assets not being depreciated:						
Land	\$ 14,747,956	\$ 14,747,956	\$ -	\$ -	\$ 14,747,956	\$ 14,747,956
Construction in progress	<u>4,944,914</u>	<u>4,023,527</u>	<u>114,998</u>	<u>-</u>	<u>5,059,912</u>	<u>4,023,527</u>
Total capital assets not being depreciated	<u>19,692,870</u>	<u>18,771,483</u>	<u>114,998</u>	<u>-</u>	<u>19,807,868</u>	<u>18,771,483</u>
Capital assets being depreciated:						
Buildings and systems	5,449,562	4,414,399	-	-	5,449,562	4,414,399
Improvements other than buildings	757,264	795,346	-	-	757,264	795,346
Infrastructure	8,461,765	8,780,528	-	-	8,461,765	8,780,528
Machinery and equipment	1,655,005	809,489	173,845	-	1,828,850	809,489
Vehicles	<u>1,334,593</u>	<u>1,479,081</u>	<u>-</u>	<u>-</u>	<u>1,334,593</u>	<u>1,479,081</u>
Total capital assets being depreciated	<u>17,658,189</u>	<u>16,278,843</u>	<u>173,845</u>	<u>-</u>	<u>17,832,034</u>	<u>16,278,843</u>
Total capital assets	<u>\$ 37,351,059</u>	<u>\$ 35,050,326</u>	<u>\$ 288,843</u>	<u>\$ -</u>	<u>\$ 37,639,902</u>	<u>\$ 35,050,326</u>

Additional information on the Town's capital assets can be found on pages 43 and 44 of this report.

Long-term debt. As of June 30, 2019 and 2018, the Town of Carrboro had the following long-term liabilities:

Town of Carrboro's Outstanding Debt
Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Government obligation bond	\$ 3,100,000	\$ 3,350,000	\$ -	\$ -	\$ 3,100,000	\$ 3,350,000
Premium on bonds	60,831	65,698	-	-	60,831	65,698
Direct borrowing						
installment purchases	1,588,182	2,162,730	-	-	1,588,182	2,162,730
Compensated absences	805,969	737,005	10,768	8,122	816,737	745,127
OPEB liability	19,474,398	19,639,836	112,569	113,525	19,586,967	19,753,361
LGERS net pension liability	2,701,088	2,013,788	34,222	9,987	2,735,310	2,023,775
Law enforcement officers' total pension liability	<u>1,428,599</u>	<u>1,517,471</u>	<u>-</u>	<u>-</u>	<u>1,428,599</u>	<u>1,517,471</u>
Total	<u>\$ 29,159,067</u>	<u>\$ 29,486,528</u>	<u>\$ 157,559</u>	<u>\$ 131,634</u>	<u>\$ 29,316,626</u>	<u>\$ 29,618,162</u>

Total long-term liabilities for the Town decreased by \$301,537 (1.0%) during fiscal year 2019 primarily due to payments on government obligation bonds and the direct borrowing installment purchases. The Town had debt retirement for this fiscal year with the principal repayment of \$824,548. There were no additions to debt during 2019.

As mentioned in the financial highlights section of this document, the Town currently holds an AAA bond rating from Standard and Poor's and maintains Aa1 bond rating from Moody's Investor Service. These bond ratings are a clear indication of the Town's sound financial condition.

Town of Carrboro, North Carolina Management's Discussion and Analysis

North Carolina General Statutes limit the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Town is \$186,449,856. The Town has no general obligation bonds authorized but unissued at June 30, 2019.

Additional information regarding the Town's long-term debt can be found beginning on page 58 of this report.

Economic factors and next year's budget and rates

The following key economic indicators will impact the Town.

- Low unemployment. The Town's low unemployment rate (as reflected in the county-wide Orange County rate) of 3.7%, below the statewide rate of 3.9%. This trend is expected to continue for the next year.
- Stable property tax base. The Town expects to continue to collect property taxes at a rate of 98 to 99%.
- Continued local sales tax growth is expected to continue into the next fiscal year.
- Additional revenue options for local governments pending in the North Carolina General Assembly are being closely monitored for any potential adverse impact on local governments.

Budget highlights for the fiscal year ending June 30, 2020

Governmental activities. The Town has approved a General Fund budget in the amount of \$24,577,008 for fiscal year 2020, which is a 7.5% increase over the original adopted fiscal year 2019 budget. While the economy continues to show signs of improvement, it is incumbent upon management to continue its disciplined approach and not become too optimistic in projecting revenues.

The primary focus in preparing the fiscal year 2020 budget was to develop one that:

1. Implemented the Board's strategic priorities;
2. Managed costs while improving services to citizens;
3. Avoided increasing the tax burden for Town residents and local businesses; and
4. Provided salary adjustments for Town employees.

The two largest sources of revenues, property taxes and sales taxes, are projected to increase. Property taxes are projected to increase 8.6% and sales taxes are projected to increase 3.9% due to the improving economy. The tax rate for real property equals \$59.94 cents per one hundred dollars (0.5994), which is a ½ cent increase from fiscal year 2019. The ½ cent increase when combined with the ½ cent increase in 2019 totals 1 cent that is dedicated for and is to be used solely for affordable housing.

Sales tax revenues over the past year continue to show signs of recovery and are anticipated to grow by 3.9% over the 2018-19 level due to an increase in the sale of general retail items (e.g., food, clothing, household goods, services, etc.) and overall improving economy. In 2017 the local sales tax was expanded by the North Carolina General Assembly to include certain services which had not been taxed in the past.

Town of Carrboro, North Carolina Management's Discussion and Analysis

The Town continues to scrutinize its operating expenses and seek more effective and productive methods for service delivery. While the overall total of operating expenses in 2020 will increase, the Town will continue to implement several initiatives began in previous fiscal years. These include implementation of a parking plan, solid waste study, gold level bicycle designation, new permitting software for planning, and 203 Project Development. In 2018-19 the Town implemented a user fee structure for the storm water utility enterprise fund operations to address regulatory compliance and increased flooding issues in the Town. This user fee provides a revenue source for stormwater management and eases the dependency on the General Fund.

Capital outlays in the General Fund will decrease slightly from \$299,379 in 2019 to \$285,600 in 2020. These capital outlays will be primarily for vehicles and equipment purchases. The budget for debt service in 2020 is \$1,245,244 compared to \$1,094,285 in 2019.

Business-type activities. In 2019, the stormwater utility enterprise fund established a user fee schedule, which has eliminated the need for major financial support from the General Fund.

Requests for information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, 301 West Main Street, Carrboro North Carolina 27510. Other related financial documents may be reviewed online at the Town's website at: <http://www.townofcarrboro.org>.

Basic Financial Statements

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Town of Carrboro, North Carolina
Statement of Net Position
June 30, 2019

Exhibit 1

	Primary Government			Component Unit Carrboro Tourism Development Authority
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 19,410,825	\$ 350,890	\$ 19,761,715	\$ 296,552
Receivables:				
Taxes receivable, net	219,186	-	219,186	-
Accrued interest receivable, property taxes	46,307	-	46,307	-
Accounts receivable, net	18,860	26,051	44,911	-
Due from primary government	-	-	-	54,616
Due from other governments	3,670,702	-	3,670,702	92
Inventories	31,503	-	31,503	-
Prepays	285,803	860	286,663	584
Restricted cash	304,463	-	304,463	-
Total current assets	23,987,649	377,801	24,365,450	351,844
Non-current assets:				
Notes receivable, net	52,378	-	52,378	-
Capital assets				
Land, non-depreciable improvements, and construction in progress	19,692,870	114,998	19,807,868	-
Other capital assets, net of accumulated depreciation	17,658,189	173,845	17,832,034	-
Total noncurrent assets	37,403,437	288,843	37,692,280	-
Total assets	61,391,086	666,644	62,057,730	351,844
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferrals	2,278,813	27,599	2,306,412	-
OPEB deferrals	297,344	-	297,344	-
Total deferred outflows	2,576,157	27,599	2,603,756	-
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	1,526,866	4,316	1,531,182	9,000
Payable from restricted assets, customer deposits and performance bonds	62,204	-	62,204	-
Revenues received in advance	100,962	-	100,962	-
Accrued interest payable	48,063	-	48,063	-
Due to component unit	54,616	-	54,616	-
Current portion of long-term liabilities	1,261,869	867	1,262,736	-
Total current liabilities	3,054,580	5,183	3,059,763	9,000
Long-term liabilities:				
Net pension liability - LGERS	2,701,088	34,222	2,735,310	-
Total pension liability - LEO	1,428,599	-	1,428,599	-
Total OPEB liability	19,474,398	112,569	19,586,967	-
Due in more than one year	4,293,113	9,901	4,303,014	-
Total liabilities	30,951,778	161,875	31,113,653	9,000
DEFERRED INFLOWS OF RESOURCES				
Pension deferrals	193,247	2,293	195,540	-
OPEB deferrals	2,665,557	15,408	2,680,965	-
Total deferred inflows	2,858,804	17,701	2,876,505	-
NET POSITION				
Net investment in capital assets	32,602,046	288,843	32,890,889	-
Restricted for:				
Stabilization by State Statute	3,869,297	-	3,869,297	54,708
Unrestricted	(6,314,682)	225,824	(6,088,858)	288,136
Total net position	\$ 30,156,661	\$ 514,667	\$ 30,671,328	\$ 342,844

The notes to the financial statements are an integral part of this statement.

Town of Carrboro, North Carolina
Statement of Activities
Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 5,246,829	\$ 726,021	\$ 223,435	\$ -
Public safety	7,735,947	739,011	10,000	48,000
Planning	1,422,374	39,872	-	-
Transportation	1,808,940	-	484,000	-
Public works	4,839,876	56,561	65,824	2,427,653
Parks and recreation	1,845,198	182,644	35,898	-
Economic and physical development	692,328	-	13,450	28,408
Interest on long-term debt	115,564	-	-	-
Total governmental activities	<u>23,707,056</u>	<u>1,744,109</u>	<u>832,607</u>	<u>2,504,061</u>
Business-type activities:				
Stormwater	<u>269,163</u>	<u>778,157</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>269,163</u>	<u>778,157</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 23,976,219</u>	<u>\$ 2,522,266</u>	<u>\$ 832,607</u>	<u>\$ 2,504,061</u>
Component unit:				
Tourism Development Authority	<u>\$ 152,467</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total component unit	<u>\$ 152,467</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues:				
Taxes:				
Property taxes, levied for general purposes				
Local option sales taxes				
Other taxes				
Unrestricted intergovernmental revenues				
Unrestricted investment earnings				
Gain on disposal				
Miscellaneous				
Payments from Town of Carrboro				
Total general revenues not including transfers				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning				
Net position, ending				

Net Revenue (Expense) and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Carrboro Tourism Development Authority
\$ (4,297,373)	\$ -	\$ (4,297,373)	\$ -
(6,938,936)	-	(6,938,936)	-
(1,382,502)	-	(1,382,502)	-
(1,324,940)	-	(1,324,940)	-
(2,289,838)	-	(2,289,838)	-
(1,626,656)	-	(1,626,656)	-
		-	
(650,470)	-	(650,470)	-
(115,564)	-	(115,564)	-
(18,626,279)	-	(18,626,279)	-
-	508,994	508,994	-
-	508,994	508,994	-
-	508,994	(18,117,285)	-
-	-	-	(152,467)
-	-	-	(152,467)
13,184,000	-	13,184,000	-
4,880,680	-	4,880,680	-
1,630,840	-	1,630,840	-
1,492,028	-	1,492,028	-
266,589	5,673	272,262	-
27,413	-	27,413	-
88,221	-	88,221	-
-	-	-	184,648
21,569,771	5,673	21,575,444	184,648
56,475	(56,475)	-	-
21,626,246	(50,802)	21,575,444	184,648
2,999,967	458,192	3,458,159	32,181
27,156,694	56,475	27,213,169	310,663
<u>\$ 30,156,661</u>	<u>\$ 514,667</u>	<u>\$ 30,671,328</u>	<u>\$ 342,844</u>

The notes to the financial statements are an integral part of this statement.

Town of Carrboro, North Carolina
Balance Sheet
Governmental Funds
June 30, 2019

Exhibit 3
(3 pages)

	Major Funds				
	General Fund	Revolving Loan Fund	Bond Fund	Capital Projects Fund	Grants Administration Fund
ASSETS					
Cash and cash equivalents	\$ 16,026,704	\$ 573,348	\$ -	\$ 2,438,455	\$ -
Taxes receivable, net	219,186	-	-	-	-
Accounts receivable, net	18,860	-	-	-	-
Due from other governments	2,016,896	-	843,183	778,400	32,223
Due from other funds	223,781	-	-	-	-
Notes receivable, net	-	13,568	-	-	-
Inventories	31,503	-	-	-	-
Prepays	285,803	-	-	-	-
Restricted cash	304,463	-	-	-	-
Total assets	<u>\$ 19,127,196</u>	<u>\$ 586,916</u>	<u>\$ 843,183</u>	<u>\$ 3,216,855</u>	<u>\$ 32,223</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 985,977	\$ -	\$ 130,218	\$ 392,162	\$ -
Payable from restricted assets, customer deposits and performance bonds	62,204	-	-	-	-
Revenues received in advance	100,962	-	-	-	-
Due to other funds	-	-	219,149	-	4,632
Due to component unit	54,616	-	-	-	-
Total liabilities	<u>1,203,759</u>	<u>-</u>	<u>349,367</u>	<u>392,162</u>	<u>4,632</u>
DEFERRED INFLOWS OF RESOURCES	<u>219,186</u>	<u>13,568</u>	<u>334,595</u>	<u>-</u>	<u>28,408</u>
FUND BALANCES					
Nonspendable:					
Inventories	31,503	-	-	-	-
Prepays	285,803	-	-	-	-
Restricted:					
Stabilization by state statute	2,410,730	-	650,830	778,400	3,815
Powell Bill (streets)	242,259	-	-	-	-
Capital projects	-	-	-	-	-
Committed:					
Economic development	-	573,348	-	-	-
Capital projects	-	-	-	2,046,293	-
Affordable housing	-	-	-	-	-
Energy efficiency	-	-	-	-	-
Assigned:					
Subsequent year's expenditures	1,500,753	-	-	-	-
Capital projects	2,000,000	-	-	-	-
Unassigned	11,233,203	-	(491,609)	-	(4,632)
Total fund balances	<u>17,704,251</u>	<u>573,348</u>	<u>159,221</u>	<u>2,824,693</u>	<u>(817)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 19,127,196</u>	<u>\$ 586,916</u>	<u>\$ 843,183</u>	<u>\$ 3,216,855</u>	<u>\$ 32,223</u>

The notes to the financial statements are an integral part of this statement.

Town of Carrboro, North Carolina
Balance Sheet
Governmental Funds
June 30, 2019

Exhibit 3
(3 pages)

	Nonmajor Funds	Total Governmental Funds
ASSETS		
Cash and cash equivalents	\$ 372,318	\$ 19,410,825
Taxes receivable, net	-	219,186
Accounts receivable, net	-	18,860
Due from other governments	-	3,670,702
Due from other funds	-	223,781
Notes receivable, net	38,810	52,378
Inventories	-	31,503
Prepays	-	285,803
Restricted cash	-	304,463
Total assets	<u>\$ 411,128</u>	<u>\$ 24,217,501</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 18,509	\$ 1,526,866
Payable from restricted assets, customer deposits and performance bonds	-	62,204
Revenues received in advance	-	100,962
Due to other funds	-	223,781
Due to component unit	-	54,616
Total liabilities	<u>18,509</u>	<u>1,968,429</u>
DEFERRED INFLOWS OF RESOURCES	<u>38,810</u>	<u>634,567</u>
FUND BALANCES		
Nonspendable:		
Inventories	-	31,503
Prepays	-	285,803
Restricted:		
Stabilization by state statute	25,522	3,869,297
Powell Bill (streets)	-	242,259
Capital projects	-	-
Committed:		
Economic development	-	573,348
Capital projects	-	2,046,293
Affordable housing	219,570	219,570
Energy efficiency	108,717	108,717
Assigned:		
Subsequent year's expenditures	-	1,500,753
Capital projects	-	2,000,000
Unassigned	-	10,736,962
Total fund balances	<u>353,809</u>	<u>21,614,505</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 411,128</u>	<u>\$ 24,217,501</u>

The notes to the financial statements are an integral part of this statement.

Town of Carrboro, North Carolina
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019

Exhibit 3
(3 pages)

	Total Governmental Funds
Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:	
Total fund balances - governmental funds	\$ 21,614,505
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.	37,351,059
Other long-term assets (accrued interest receivable from taxes) are not available to pay for current period expenditures and therefore are deferred inflows of resources in the funds.	46,307
Deferred outflows of resources related to pensions are not reported in the fund statements.	2,278,813
Deferred outflows of resources related to OPEB are not reported in the fund statements.	297,344
Liabilities for earned revenues are considered deferred inflows of resources in fund statements.	634,567
Some liabilities, including long-term obligations, are not due and payable in the current period, and therefore are not reported in the funds.	(5,554,982)
Deferred inflows of resources related to pensions are not reported in the fund statements.	(193,247)
Deferred inflows of resources related to OPEB are not reported in the fund statements.	(2,665,557)
Net pension liability - LGERS	(2,701,088)
Total pension liability - LEO	(1,428,599)
Total OPEB liability	(19,474,398)
Other long-term liabilities (accrued interest) are not due and payable in the current period, and therefore are not reported in the funds.	(48,063)
Net position of governmental activities	<u>\$ 30,156,661</u>

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Town of Carrboro, North Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2019

Exhibit 4
(4 pages)

	Major Funds				
	General Fund	Revolving Loan Fund	Bond Fund	Capital Projects Fund	Grants Administration
Revenues:					
Ad valorem taxes	\$ 13,113,521	\$ -	\$ -	\$ -	\$ -
Local option sales taxes	4,880,680	-	-	-	-
Other taxes and licenses	1,630,840	-	-	-	-
Unrestricted					
intergovernmental	1,492,028	-	-	-	-
Restricted intergovernmental	774,586	-	1,116,490	956,402	20,166
Permits and fees	1,273,962	-	-	-	-
Sales and services	253,023	-	-	-	-
Investment earnings	202,849	7,034	21,080	29,366	-
Other	277,695	38,138	-	32,000	20,321
Total revenues	<u>23,899,184</u>	<u>45,172</u>	<u>1,137,570</u>	<u>1,017,768</u>	<u>40,487</u>
Expenditures:					
General government	5,369,254	-	-	-	-
Public safety	6,649,349	-	-	-	-
Planning	1,331,441	-	-	-	-
Transportation	1,808,940	-	-	-	-
Public works	3,750,034	-	-	-	-
Economic and					
physical development	-	-	-	-	61,397
Parks and recreation	1,602,097	-	-	-	-
Capital outlay	199,364	-	1,491,938	2,372,368	-
Debt service:					
Principal	824,548	-	-	-	-
Interest and other					
charges	126,621	-	-	-	-
Total expenditures	<u>21,661,648</u>	<u>-</u>	<u>1,491,938</u>	<u>2,372,368</u>	<u>61,397</u>
Excess of revenues over (under) expenditures	<u>2,237,536</u>	<u>45,172</u>	<u>(354,368)</u>	<u>(1,354,600)</u>	<u>(20,910)</u>
Other financing sources (uses):					
Transfers from other funds	491,659	-	-	1,787,450	-
Transfers to other funds	(1,587,450)	-	(201,000)	(318,713)	-
Sale of capital assets	27,413	-	-	-	-
Total other financing sources (uses)	<u>(1,068,378)</u>	<u>-</u>	<u>(201,000)</u>	<u>1,468,737</u>	<u>-</u>
Net change in fund balances	1,169,158	45,172	(555,368)	114,137	(20,910)
Fund balances, beginning of year	<u>16,535,093</u>	<u>528,176</u>	<u>714,589</u>	<u>2,710,556</u>	<u>20,093</u>
Fund balances, end of year	<u>\$ 17,704,251</u>	<u>\$ 573,348</u>	<u>\$ 159,221</u>	<u>\$ 2,824,693</u>	<u>\$ (817)</u>

The notes to the financial statements are an integral part of the statement.

Town of Carrboro, North Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2019

Exhibit 4
(4 pages)

	Nonmajor Funds	Total Governmental Funds
Revenues:		
Ad valorem taxes	\$ 110,071	\$ 13,223,592
Local option sales taxes	-	4,880,680
Other taxes and licenses	-	1,630,840
Unrestricted		
intergovernmental	-	1,492,028
Restricted intergovernmental	-	2,867,644
Permits and fees	-	1,273,962
Sales and services	-	253,023
Investment earnings	6,260	266,589
Other	10,320	378,474
Total revenues	<u>126,651</u>	<u>26,266,832</u>
Expenditures:		
General government	-	5,369,254
Public safety	-	6,649,349
Planning	-	1,331,441
Transportation	-	1,808,940
Public works	-	3,750,034
Economic and		
physical development	630,931	692,328
Parks and recreation	-	1,602,097
Capital outlay	-	4,063,670
Debt service:		
Principal	-	824,548
Interest and other		
charges	-	126,621
Total expenditures	<u>630,931</u>	<u>26,218,282</u>
Excess of revenues over (under) expenditures	<u>(504,280)</u>	<u>48,550</u>
Other financing sources (uses):		
Transfers from other funds	-	2,279,109
Transfers to other funds	(115,471)	(2,222,634)
Sale of capital assets	-	27,413
Total other financing sources (uses)	<u>(115,471)</u>	<u>83,888</u>
Net change in fund balances	(619,751)	132,438
Fund balances, beginning of year	<u>973,560</u>	<u>21,482,067</u>
Fund balances, end of year	<u>\$ 353,809</u>	<u>\$ 21,614,505</u>

The notes to the financial statements are an integral part of the statement.

Town of Carrboro, North Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2019

Exhibit 4
(4 pages)

**Reconciliation of the Governmental Funds Statement
of Revenues, Expenditures and Changes in Fund
Balances to the Statement of Activities:**

Total net change in fund balances - governmental funds	\$	132,438
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay expenditures which were capitalized	\$ 4,063,670	
Depreciation expense for governmental assets	<u>(1,762,937)</u>	2,300,733

Cost of capital asset disposed of during the year, not recognized on modified accrual basis.

Proceeds on disposal of fixed assets under modified accrual basis	(27,413)	
Gain on sale of fixed assets recognized under full accrual basis	<u>27,413</u>	-

Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities.

674,058

Benefit payments paid and administrative expense for the LEOSA are not included on the Statement of Activities.

165,820

Benefit payments paid and administrative expense for the OPEB are not included on the Statement of Activities.

297,344

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Change in accrued interest receivable, property taxes	(10,416)	
Change in deferred revenues, property taxes	(29,176)	
Change in deferred revenues	327,995	
Change in total OPEB liability due to implicit rate subsidy	<u>67,900</u>	356,303

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. This transaction does not have an effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments on long-term debt	824,548	
Change in accrued interest payable	<u>6,190</u>	830,738

Town of Carrboro, North Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2019

Exhibit 4
(4 pages)

Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore are not reported as expenditures in governmental funds.

Amortization of bond premiums	\$	4,867	
Pension expense		(772,793)	
OPEB expense		(920,577)	
Change in compensated absences		<u>(68,964)</u>	\$ <u>(1,757,467)</u>
Total changes in net position of governmental activities			<u><u>\$ 2,999,967</u></u>

Town of Carrboro, North Carolina
General Fund Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended June 30, 2019

Exhibit 5

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Ad valorem taxes	\$ 11,945,655	\$ 11,945,655	\$ 13,113,521	\$ 1,167,866
Local option sales taxes	4,475,980	4,475,980	4,880,680	404,700
Other taxes and licenses	1,604,757	1,604,757	1,630,840	26,083
Unrestricted intergovernmental	1,422,090	1,422,089	1,492,028	69,939
Restricted intergovernmental	623,891	683,991	774,586	90,595
Permits and fees	1,203,185	1,193,085	1,273,962	80,877
Sales and services	285,520	285,521	253,023	(32,498)
Investment earnings	51,812	51,812	202,849	151,037
Other revenues	79,441	164,641	277,695	113,054
Total revenues	<u>21,692,331</u>	<u>21,827,531</u>	<u>23,899,184</u>	<u>2,071,653</u>
Expenditures				
Current:				
General government	5,237,626	5,592,770	5,414,220	178,550
Public safety	6,936,113	7,074,033	6,724,929	349,104
Planning	1,477,419	1,606,023	1,331,441	274,582
Transportation	1,811,000	2,188,789	1,808,940	379,849
Public works	3,705,212	3,860,045	3,823,825	36,220
Parks and recreation	1,604,901	1,721,493	1,607,124	114,369
General services	746,166	433,804	-	433,804
Debt service	1,094,285	1,094,285	951,169	143,116
Total expenditures	<u>22,612,722</u>	<u>23,571,242</u>	<u>21,661,648</u>	<u>1,909,594</u>
Excess of revenues over (under) expenditures	<u>(920,391)</u>	<u>(1,743,711)</u>	<u>2,237,536</u>	<u>3,981,247</u>
Other financing sources (uses)				
Transfers from other funds	-	486,223	491,659	5,436
Transfers to other funds	(250,000)	(1,587,450)	(1,587,450)	-
Sale of capital assets	82,000	82,000	27,413	(54,587)
Total other financing sources (uses)	<u>(168,000)</u>	<u>(1,019,227)</u>	<u>(1,068,378)</u>	<u>(49,151)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(1,088,391)</u>	<u>(2,762,938)</u>	<u>1,169,158</u>	<u>3,932,096</u>
Fund balance appropriated	<u>1,088,391</u>	<u>2,762,938</u>	<u>-</u>	<u>(2,762,938)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,169,158</u>	<u>\$ 1,169,158</u>
Fund balance, beginning of year			<u>16,535,093</u>	
Fund balance, end of year			<u>\$ 17,704,251</u>	

The notes to the financial statements are an integral part of the statement.

Town of Carrboro, North Carolina
Statement of Net Position
Proprietary Fund - Stormwater Utility Enterprise Fund
June 30, 2019

Exhibit 6

ASSETS

Current assets:

Cash and cash equivalents	\$	350,890
Accounts receivable		26,051
Prepays		860
Total current assets		377,801

Noncurrent assets:

Capital assets:

Construction in progress	114,998
Other capital assets, net of depreciation	173,845

Total capital assets	288,843
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Total noncurrent assets	288,843
-------------------------	---------

Total assets	666,644
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DEFERRED OUTFLOWS OF RESOURCES

Pension deferrals	27,599
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Total deferred outflows of resources	27,599
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LIABILITIES

Current liabilities:

Accounts payable and accrued liabilities	4,316
Current portion of long-term liabilities	867

Total current liabilities	5,183
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Long-term liabilities:

Net pension liability - LGERS	34,222
Total OPEB liability	112,569
Due in more than one year	9,901

Total long-term liabilities	156,692
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Total liabilities	161,875
-------------------	---------

DEFERRED INFLOWS OF RESOURCES

Pension deferrals	2,293
OPEB deferrals	15,408

Total deferred inflows of resources	17,701
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NET POSITION

Net investment in capital assets	288,843
----------------------------------	---------

Unrestricted	225,824
--------------	---------

Total net position	\$ 514,667
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Town of Carrboro, North Carolina
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund - Stormwater Utility Enterprise Fund
Year Ended June 30, 2019

Exhibit 7

Operating revenues	
Charges for services	\$ 778,157
Total operating revenues	<u>778,157</u>
Operating expenses	
Personnel services	194,089
Depreciation	9,150
Other current charges	<u>65,924</u>
Total operating expenses	<u>269,163</u>
Operating income	508,994
Nonoperating revenues (expenses)	
Investment earnings	<u>5,673</u>
Total nonoperating revenues (expenses)	<u>5,673</u>
Income before transfers	514,667
Transfers	
Transfers to general fund	<u>(56,475)</u>
Change in net position	458,192
Total net position, beginning	<u>56,475</u>
Total net position, ending	<u><u>\$ 514,667</u></u>

Town of Carrboro, North Carolina
Statement of Cash Flows
Proprietary Fund - Stormwater Utility Enterprise Fund
Year Ended June 30, 2019

Exhibit 8

Cash flows from operating activities:

Cash received from customers	\$ 752,106
Cash paid for goods and services	(64,302)
Cash paid to or on behalf of employees for services	(182,545)
Net cash provided by operating activities	505,259

Cash flows from noncapital financing activities:

Transfers to other funds	(56,475)
Net cash used by noncapital financing activities	(56,475)

Cash flows from capital and related financing activities:

Acquisition and construction of capital assets	(297,993)
Net cash used by capital and related financing activities	(297,993)

Cash flows from investing activities:

Investment earnings	5,673
Net cash provided by investing activities	5,673
Net increase in cash and cash equivalents	156,464

Cash and cash equivalents, beginning	194,426
Cash and cash equivalents, ending	\$ 350,890

Reconciliation of operating income to net cash provided by operating activities:

Operating income	\$ 508,994
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	9,150
Change in assets, deferred outflows of resources, and liabilities:	
Increase in prepaid expenses	(860)
Increase in accounts receivable	(26,051)
Increase in accounts payable and accrued liabilities	2,482
Increase in accrued vacation pay	2,646
Increase in deferred outflows of resources for pensions	(20,164)
Increase in deferred inflows of resources for pensions	1,346
Increase in deferred inflows of resources for OPEB	4,437
Increase in net pension liability	24,235
Decrease in total OPEB liability	(956)
Net cash provided by operating activities	\$ 505,259

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Notes to Financial Statements

1. Summary of Significant Accounting Policies

The accounting policies of the Town of Carrboro (the "Town") and its discretely presented component unit conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting entity

The Town, a political subdivision of Orange County, is governed by an elected mayor and a six-member Board of Aldermen. As required by generally accepted accounting principles, these financial statements present the Town and its component unit, a legally separate entity for which the Town is financially accountable. The discretely presented component unit presented below is reported in a separate column in the Town's financial statements in order to emphasize that it is legally separate from the Town.

Carrboro Tourism Development Authority

Effective March 1, 2013, a 3% hotel and motel room occupancy tax was established by the Board. As part of establishing this tax, the Town formed the Carrboro Tourism Development Authority ("CTDA") which is a public authority under the Local Government Budget and Fiscal Control Act. The members of the CTDA are appointed by the Town's Board of Aldermen. The CTDA receives revenue through the occupancy tax, which is levied and collected by the Town and remitted to the CTDA net of administration fees on a quarterly basis. The CTDA shall use at least two-thirds of the funds remitted to promote travel and tourism in the Town, and shall use the remainder for tourism-related expenditures. The CTDA, which has a June 30 year end, is presented as if it were a proprietary fund (discrete presentation). Requests for complete financial statements for the CTDA may be directed to the Finance Officer, c/o Carrboro Tourism Development Authority, 301 West Main Street, Carrboro, North Carolina 27510.

B. Basis of presentation

Government-wide statements: The statement of net position and the statement of activities display information about the primary government and its component unit. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund financial statements: The fund financial statements provide information about the Town's funds. Separate statements for each fund category - *governmental and proprietary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Town of Carrboro, North Carolina

Notes to Financial Statements

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The Town reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, state and federal grants, and various other taxes and licenses. The primary expenditures are for public safety, streets and maintenance, sanitation, and general government services.

Revolving Loan Fund. The Revolving Loan Fund is used to account for loans made to various local businesses. The primary revenue source consists of principal and interest repayments made on these loans. The Town has elected to report this fund as major.

Bond Fund. The Bond Fund accounts for the financial resources to be used for the acquisition or construction of greenways and sidewalks. The Town has elected to report this fund as major.

Capital Projects Fund. The Capital Projects Fund accounts for the financial resources to be used for the acquisition or construction of major capital facilities. Additionally, the Town has legally adopted a Capital Reserve Fund and Payment in Lieu Reserve Fund. The Capital Reserve Fund and Payment in Lieu Reserve Fund are consolidated in the Capital Projects Fund. The budgetary comparisons for the Capital Reserve Fund has been included in the supplemental information. The Capital Reserve Fund accounts for resources to be used for future major capital purchases or projects. The Payment in Lieu Reserve Fund accounts for payments received from developers in lieu of providing on-site recreational areas and open spaces. The funds are held in reserve for use in one of four geographically defined quadrants of the Town (where the residential development is located) for use in acquisition and development of recreational facilities present or future.

Grants Administration Fund. The Grants Administration Fund was established to account for grant funds that are restricted for a particular project.

The Town reports the following non-major governmental funds:

Affordable Housing Fund. The Affordable Housing Fund was established to advance the Town of Carrboro's goal of increasing the stock of affordable, safe and decent housing within the Town and its planning jurisdiction.

Energy Efficiency Revolving Loan Fund. The Energy Efficiency Revolving Loan Fund was established to advance the Town of Carrboro's goal of increasing energy efficiency in buildings within the Town in cooperation with the Southeast Energy Efficiency Alliance.

Business Loan Fund. The Business Loan Fund was established to attract locally owned sustainable business enterprises that are environmentally and socially responsible. The business must be located within the town limits of Carrboro and business owners must reside in Orange County.

The Town reports the following major enterprise fund:

Storm Water Utility Enterprise Fund. This fund is used to account for the operations of the Town's stormwater management department.

C. *Measurement focus and basis of accounting*

In accordance with North Carolina General Statutes, all funds of the Town are maintained during the year using the modified accrual basis of accounting.

Government-wide and proprietary fund financial statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise fund are charges to customers for sales and services, which went in effect during the fiscal year ending June 30, 2019. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental fund financial statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under direct borrowing installment purchase agreements are reported as other financing sources.

The Town considers all revenues available if they are collected within 90 days after year end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, state law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the state of North Carolina is responsible for the billing and collecting of the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements, and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as beer and wine tax, collected and held by the State at year end on behalf of the Town are recognized as revenue. Sales taxes are considered a shared revenue for the Town of Carrboro because the tax is levied by Orange County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Grant revenues which are unearned at year end are recorded as deferred inflows of resources. Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Budgetary data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Storm Water Utility Enterprise Fund. All annual appropriations lapse at the fiscal year end. Project ordinances are adopted for the Revolving Loan Fund, the Bond Fund, the Capital Projects Fund, the Grants Administration Fund, the Affordable Housing Fund, the Energy Efficiency Revolving Loan Fund, and the Business Loan Fund. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the project level for multi-year funds. The Finance Officer is authorized to approve intradepartmental transfer requests between appropriation units and between departmental programs within the limits of the approved departmental budget. In the Capital Projects Fund, the Town Manager is allowed to transfer funds under \$10,000 between line items as long as transfers are within the overall project budget. All amendments must be approved by the governing board and the Board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, liabilities, deferred outflows/inflows of resources, and fund equity

Deposits and investments

All deposits of the Town and the CTDA are made in Board-designated official depositories and are secured as required by state law [G. S. 159-31]. The Town and the CTDA may designate as an official depository any bank or savings association whose principal office is located in North Carolina. Also, the Town and the CTDA may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G. S. 159-30(c)] authorizes the Town and the CTDA to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the state of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT).

The Town's and the CTDA's investments are reported at fair value. Non-participating interest earning contracts are accounted for at cost. The NCCMT Government Portfolio, a SEC-registered (2a-7) external investment pool, is measured at fair value. The NCCMT Term Portfolio is a bond fund, has no rating and is measured at fair value. As of June 30, 2019, the NCCMT Term Portfolio has a duration of 0.11 years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than six months.

Cash and cash equivalents

The Town pools money from several funds to facilitate disbursement and investment, and to maximize investment income. Therefore, all cash and investments are essentially demand deposits, and are considered cash and cash equivalents.

Town of Carrboro, North Carolina

Notes to Financial Statements

Restricted assets

Credit deposits in the amount of \$62,204 are considered a liability and classified as restricted cash. The Town requires builders/contractors to pay a credit deposit when, due to circumstances beyond their control, there is uncompleted work on a construction project and the builder/contractor needs to have the Planning Department issue a Certificate of Occupancy for the property. Once the Town has ensured that the work has been satisfactorily completed, the credit deposit funds are released. Powell Bill funds in the amount of \$242,259 are also classified as restricted cash because they can be expended only for the purposes outlined in G. S. 136-41.1 through 136-41.4.

Ad valorem taxes receivable

In accordance with state law [G. S. 105-347 and G. S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2017. As allowed by state law, the Town has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the Town's General Fund, ad valorem tax revenues are reported net of such discounts.

Allowances for doubtful accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables written off in prior years.

Inventory and prepaid items

The inventory of the Town is valued at cost (first-in, first-out), which approximates market. The Town's General Fund inventory consists of expendable supplies that are recorded initially in inventory accounts and charged as expenditures when used rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded using the consumption method as prepaid items in both government-wide and fund financial statements, and expensed as the items are used.

Capital assets

Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than a certain amount and an estimated useful life in excess of two years.

Minimum capitalization costs are as follows:

	<u>Cost</u>
Land	\$ 1
Buildings and improvements	20,000
Vehicles, furniture and equipment	5,000
Infrastructure	100,000

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Town of Carrboro, North Carolina

Notes to Financial Statements

Capital assets are depreciated using the straight-line method over their estimated useful lives:

	<u>Useful Life</u>
Land improvements and infrastructure	20 to 40 years
Furniture, fixtures, equipment, heavy equipment, and vehicles	5 to 10 years
Computer equipment and software	3 years

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Town has two items that meets this criterion, pension deferrals for the 2019 fiscal year and OPEB deferrals for the 2019 fiscal year. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Town has several items that meet the criterion for this category: property taxes receivable and notes receivable which are net of allowance, as well as pension and OPEB related deferrals.

Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In the fund financial statements, governmental fund types recognize bond premiums, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources. Issuance costs, whether or not held from the actual debt proceeds received, are reported as debt service expenditures.

Compensated absences

The vacation policy of the Town provides for the accumulation of annual vacation leave without any applicable maximum until December 31 of each calendar year. However, if an employee separates from service, payment for accumulated annual vacation leaves shall not exceed 240 hours (14 duty days for shift fire personnel). On December 31 of each calendar year, any employee with more than 240 hours (14 duty days for shift fire personnel) of accumulated leave shall have the excess accumulation converted to sick leave so that only 240 hours (14 duty days for shift fire personnel) are carried forward to January 1 of the next calendar year. The Town has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements and the proprietary fund type financial statements.

The Town's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Town has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Town of Carrboro, North Carolina

Notes to Financial Statements

Net position/fund balances

Net position. Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through state statute.

Fund balances. In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Non-spendable fund balance - This classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

Inventories - portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Prepays - portion of fund balance that is not an available resource because it represents the year-end balance of prepaid assets, which are not spendable resources.

Restricted fund balance - This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for stabilization by state statute - North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State Statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding encumbrances are included within RSS. RSS is included as a component of Restricted net position and Restricted fund balance on the face of the balance sheet.

Restricted for streets - Powell Bill portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures. This amount represents that balance of the total unexpended Powell Bill funds.

Committed fund balance - This classification includes the portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Town's governing body - the Board of Aldermen (highest level of decision-making authority). The governing body can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Economic development - portion of fund balance committed by the Board for economic development through the use of loans to various businesses.

Capital projects - portion of fund balance committed by the Board for completion of capital projects.

Town of Carrboro, North Carolina

Notes to Financial Statements

Affordable housing - portion of fund balance committed by the Board for providing safe and decent housing within the Town.

Energy efficiency - portion of fund balance committed by the Board for the goal of increasing energy efficiency in buildings within the Town.

Assigned fund balance - This classification includes the portion of fund balance that the Town intends to use for specific purposes.

Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorizes the manager to modify the appropriations by resource or appropriation within funds up to \$100,000.

Capital projects - portion of fund balance assigned by Town management for future capital projects.

Unassigned fund balance - This classification includes the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The general fund is the only fund that may report a positive unassigned fund balance amount.

The Town has a revenue-spending policy that provides policy for programs with multiple revenue sources. The Town will use resources in the following hierarchy: bond proceeds, federal funds, state funds, local non-Town funds, Town funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and, finally, unassigned fund balance. The Town has the authority to deviate from this policy if it is in the best interest of the Town.

The Board has adopted a policy of maintaining an unassigned fund balance within a range of 22.5% to 35% of budgeted appropriations. This policy also provides for the transfer of funds to Capital Projects when the unassigned fund balance exceeds 35%.

Defined benefit cost-sharing plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Town's employer contributions are recognized when due and the Town has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

2. Stewardship, Compliance and Accountability

A. Deficit in Fund Balance or Net Position of Individual Funds

At June 30, 2019, The Town had deficit in the Grants Administration Fund of \$817. The deficit in the Grants Administration Fund is due to timing only, as the respective grant revenues were not considered to be available as of June 30, 2019, and therefore are presented as deferred revenues.

3. Detail Notes on All Funds

A. Assets

Deposits

All the deposits of the Town are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Town's agent in the Town's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town, these deposits are considered to be held by the Town's agent in the Town's name. The amount of the pledged collateral is based on an approved averaging method for noninterest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Town has no formal policy regarding custodial risks for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Town complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2019, the Town's deposits had a carrying amount of \$5,256,524 and a bank balance of \$5,574,441. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral under the pooling method. The carrying amount and the bank balance of deposits for the CTDA was \$296,552. All of the bank balance was covered by federal depository insurance. At June 30, 2019, the Town's petty cash fund totaled \$150.

Investments

At June 30, 2019, the Town had \$14,809,504 invested with the North Carolina Capital Management Trust Government Portfolio, which carried a credit rating of AAAM by Standard and Poor's. The Town has no policy regarding credit risk.

Town of Carrboro, North Carolina
Notes to Financial Statements

Receivables

(a) Due from other governments

Amounts due from other governments consist of the following:

	<u>Other</u>	<u>County</u>	<u>State</u>	<u>Total</u>
General fund:				
Local option sales tax	\$ -	\$ -	\$ 1,355,510	\$ 1,355,510
Sales tax refunds	-	60,829	106,355	167,184
Utilities franchise, piped natural gas, telecommunications, and video sales programming	-	-	305,716	305,716
Solid waste disposal tax	-	-	3,873	3,873
City of Durham planning grant	37,847	-	-	37,847
NCVTS tag and tax proceeds	-	-	135,930	135,930
Other	<u>9,000</u>	<u>1,836</u>	<u>-</u>	<u>10,836</u>
	46,847	62,665	1,907,384	2,016,896
Grant Administration fund:				
Grant reimbursements	-	-	32,223	32,223
Bond fund:				
Grant reimbursements	-	-	843,183	843,183
Capital Projects fund:				
Balance due under inter-local agreement	<u>-</u>	<u>778,400</u>	<u>-</u>	<u>778,400</u>
Total	<u>\$ 46,847</u>	<u>\$ 841,065</u>	<u>\$ 2,782,790</u>	<u>\$ 3,670,702</u>

(b) Notes receivable

The Revolving Loan Fund was established for the purpose of making loans to numerous local businesses. As of June 30, 2019, the Revolving Loan Fund notes receivable balance was \$13,568, net of a \$56,000 allowance.

The following is a summary of notes receivable of the Revolving Loan Fund at June 30, 2019:

	<u>Interest Rate</u>	<u>Balance</u>
Alphabet Soup	6.00	\$ 3,794
Bryan's Guitar	3.00	50,613
Art in a Pickle	2.00	-
Carrboro Creative Co-working	2.00	<u>15,161</u>
		69,568
Less allowance		<u>(56,000)</u>
Total		<u>\$ 13,568</u>

The Energy Efficiency Revolving Loan Fund was created to advance the Town's goal of increasing energy efficiency in buildings within the Town in cooperation with Southeast Energy Efficiency Alliance. As of June 30, 2019, the Energy Efficiency Revolving Loan Fund notes receivable balance was \$36,428.

Town of Carrboro, North Carolina
Notes to Financial Statements

The Affordable Housing Fund was created to advance the Town's goal of increasing the stock of affordable, safe and decent housing within the Town and its planning jurisdiction. As of June 30, 2019, the Affordable Housing Fund notes receivable balance was \$2,382, net of an allowance of \$345,301 for a note receivable from a nonprofit housing entity, which is forgivable in equal amounts over a 30-year period, as long as the entity remains in compliance with the requirements of the loan agreement.

The Business Loan Fund was established to attract locally owned sustainable business enterprises that are environmentally and socially responsible. The business must be located within the town limits of Carrboro and business owners must reside in Orange County. During the year ended June 30, 2019, the Business Loan Fund was closed, and the remaining cash balance of \$115,471 was transferred to the General Fund.

Receivables - allowance for doubtful accounts

The Town provides, as an allowance for uncollectible accounts, a percentage of its receivables which it does not expect to collect based on historical collection rates.

The amounts presented in Exhibit 3, the governmental funds balance sheet, are net of the following allowances for doubtful accounts:

General fund:	
Property taxes	\$ <u>86,708</u>

Capital assets

Capital asset activity for the year ended June 30, 2019 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 14,747,956	\$ -	\$ -	\$ 14,747,956
Construction-in-progress	<u>4,023,527</u>	<u>3,565,822</u>	<u>(2,644,435)</u>	<u>4,944,914</u>
Total capital assets not being depreciated	<u>18,771,483</u>	<u>3,565,822</u>	<u>(2,644,435)</u>	<u>19,692,870</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 8,787,063	\$ 1,324,740	\$ -	\$ 10,111,803
Land improvements	1,127,024	-	-	1,127,024
Infrastructure	12,546,367	116,367	-	12,662,734
Equipment and heavy equipment	5,260,845	1,312,060	-	6,572,905
Vehicles	<u>6,490,569</u>	<u>389,116</u>	<u>(132,234)</u>	<u>6,747,451</u>
Total capital assets being depreciated	<u>34,211,868</u>	<u>3,142,283</u>	<u>(132,234)</u>	<u>37,221,917</u>
Less accumulated depreciation for:				
Buildings and improvements	4,372,664	289,577	-	4,662,241
Land improvements	331,678	38,082	-	369,760
Infrastructure	3,765,839	435,130	-	4,200,969
Equipment and heavy equipment	4,451,356	466,544	-	4,917,900
Vehicles	<u>5,011,488</u>	<u>533,604</u>	<u>(132,234)</u>	<u>5,412,858</u>
Total accumulated depreciation	<u>17,933,025</u>	<u>\$ 1,762,937</u>	<u>\$ (132,234)</u>	<u>19,563,728</u>
Total capital assets being depreciated, net	<u>16,278,843</u>			<u>17,658,189</u>
Governmental activity capital assets, net	<u>\$ 35,050,326</u>			<u>\$ 37,351,059</u>

Town of Carrboro, North Carolina
Notes to Financial Statements

Depreciation expense was charged to functions/programs of the primary government as follows:

General government	\$ 32,615
Public safety	686,587
Public works	876,015
Parks and recreation	<u>167,720</u>
Total depreciation expense	<u>\$ 1,762,937</u>

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-type activities:				
Storm Water fund:				
Capital assets not being depreciated:				
Construction-in-progress	\$ -	\$ 114,998	\$ -	\$ 114,998
Total capital assets not being depreciated	-	114,998	-	114,998
Capital assets being depreciated:				
Equipment and heavy equipment	-	182,995	-	182,995
Total capital assets being depreciated	-	182,995	-	182,995
Less accumulated depreciation for:				
Equipment and heavy equipment	-	9,150	-	9,150
Total accumulated depreciation	-	<u>\$ 9,150</u>	<u>\$ -</u>	9,150
Total capital assets being depreciated, net	-			<u>173,845</u>
Business-type capital assets, net	<u>\$ -</u>			<u>\$ 288,843</u>

Construction commitments

The Town has active capital projects as of June 30, 2019. At year end, the government's commitments with contractors/vendors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Martin Luther King, Jr. Park	<u>\$ 928,981</u>	<u>\$ 1,277,641</u>

Town of Carrboro, North Carolina
Notes to Financial Statements

B. Liabilities

Accounts payable and accrued liabilities

Accounts payable and accrued liabilities at the government-wide level at June 30, 2019 were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Total</u>
Governmental activities:			
General	\$ 774,927	\$ 211,050	\$ 985,977
Other governmental	<u>540,889</u>	<u>-</u>	<u>540,889</u>
Total governmental activities	<u>\$ 1,315,816</u>	<u>\$ 211,050</u>	<u>\$ 1,526,866</u>
Business-type activities:			
Storm Water	\$ 4,316	\$ -	\$ 4,316
Total business-type activities	<u>\$ 4,316</u>	<u>\$ -</u>	<u>\$ 4,316</u>

Pension plan obligations

(a) Local Governmental Employees' Retirement System

Plan description. The Town is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing, multiple-employer defined benefit pension plan administered by the state of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) or participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members - nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the state of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

Town of Carrboro, North Carolina
Notes to Financial Statements

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Town of Carrboro employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Town's contractually required contribution rate for the year ended June 30, 2019, was 8.50% of compensation for law enforcement officers and 7.81% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Town were \$682,598 for the year ended June 30, 2019.

Refunds of contributions. Town employees who have terminated services as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60-day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2019, the Town reported a liability of \$2,735,310 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2018, the Town's proportion was 0.115%, which was a decrease of 0.017% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Town recognized pension expense of \$684,882. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 421,993	\$ 14,160
Changes of assumptions	725,846	-
Net difference between projected and actual earnings on pension plan investments	375,477	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	-	169,149
Town contributions subsequent to the measurement date	<u>682,598</u>	<u>-</u>
Total	<u>\$ 2,205,914</u>	<u>\$ 183,309</u>

Town of Carrboro, North Carolina
Notes to Financial Statements

\$682,598 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2020	\$ 663,060
2021	424,143
2022	57,130
2023	195,674
2024	-
Thereafter	-
Total	<u>\$ 1,340,007</u>

Actuarial assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e., general, law enforcement officer) and health status (i.e., disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2017 are summarized in the following table:

Town of Carrboro, North Carolina
Notes to Financial Statements

	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	29.0%	1.4%
Global equity	42.0%	5.3%
Real estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation protection	6.0%	4.0%
Total	<u>100.0%</u>	

The information above is based on 30-year expectations developed with the consulting actuary for the 2017 asset, liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate. The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Town's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Town's proportionate share of the net pension liability (asset)	<u>\$ 6,570,452</u>	<u>\$ 2,735,310</u>	<u>\$ (469,394)</u>

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

(b) Law Enforcement Officers' Special Separation Allowance

(i) Plan description

The Town administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the Town's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to 0.85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

Town of Carrboro, North Carolina
Notes to Financial Statements

All full-time law enforcement officers of the Town are covered by the Separation Allowance. At December 31, 2017, the Separation Allowance's membership consisted of:

Retirees receiving benefits	10
Terminated plan members entitled to, but not yet receiving benefits	-
Active plan members	<u>38</u>
Total	<u><u>48</u></u>

A separate report was not issued for the plan.

(ii) *Summary of significant accounting policies:*

Basis of accounting. The Town has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the following criteria which are outlined in GASB Statement 73.

(iii) *Actuarial assumptions:*

The entry age actuarial cost method was used in the December 31, 2017 valuation. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.50 to 7.35 percent, including inflation and productivity factor
Discount rate	3.64 percent

The discount rate is based on the weekly average of the S&P Municipal Bond 20 Year High Grade Rate Index determined at the end of each month for the year ended December 31, 2017.

Mortality rates are based on the RP-2014 series mortality tables with adjustments for mortality improvements based on Scale AA.

(iv) *Change in actuarial assumptions:*

On the prior measurement date (December 31, 2017), the Municipal Bond Index Rate, on which the discount rate is based, was 3.16%. Since the Prior Measurement Date, the Municipal Bond Index Rate has increased to 3.64% as of the Measurement Date (December 31, 2018). This resulted in a \$47,288 decrease in the Total Pension Liability.

(v) *Contributions:*

The Town is required by Article 12D of G. S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay-as-you-go basis through appropriations made in the General Fund operating budget. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees. Administration costs of the Separation Allowance are financed through investment earnings. The Town paid \$165,820 as benefits came due for the reporting period.

Town of Carrboro, North Carolina
Notes to Financial Statements

- (vi) *Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions:*

At June 30, 2019, the Town reported a total pension liability of \$1,428,599. The total pension liability was measured as of December 31, 2018 based on a December 31, 2017 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2018 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2019, the Town recognized pension expense of \$101,868.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 20,737	\$ 9,526
Changes of assumptions	-	2,705
Town benefit payments and plan administrative expense made subsequent to the measurement date	<u>79,761</u>	<u>-</u>
Total	<u>\$ 100,498</u>	<u>\$ 12,231</u>

\$79,761 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2020	\$ 2,381
2021	2,381
2022	5,010
2023	(1,266)
2024	-
Thereafter	<u>-</u>
Total	<u>\$ 8,506</u>

- (vii) *Sensitivity of the Town's total pension liability to changes in the discount rate:*

The following presents the Town's total pension liability calculated using the discount rate of 3.64 percent, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.64 percent) or 1 percentage point higher (4.64 percent) than the current rate:

	1% Decrease (2.64%)	Discount Rate (3.64%)	1% Increase (4.64%)
Total pension liability	<u>\$ 1,529,190</u>	<u>\$ 1,428,599</u>	<u>\$ 1,335,790</u>

Town of Carrboro, North Carolina
Notes to Financial Statements

Changes in the Total Pension Liability

	<u>2019</u>
Beginning balance	\$ 1,517,471
Service cost	54,174
Interest on the total pension liability	45,312
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	26,014
Changes of assumptions or other inputs	(47,288)
Benefit payments	(167,084)
Other changes	<u>-</u>
Ending balance of the total pension liability	<u>\$ 1,428,599</u>

The plan currently uses mortality tables that vary by age, and health status (i.e., disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

(vii) *Total expense, liabilities, and deferred outflows and inflows of resources related to pensions:*

Following is information related to the proportionate share and pension expense for all pension plans:

	<u>LGERS</u>	<u>LEOSSA</u>	<u>Total</u>
Pension expense	\$ 684,882	\$ 101,868	\$ 786,750
Pension liability	2,735,310	1,428,599	4,163,909
Proportionate share of net pension liability	0.115%	n/a	
Deferred outflows of resources			
Differences between expected and actual experience	421,993	20,737	442,730
Changes of assumptions	725,846	-	725,846
Net difference between projected and actual earnings on plan investments	375,477	-	375,477
Benefit payments and administrative costs paid subsequent to the measurement date	682,598	79,761	762,359
Deferred inflows of resources			
Differences between expected and actual experience	14,160	9,526	23,686
Changes of assumptions	-	2,705	2,705
Changes in proportion and differences between contributions and proportionate share of contributions	169,149	-	169,149

(c) Supplemental Retirement Income Plan

Plan description. The Town contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the Town. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the state of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding policy. Article 12E of G.S. Chapter 143 requires the Town to contribute each month an amount equal to 5% of each law enforcement officer's salary, and all amounts contributed are vested immediately. The Town has also elected to contribute each month an amount equal to 3% of each participating general employee's salary. Also, the participants may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2019 were \$618,276, which consisted of \$293,960 from the Town and \$324,316 from the employees.

Additionally, the Town has elected to include all permanent, full-time employees under this plan.

(d) Other post-employment benefits (OPEB)

Plan description. In addition to providing pension benefits, the Town administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). The Town Board has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits provided. For employees hired prior to July 1, 2007, this plan provides postemployment healthcare benefits to retirees of the Town, provided they participate in the North Carolina Local Governmental Employees' Retirement System and have at least ten years of continuous creditable service with the Town. The Town pays a percentage of the insurance premium paid to private insurers based on the table below. Employees have the option of purchasing dependent coverage at the Town's group rates. Employees hired on or after July 1, 2007 who retire with a minimum of ten years of creditable service are not allowed to remain on the Town's group insurance; rather, they receive a stipend. For those employees, the Town pays a percentage of the stipend based on the table below. The stipend is based on the Employee Only insurance premium as of July 1, 2007 (\$417.46) and increases based on changes in the consumer price index. As of July 1, 2017, the stipend was \$501.09 per month. Employees hired on or after July 1, 2007 who retire with less than ten years of service are not eligible for postemployment coverage. Retirees who qualify for coverage receive the same benefits as active employees. Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare Supplemental plan after qualifying for Medicare. The Board of Aldermen may amend the benefit provisions. A separate report was not issued for the plan.

Retired Employee's Years of Creditable Service	Date Hired	
	Pre-July 1, 2007	On or After July 1, 2007
Less than 10 years	Not eligible for coverage	Not eligible for coverage
10 to 14 years	50%	50%
15 to 19 years	75%	75%
20 years and up	100%	100%

Town of Carrboro, North Carolina
Notes to Financial Statements

Membership of the HCB Plan consisted of the following at June 30, 2017, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	39
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>139</u>
Total	<u><u>178</u></u>

Total OPEB liability

The Town's total OPEB liability of \$19,586,967 was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	3.50 percent, including real wage growth
Salary increases	3.50 to 7.75 percent, including inflation and productivity factor
Discount rate	3.89 percent
Healthcare cost trend rates	Pre-Medicare - 7.50% decreasing to an ultimate rate of 5.00% by 2023 Medicare - 5.50% decreasing to an ultimate rate of 5.00% by 2020

The discount rate is based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by The Bond Buyer.

Changes in the total OPEB liability

	<u>2019</u>
Beginning balance	\$ 19,753,361
Service cost	669,530
Interest on the total pension liability	697,815
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	(14,947)
Changes of assumptions or other inputs	(1,212,461)
Benefit payments	<u>(306,331)</u>
Ending balance of the total OPEB liability	<u><u>\$ 19,586,967</u></u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.56% to 3.89%.

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2010 - December 31, 2014, adopted by the LGERS.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2017 valuation were based on a review of recent plan experience done concurrently with the June 30, 2017 valuation.

Town of Carrboro, North Carolina
Notes to Financial Statements

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.89 percent) or 1 percentage point higher (4.89 percent) than the current rate:

	<u>1% Decrease (2.89%)</u>	<u>Discount Rate (3.89%)</u>	<u>1% Increase (4.89%)</u>
Total OPEB liability	<u>\$ 23,607,943</u>	<u>\$ 19,586,967</u>	<u>\$ 16,473,422</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Healthcare Trend Rate</u>	<u>1% Increase</u>
Total OPEB liability	<u>\$ 16,060,058</u>	<u>\$ 19,586,967</u>	<u>\$ 24,236,332</u>

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended June 30, 2019, the Town recognized OPEB expense of \$924,058. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 22,594
Changes of assumptions	-	2,658,371
Benefit payments and administrative costs made subsequent to the measurement date	<u>297,344</u>	<u>-</u>
Total	<u>\$ 297,344</u>	<u>\$ 2,680,965</u>

\$297,344 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	
2020	\$ (455,328)
2021	(455,328)
2022	(455,328)
2023	(455,328)
2024	(455,328)
Thereafter	<u>(404,325)</u>
Total	<u>\$ (2,680,965)</u>

Town of Carrboro, North Carolina
Notes to Financial Statements

Other employment benefits

The Town has elected to provide death benefits to local law enforcement employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those local law enforcement employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service, and have at least one year of contributing membership service in the System at the time of death, are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 or be less than \$25,000. Because all death benefit payments are made from the Death Benefit Plan and not by the Town, the Town does not determine the number of eligible participants. The Town has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the postemployment benefit amount and the other benefit amount. The Town considers these contributions to be immaterial.

The Town provides additional group term life insurance through American United Life Insurance Company. The death benefit provided by the Town is \$15,000. Employees may purchase additional supplemental insurance. The supplemental amounts are available in increments of \$25,000, \$50,000, or \$75,000. The premiums for the supplemental insurance are deducted from payroll on an after-tax basis.

Deferred outflows and inflows of resources

Deferred outflows of resources at year end is comprised of the following:

	Deferred Outflows
Contributions to pension plan in current fiscal year	\$ 682,598
Benefit payments and administrative expenses for LEOSSA made subsequent to measurement date	79,761
Benefit payments made for OPEB subsequent to measurement date	297,344
Differences between actual and expected experience	442,730
Changes of assumptions	725,846
Net difference between projected and actual earnings on pension plan investments	<u>375,477</u>
Total	<u>\$ 2,603,756</u>

Deferred inflows of resources at year end is comprised of the following:

	Statement of Net Position	Governmental Funds Balance Sheet
Taxes receivable, less penalties	\$ -	\$ 219,186
Notes receivable, net	-	52,378
Unavailable grant revenues	-	363,003
Changes in assumptions	2,661,076	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	169,149	-
Differences between expected and actual experience	<u>46,280</u>	<u>-</u>
Total	<u>\$ 2,876,505</u>	<u>\$ 634,567</u>

Town of Carrboro, North Carolina

Notes to Financial Statements

Risk management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town participates in three self-funded risk financing pools administered by the North Carolina League of Municipalities. Through these pools, the Town obtains general liability of \$2 million per occurrence and auto liability coverage of \$1 million per occurrence, property coverage up to the total insurance values of the property policy, workers' compensation coverage up to statutory limits, and employee health coverage. The pools are reinsured through commercial carriers for claims in excess of retentions as selected by the Board of Trustees each year. Specific information on the limits of the reinsurance, excess and stop loss policies purchased by the Board of Trustees can be obtained by contacting Risk Management Services Department of the NC League of Municipalities. The pools are audited by certified public accountants, and the audited financial statements are available to the Town upon request.

The Town carries commercial coverage for police liability and public officials' liability. There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years. The Town does not carry flood insurance.

In accordance with G.S. 159-29, the Town's employees who have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond. The Finance Officer is bonded for \$50,000. The remaining employees who have access to funds are bonded for \$10,000 per occurrence.

Long-term obligations

(a) General obligation indebtedness

The Town's general obligation bonds serviced by the governmental funds were issued to provide long-term financing for the construction of sidewalks and greenways utilized in the operations of the Bond Fund. These bonds were issued to refinance the previous Bond Anticipation Notes acquired for the same purpose. All general obligation bonds are collateralized by the full faith, credit, and taxing power of the Town.

Bonds payable at June 30, 2019, is comprised of the following individual issue:

General Obligation Bonds

\$4,600,000 Sidewalk and Greenway Series 2013 Bonds, requiring principal payment on February 1 each year in the amount of \$250,000 with a final principal payment of \$100,000 due upon maturity (February 1, 2032); interest payments are due August 1 and February 1 each year. Interest rates vary between 2.0% and 3.5% over the life of the loan. The bonds contain certain redemption provisions that grant the Town the option to redeem the bonds in whole or in \$5,000 increments prior to the maturity date, but not before February 1, 2024, provided advanced notice is given.

\$ 3,100,000

Town of Carrboro, North Carolina
Notes to Financial Statements

Annual debt service requirements to maturity for long-term obligation are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 250,000	\$ 72,500
2021	250,000	67,500
2022	250,000	62,500
2023	250,000	57,500
2024 - 2028	1,250,000	154,125
2029 - 2032	<u>850,000</u>	<u>56,500</u>
	<u>\$ 3,100,000</u>	<u>\$ 470,625</u>

(b) Direct borrowing installment purchase agreements - equipment - General Fund

The Town has direct borrowing installment purchase agreements for the purchase and/or improvement of personal property including vehicles and equipment. The installment purchase notes payable at June 30, 2019, are as follows:

The financing contract requires an annual level payment of \$127,714 due June 27, including interest of 1.40%. The financing institution holds a security interest in all or a portion of the property purchased or improved. Payments are due beginning June 27, 2016, and annually thereafter, with a final payment of all outstanding principal and accrued and unpaid interest due on June 27, 2020.	\$ 106,300
The financing contract requires an annual level payment of \$74,997 due June 30, including interest of 1.72%. The financing institution holds a security interest in all or a portion of the property purchased or improved. Payments are due beginning June 30, 2017, and annually thereafter, with a final payment of all outstanding principal and accrued and unpaid interest due on June 30, 2021.	146,080
The financing contract requires an annual level payment of \$50,735 due June 29, including interest of 2.85%. The financing institution holds a security interest in all or a portion of the property purchased or improved. Payments are due beginning June 29, 2018, and annually thereafter, with a final payment of all outstanding principal and accrued and unpaid interest due on June 29, 2022.	<u>144,135</u>
Total	<u>\$ 396,515</u>

Annual debt service payments of the direct borrowing installment purchases for equipment as of June 30, 2019 are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 225,637	\$ 8,467
2021	121,647	4,085
2022	<u>49,231</u>	<u>1,406</u>
Total	<u>\$ 396,515</u>	<u>\$ 13,958</u>

Town of Carrboro, North Carolina
Notes to Financial Statements

(c) Direct borrowing installment purchase agreement - improvements - General Fund

The Town has direct borrowing installment purchase agreement for improvements. The installment purchase note payable at June 30, 2019, is as follows:

Installment purchase agreement to finance the construction of the fire substation. The financing contract requires semi-annual payments of \$108,333 due July 15 and January 15, plus interest at 4.07%. Payments are due annually beginning July 15, 2009, and annually thereafter, with a final payment of all outstanding principal and accrued and unpaid interest due on July 15, 2024. The financing institution holds a first lien security interest on the property and first priority security interest in any and all fixtures used in connection with the operation of the property.

\$ 1,191,667

Annual debt service payments of the direct borrowing installment purchase for improvements as of June 30, 2019 are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 216,667	\$ 46,296
2021	216,667	37,478
2022	216,667	28,660
2023	216,667	19,841
2024 - 2025	<u>324,999</u>	<u>13,227</u>
Total	<u>\$ 1,191,667</u>	<u>\$ 145,502</u>

(d) Changes in long-term debt obligations

	<u>Balance July 1, 2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2019</u>	<u>Current Portion of Balance</u>
Governmental activities:					
General obligation - bonds	\$ 3,350,000	\$ -	\$ (250,000)	\$ 3,100,000	\$ 250,000
Premium on bond	65,698	-	(4,867)	60,831	4,866
Direct borrowing installment purchases - improvements	1,408,333	-	(216,666)	1,191,667	216,667
Direct borrowing installment purchases - equipment	754,397	-	(357,882)	396,515	225,637
Compensated absences	737,005	633,663	(564,699)	805,969	564,699
Total OPEB liability	19,639,836	-	(165,438)	19,474,398	-
Net pension liability (LGERS)	2,013,788	687,300	-	2,701,088	-
Total pension liability (LEO)	<u>1,517,471</u>	<u>-</u>	<u>(88,872)</u>	<u>1,428,599</u>	<u>-</u>
Total governmental activities	<u>29,486,528</u>	<u>1,320,963</u>	<u>(1,648,424)</u>	<u>29,159,067</u>	<u>1,261,869</u>
Business-type activities:					
Compensated absences	8,122	3,513	(867)	10,768	867
Total OPEB liability	113,525	-	(956)	112,569	-
Net pension liability (LGERS)	<u>9,987</u>	<u>24,235</u>	<u>-</u>	<u>34,222</u>	<u>-</u>
Total business-type activities	<u>131,634</u>	<u>27,748</u>	<u>(1,823)</u>	<u>157,559</u>	<u>867</u>
Total long-term obligations	<u>\$ 29,618,162</u>	<u>\$ 1,348,711</u>	<u>\$ (1,650,247)</u>	<u>\$ 29,316,626</u>	<u>\$ 1,262,736</u>

Town of Carrboro, North Carolina
Notes to Financial Statements

Compensated absences, net pension obligation and other post-employment benefits have typically been liquidated in the General Fund.

The Town's legal debt margin at June 30, 2019 was \$186,449,856.

C. Interfund balances and activity

Transfers to/from other funds

Transfers to/from other funds at June 30, 2019 consist of the following:

From the General Fund to the Capital Projects Fund in the amounts of (1) \$32,000 to support the UNC Conduit project, (2) \$332,382 to purchase police vehicles, (3) \$2,526 to support the police body worn cameras project, (4) \$60,000 to support the LED lights project, (5) \$107,000 to support the Public Works skid steer and additional implements, and (6) \$863,542 to support MLK Park construction various projects.	\$ 1,397,450
From the Capital Projects Fund to the General Fund to transfer unspent funds related to the pavilion ceiling fans project.	60,000
From the Capital Projects Fund to the General Fund in the amounts of (1) \$48,313 to return unspent funds related to the Anderson Park project and (2) \$270,400.	318,713
From the General Fund to the Capital Reserve Fund support future street resurfacing.	250,000
From the Business Loan Fund to the General Fund to close out various projects.	115,471
From the Bond Fund to the General Fund to close out the Morgan Creek project.	1,000
From the Bond Fund to the Capital Projects Fund to support the MLK Park project.	200,000
From the Storm Water Fund to the General Fund to return unspent "start up" funds from fiscal year 2018.	56,475
	<u>\$ 2,399,109</u>

Transfers are used to move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts providing matching funds for various grant programs.

Balances due to/from other funds

Due to the General Fund for cash deficits from the :

Bond Fund	\$ 219,149
Grants Administration Fund	4,632
	<u>\$ 223,781</u>

Town of Carrboro, North Carolina
Notes to Financial Statements

D. Net investment in capital assets

Governmental activities:	
Capital assets	\$ 37,351,059
Less: related debt:	
General obligation bonds	3,100,000
Premium on bond issuance	60,831
Direct borrowing installment purchases - improvements	1,191,667
Direct borrowing installment purchases - equipment	396,515
Add: unexpended debt proceeds	<u>-</u>
Net investment in capital assets	<u>\$ 32,602,046</u>
Business-type activities:	
Capital assets	<u>\$ 288,843</u>
Net investment in capital assets	<u>\$ 288,843</u>

E. Fund balance

The following schedule provides management and citizens with the information on the portion of General Fund balance that is available for appropriation:

Total fund balance - General Fund	\$ 17,704,251
Less:	
Inventories	(31,503)
Prepays	(285,803)
Stabilization by state statute	(2,410,730)
Powell Bill (streets)	(242,259)
Appropriated fund balance in subsequent fiscal year's budget	(1,500,753)
Capital projects	<u>(2,000,000)</u>
Unassigned fund balance	11,233,203
Working capital/fund balance policy	<u>5,529,827</u>
Remaining fund balance	<u>\$ 5,703,376</u>

The Town of Carrboro has adopted a minimum fund balance policy for the General Fund, which instructs management to conduct business of the Town in such a manner that available fund balance is between 22.5% and 35.0% of the General Fund budget.

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year end.

General Fund	<u>\$ 151,193</u>
Capital Projects Fund	<u>\$ 46,453</u>

4. Summary Disclosure of Significant Contingencies

A. Federal and state-assisted programs

The Town has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as to not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

B. Employment security benefits

The Town has elected to pay the direct cost of employment security benefits in lieu of unemployment payroll taxes. A liability for such payments could accrue in the period following the discharge of an employee. The Town made no payments for employment security benefits during the current fiscal year.

C. Claims and contingent liabilities

The Town is at times involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate resolution of these matters will not have a material adverse effect on the Town's financial position or results of operations.

5. Related-Party Transactions

The Town collected occupancy tax proceeds in the amount of \$190,359. Of this amount, 3%, or \$5,711, was withheld as administration fees in the General Fund for the collection of the tax, with the remaining \$184,648 due to the CTDA. Amounts are remitted from the Town to the CTDA on a quarterly basis during the following month after the quarter end; therefore, there exists a payable to the CTDA (component unit) and a receivable from the Town (primary government) for the fourth quarter (April through June) collections to be remitted in the amount of \$54,616.

6. Future Expected Annual Cell Tower Revenue

The Town entered into contractual arrangements with four wireless communication service providers. The lease contracts have staggering maturity dates.

The Town has allowed these providers to have equipment on the Town-owned cell towers and has allowed service provider equipment on the Town's site. The lessee is responsible for keeping in full force and effect a comprehensive general liability insurance policy of at least \$2,000,000 from any one occurrence in respect to bodily injury (including death) and damage to property. The lessee agrees that no part of the equipment, building or improvements constructed, erected or placed by the lessee on the tower or site shall be considered as being affixed or part of the tower or site, and will be removed by the lessee upon termination of the contractual agreement.

Town of Carrboro, North Carolina
Notes to Financial Statements

The expected annual cell tower revenues for which contracts are in place as of June 30, 2019 are as follows:

2020	\$	81,885
2021		84,342
2022		86,872
2023		<u>57,120</u>
	\$	<u>310,219</u>

Required Supplementary Financial Data

This section contains additional information required by generally accepted accounting principles.

- Schedule of Changes in Total Pension Liability for the Law Enforcement Officers' Special Separation Allowance
- Schedule of Total Pension Liability as a Percentage of Covered Payroll for the Law Enforcement Officers' Special Separation Allowance
- Schedule of Changes in the Total OPEB Liability and Related Ratios
- Schedule of the Proportionate Share of the Net Pension Liability (Asset) for the Local Government Employees' Retirement System
- Schedule of Contributions to the Local Government Employees' Retirement System

Town of Carrboro, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Last Three Fiscal Years

Schedule A-1

	2019	2018	2017
Beginning balance	\$ 1,517,471	\$ 1,496,019	\$ 1,548,384
Service cost	54,174	50,529	53,184
Interest on the total pension liability	45,312	54,918	52,965
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	26,014	(15,424)	-
Changes of assumptions and other inputs	(47,288)	77,967	(28,949)
Benefit payments	(167,084)	(146,538)	(129,565)
Other changes	-	-	-
Ending balance of the total pension liability	<u>\$ 1,428,599</u>	<u>\$ 1,517,471</u>	<u>\$ 1,496,019</u>

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending December 31.

Town of Carrboro, North Carolina
Schedule of Total Pension Liability as a Percentage of Covered Payroll
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Last Three Fiscal Years

Schedule A-2

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 1,428,599	\$ 1,517,471	\$ 1,496,019
Covered payroll	2,017,955	2,143,082	2,134,068
Total pension liability as a percentage of covered payroll	70.79%	70.81%	70.10%

Notes to the Schedules:

** The Town of Carrboro has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.*

Town of Carrboro, North Carolina
Schedule of Changes in the Total OPEB Liability and Related Ratios
Required Supplementary Financial Data
Last Two Fiscal Years

Schedule B-1

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service cost	\$ 669,530	\$ 764,631
Interest	697,815	623,406
Changes of benefit terms	-	-
Differences between expected and actual experience	(14,947)	(13,116)
Changes of assumptions or other inputs	(1,212,461)	(2,188,095)
Benefit payments	<u>(306,331)</u>	<u>(287,110)</u>
Net change in total OPEB liability	(166,394)	(1,100,284)
Total OPEB liability, beginning	<u>19,753,361</u>	<u>20,853,645</u>
Total OPEB liability, ending	<u><u>\$ 19,586,967</u></u>	<u><u>\$ 19,753,361</u></u>
Covered-employee payroll	\$ 6,862,156	\$ 6,862,156
Total OPEB liability as a percentage of covered-employee payroll	285.43%	287.86%

Notes to Schedule:

**Changes of assumption and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period.*

<u>Fiscal Year</u>	<u>Rate</u>
2019	3.89%
2018	3.56%

Town of Carrboro, North Carolina
Schedule of the Proportionate Share of the Net Pension Liability (Asset)
Local Government Employees' Retirement System
Required Supplementary Financial Data
Last Six Fiscal Years*

Schedule C-1

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Carrboro's proportion of the net pension liability (asset) (%)	0.1153%	0.1325%	0.1363%	0.1481%	-0.1496%	0.1490%
Carrboro's proportion of the net pension liability (asset) (\$)	\$ 2,735,310	\$ 2,023,775	\$ 2,892,957	\$ 664,576	\$ (882,438)	\$ 1,796,023
Carrboro's covered-employee payroll	7,936,677	8,167,996	7,721,032	7,711,880	7,606,585	7,396,688
Carrboro's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	34.46%	24.78%	37.47%	8.62%	-11.60%	24.28%
Plan fiduciary net position as a percentage of the total pension liability	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

** The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.*

Town of Carrboro, North Carolina
Schedule of Contributions
Local Government Employees' Retirement System
Required Supplementary Financial Data
Last Six Fiscal Years

Schedule C-2

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 682,598	\$ 609,535	\$ 607,662	\$ 526,105	\$ 551,682	\$ 538,976
Contributions in relation to the contractually required contribution	<u>682,598</u>	<u>609,535</u>	<u>607,662</u>	<u>526,105</u>	<u>551,682</u>	<u>538,976</u>
Contribution deficiency employee (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Carrboro's covered payroll	\$ 8,591,744	\$ 7,936,677	\$ 8,167,996	\$ 7,721,032	\$ 7,711,880	\$ 7,606,585
Contributions as a percentage of covered-employee payroll	7.94%	7.68%	7.44%	6.81%	7.15%	7.15%

Supplementary Information

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Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
Year Ended June 30, 2019

Schedule 1
(5 Pages)

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Ad valorem taxes:			
Taxes	\$ 11,917,569	\$ 13,081,430	\$ 1,163,861
Penalties and interest	28,086	32,091	4,005
Total	<u>11,945,655</u>	<u>13,113,521</u>	<u>1,167,866</u>
Local option sales taxes:			
Article 39, 1%	1,503,483	1,647,929	144,446
Article 40, ½%	1,063,289	1,154,298	91,009
Article 42, ½%	752,998	824,500	71,502
Article 44, ½%	26,570	28,922	2,352
City hold harmless	1,129,640	1,225,031	95,391
Total	<u>4,475,980</u>	<u>4,880,680</u>	<u>404,700</u>
Other taxes and licenses:			
Room occupancy tax	177,316	190,359	13,043
Motor vehicle license fees, net of refunds and collection fees	1,425,906	1,439,289	13,383
Beer and wine licenses	1,535	1,192	(343)
Total	<u>1,604,757</u>	<u>1,630,840</u>	<u>26,083</u>
Unrestricted intergovernmental:			
NC DOT reimbursement	1,516	-	(1,516)
Utility franchise tax	933,174	1,043,665	110,491
Piped natural gas tax	42,508	50,842	8,334
Video sales programming tax	55,088	58,413	3,325
Telecommunications sales tax	211,392	176,680	(34,712)
Direct-to-home satellite sales tax	72,432	60,002	(12,430)
EMS location	12,000	12,000	-
Beer and wine tax	93,979	90,426	(3,553)
Total	<u>1,422,089</u>	<u>1,492,028</u>	<u>69,939</u>
Restricted intergovernmental:			
Powell Bill	482,495	484,000	1,505
Solid waste disposal tax distribution	13,947	15,549	1,602
Planning work grant	25,970	18,275	(7,695)
NC risk management agency grant	-	100,159	100,159
Orange County Arts Commission grant	1,515	-	(1,515)
ABC Board grant	19,000	18,650	(350)
Supplemental PEG channel support	55,724	54,055	(1,669)
U.S. Department of Justice block grant	1,180	-	(1,180)
Recreation municipal supplement	36,160	35,898	(262)
Fire restricted revenue	48,000	48,000	-
Total	<u>683,991</u>	<u>774,586</u>	<u>90,595</u>

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
Year Ended June 30, 2019

Schedule 1
(5 Pages)

	Final Budget	Actual	Variance Positive (Negative)
Fees and permits:			
Fire district fees	\$ 540,877	\$ 567,376	\$ 26,499
Fire permitting fees	1,121	4,486	3,365
Building permits	55,463	66,886	11,423
Electrical permits	59,923	62,205	2,282
Mechanical permits	61,000	70,730	9,730
Plumbing permits	36,832	39,243	2,411
Refuse collection fees	71,560	56,561	(14,999)
Development review	31,024	32,393	1,369
Engineering fees	18,168	7,479	(10,689)
Technical review	8,383	48,205	39,822
Tower fees	131,517	133,986	2,469
Parking and animal violations	10,308	10,168	(140)
School resource officer contract fees	139,037	153,839	14,802
Miscellaneous fees	27,872	20,405	(7,467)
Total	<u>1,193,085</u>	<u>1,273,962</u>	<u>80,877</u>
Sales and services:			
Recreation fees	184,296	182,644	(1,652)
Town Center fees	98,898	67,506	(31,392)
Miscellaneous	2,327	2,873	546
Total	<u>285,521</u>	<u>253,023</u>	<u>(32,498)</u>
Investment earnings:			
Interest on investments	<u>51,812</u>	<u>202,849</u>	<u>151,037</u>
Other revenues:			
Rental income	3,771	3,870	99
Donations	48,743	50,571	1,828
Miscellaneous	112,127	223,254	111,127
Total	<u>164,641</u>	<u>277,695</u>	<u>113,054</u>
Total revenues	<u>21,827,531</u>	<u>23,899,184</u>	<u>2,071,653</u>
Expenditures			
General government:			
Mayor and Board of Aldermen:			
Personnel services	113,517	113,517	-
Operations	243,424	244,204	(780)
Total	<u>356,941</u>	<u>357,721</u>	<u>(780)</u>

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
Year Ended June 30, 2019

Schedule 1
(5 Pages)

	Final Budget	Actual	Variance Positive (Negative)
Advisory boards:			
Operations	\$ 26,100	\$ 13,962	\$ 12,138
Total	26,100	13,962	12,138
Governance support:			
Operations	777,239	735,178	42,061
Total	777,239	735,178	42,061
Town Manager:			
Personnel services	446,851	446,850	1
Operations	57,484	47,656	9,828
Capital outlay	8,323	8,217	106
Total	512,658	502,723	9,935
Economic and community development:			
Personnel services	141,083	141,082	1
Operations	151,494	141,332	10,162
Total	292,577	282,414	10,163
Town Clerk:			
Personnel services	131,103	124,840	6,263
Operations	38,950	37,395	1,555
Total	170,053	162,235	7,818
Management services:			
Personnel services	602,764	602,764	-
Operations	614,177	596,766	17,411
Total	1,216,941	1,199,530	17,411
Human Resources:			
Personnel services	485,562	477,186	8,376
Operations	99,900	99,011	889
Total	585,462	576,197	9,265
Information technology:			
Personnel services	317,216	317,215	1
Operations	1,298,083	1,230,296	67,787
Capital outlay	39,500	36,749	2,751
Total	1,654,799	1,584,260	70,539
Total general government	5,592,770	5,414,220	178,550

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
Year Ended June 30, 2019

Schedule 1
(5 Pages)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Public safety:			
Police department			
Personnel services	\$ 3,318,393	\$ 3,233,329	\$ 85,064
Operations	559,018	429,912	129,106
Total	<u>3,877,411</u>	<u>3,663,241</u>	<u>214,170</u>
Fire department:			
Personnel services	2,845,508	2,760,819	84,689
Operations	273,080	225,289	47,791
Capital outlay	78,034	75,580	2,454
Total	<u>3,196,622</u>	<u>3,061,688</u>	<u>134,934</u>
Total public safety	<u>7,074,033</u>	<u>6,724,929</u>	<u>349,104</u>
Planning:			
Personnel services	1,206,147	1,153,442	52,705
Operations	399,876	177,999	221,877
Total planning	<u>1,606,023</u>	<u>1,331,441</u>	<u>274,582</u>
Transportation:			
Operations	2,105,189	1,808,940	296,249
Capital outlay	83,600	-	83,600
Total transportation	<u>2,188,789</u>	<u>1,808,940</u>	<u>379,849</u>
Public works:			
Public works department:			
Personnel services	2,130,444	2,093,702	36,742
Operations	1,653,734	1,656,332	(2,598)
Capital outlay	75,867	73,791	2,076
Total public works	<u>3,860,045</u>	<u>3,823,825</u>	<u>36,220</u>
Parks and recreation:			
Recreation department:			
Personnel services	1,220,683	1,215,214	5,469
Operations	494,810	386,883	107,927
Capital outlay	6,000	5,027	973
Total parks and recreation	<u>1,721,493</u>	<u>1,607,124</u>	<u>114,369</u>

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
Year Ended June 30, 2019

Schedule 1
(5 Pages)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
General services:			
Operations	\$ 433,804	\$ -	\$ 433,804
Total general services	<u>433,804</u>	<u>-</u>	<u>433,804</u>
Debt service:			
Principal retirement	966,306	824,548	141,758
Interest and fees	<u>127,979</u>	<u>126,621</u>	<u>1,358</u>
Total debt service	<u>1,094,285</u>	<u>951,169</u>	<u>143,116</u>
Total expenditures	<u>23,571,242</u>	<u>21,661,648</u>	<u>1,909,594</u>
Revenues over (under) expenditures	<u>(1,743,711)</u>	<u>2,237,536</u>	<u>3,981,247</u>
Other financing sources (uses):			
Transfers from other funds:			
From Capital Projects Fund	313,277	318,713	5,436
From Business Loan Fund	115,471	115,471	-
From Bond Fund	1,000	1,000	-
From Stormwater Fund	56,475	56,475	-
Transfers to other funds:			
To Capital Projects Fund	(1,337,450)	(1,337,450)	-
To Capital Reserve Fund	(250,000)	(250,000)	-
Sale of capital assets	<u>82,000</u>	<u>27,413</u>	<u>(54,587)</u>
Total other financing sources (uses)	<u>(1,019,227)</u>	<u>(1,068,378)</u>	<u>(49,151)</u>
Revenues and other financing sources over (under) expenditures and other financing sources (uses)	<u>(2,762,938)</u>	<u>1,169,158</u>	<u>3,932,096</u>
Appropriated fund balance	<u>2,762,938</u>	<u>-</u>	<u>(2,762,938)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,169,158</u>	<u>\$ 1,169,158</u>
Fund balance, beginning of year		<u>16,535,093</u>	
Fund balance, end of year		<u>\$ 17,704,251</u>	

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Project Authorization and Actual
Revolving Loan Fund
From Project Inception and for the Year Ended June 30, 2019

Schedule 2
(2 pages)

	Project Authorization	Prior Years	Actual Current Year	Closed Loans	Total to Date	Variance Positive (Negative)
Revenues						
Investment earnings:						
Interest on						
investments	\$ 237,385	\$ 232,018	\$ 5,368	\$ -	\$ 237,386	\$ 1
Interest repayments	596,984	595,318	1,666	-	596,984	-
Total investment earnings	834,369	827,336	7,034	-	834,370	1
Revolving loan repayments:						
Alphabet Soup	48,000	40,851	3,355	-	44,206	(3,794)
Bryan's Guitar	90,000	39,387	-	-	39,387	(50,613)
Art in a Pickle	105,000	71,628	33,372	-	105,000	-
Carrboro Coworking	90,000	73,428	1,411	-	74,839	(15,161)
The Carrboro Citizen	50,000	50,000	-	-	50,000	-
Total revolving loan payments	383,000	275,294	38,138	-	313,432	(69,568)
Total revenues	1,217,369	1,102,630	45,172	-	1,147,802	(69,567)
Expenditures						
General government:						
Contractual services	16,679	11,433	-	-	11,433	5,246
Miscellaneous	10,000	6,021	-	-	6,021	3,979
Total general government	26,679	17,454	-	-	17,454	9,225
Economic and physical development:						
Alphabet Soup	48,000	48,000	-	-	48,000	-
Bryan's Guitar	90,000	90,000	-	-	90,000	-
Art in a Pickle	105,000	105,000	-	-	105,000	-
Carrboro Coworking	90,000	90,000	-	-	90,000	-
The Carrboro Citizen	50,000	50,000	-	-	50,000	-
Bad debts	70,000	70,000	-	-	70,000	-
Total economic and physical development	453,000	453,000	-	-	453,000	-
Total expenditures	479,679	470,454	-	-	470,454	9,225
Revenues over expenditures	737,690	632,176	45,172	-	677,348	(60,342)

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Project Authorization and Actual
Revolving Loan Fund
From Project Inception and for the Year Ended June 30, 2019

Schedule 2
(2 pages)

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual</u> <u>Current</u> <u>Year</u>	<u>Closed</u> <u>Loans</u>	<u>Total</u> <u>to Date</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>
Other financing sources (uses)						
Transfer from General Fund	\$ -	\$ 80,000	\$ -	\$ -	\$ 80,000	\$ 80,000
Transfer to Energy Efficiency Fund	(45,000)	(45,000)	-	-	(45,000)	-
Transfer to General Fund	<u>(139,000)</u>	<u>(139,000)</u>	<u>-</u>	<u>-</u>	<u>(139,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(184,000)</u>	<u>(104,000)</u>	<u>-</u>	<u>-</u>	<u>(104,000)</u>	<u>80,000</u>
Revenues and other financing sources over expenditures and other financing uses	553,690	528,176	45,172	-	573,348	19,658
Appropriated to fund balance	<u>(553,690)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>553,690</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 528,176</u>	<u>45,172</u>	<u>\$ -</u>	<u>\$ 573,348</u>	<u>\$ 573,348</u>
Fund balance, beginning of year			<u>528,176</u>			
Fund balance, end of year			<u>\$ 573,348</u>			

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Project Authorization and Actual
Bond Fund
From Project Inception and for the Year Ended June 30, 2019

Schedule 3
(2 pages)

	Project Authorization	Prior Years	Actual Current Year	Closed Out Projects	Total to Date	Variance Positive (Negative)
Revenues						
General revenues:						
Federal STP-DA funds	\$ 2,989,752	\$ 791,954	\$ 1,116,490	\$ (244,243)	\$ 1,664,201	\$ (1,325,551)
Federal STBGP-DA funds	277,386	-	-	-	-	(277,386)
Federal TAP-DA funds	730,000	-	-	-	-	(730,000)
CMAQ funds	440,000	-	-	-	-	(440,000)
Orange County Transit funds	752,177	-	-	-	-	(752,177)
Safe Routes to School Grant	-	293,641	-	(293,641)	-	-
NCDENR Grant	-	75,000	-	(75,000)	-	-
Bolin Creek Co-Housing	-	88,644	-	(88,644)	-	-
Payment in lieu	48,046	-	-	-	-	(48,046)
Donations	-	2,100	-	(2,100)	-	-
Interest on investments	85,845	150,438	21,080	(85,674)	85,844	(1)
Miscellaneous	-	7,863	-	(7,863)	-	-
Total revenues	<u>5,323,206</u>	<u>1,409,640</u>	<u>1,137,570</u>	<u>(797,165)</u>	<u>1,750,045</u>	<u>(3,573,161)</u>
Expenditures						
Capital outlay:						
General expenditures (non-project)	353,933	145,739	-	-	145,739	208,194
Morgan Creek Greenway	1,567,500	358,359	63,450	-	421,809	1,145,691
Bolin Creek Greenway	1,521,770	1,054,759	256,692	-	1,311,451	210,319
Phase 1B Bond Sidewalks	-	1,210,784	-	(1,210,784)	-	-
Davie Street Sidewalk	316,018	316,018	-	-	316,018	-
Rogers Road Sidewalk	1,471,658	257,350	1,117,415	-	1,374,765	96,893
Jones Creek Greenway	420,000	1,301	53,697	-	54,998	365,002
S. Greensboro Street Sidewalk	1,750,119	43,152	684	-	43,836	1,706,283
Remaining projects	-	2,103,360	-	(2,103,360)	-	-
Total capital outlay	<u>7,400,998</u>	<u>5,490,822</u>	<u>1,491,938</u>	<u>(3,314,144)</u>	<u>3,668,616</u>	<u>3,732,382</u>
Debt service:						
Bond issuance costs	33,860	33,860	-	-	33,860	-
Interest and other charges	19,353	19,353	-	-	19,353	-
Total debt service	<u>53,213</u>	<u>53,213</u>	<u>-</u>	<u>-</u>	<u>53,213</u>	<u>-</u>
Total expenditures	<u>7,454,211</u>	<u>5,544,035</u>	<u>1,491,938</u>	<u>(3,314,144)</u>	<u>3,721,829</u>	<u>3,732,382</u>
Revenues under expenditures	<u>(2,131,005)</u>	<u>(4,134,395)</u>	<u>(354,368)</u>	<u>2,516,979</u>	<u>(1,971,784)</u>	<u>159,221</u>

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Project Authorization and Actual
Bond Fund
From Project Inception and for the Year Ended June 30, 2019

Schedule 3
(2 pages)

	Project Authorization	Prior Years	Actual Current Year	Closed Out Projects	Total to Date	Variance Positive (Negative)
Other financing sources (uses)						
Transfers from (to) other funds:						
From General Fund	\$ 1,000	\$ 12,700	\$ -	\$ (11,700)	\$ 1,000	\$ -
From Capital Reserve Fund	143,823	143,823	-	-	143,823	-
To General Fund	(1,000)	-	(1,000)	-	(1,000)	-
To Capital Projects Fund	(200,000)	-	(200,000)	-	(200,000)	-
General obligation bonds issued	2,094,721	4,600,000	-	(2,505,279)	2,094,721	-
Premium on bond issuance	92,461	92,461	-	-	92,461	-
Total other financing sources	2,131,005	4,848,984	(201,000)	(2,516,979)	2,131,005	-
Net change in fund balance	\$ -	\$ 714,589	(555,368)	\$ -	\$ 159,221	\$ 159,221
Fund balance, beginning of year			714,589			
Fund balance, end of year			\$ 159,221			

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Project Authorizaton and Actual
Capital Projects Fund
From Project Inception and for the Year Ended June 30, 2019

Schedule 4
(2 pages)

	Project Authorization	Prior Years	Actual Current Year	Closed Out Projects	Total to Date	Variance Positive (Negative)
Revenues						
General revenues:						
Federal STP-DA funds	\$ 30,000	\$ 14,820	\$ -	\$ -	\$ 14,820	\$ (15,180)
Interest on investments	58,406	32,714	25,692	-	58,406	-
Orange County contribution	6,098,500	-	918,084	-	918,084	(5,180,416)
US DOJ grant	38,318	-	38,318	-	38,318	-
Donations and other	52,135	20,135	32,000	-	52,135	-
Miscellaneous	-	5,439	-	-	5,439	5,439
Total revenues	6,277,359	73,108	1,014,094	-	1,087,202	(5,190,157)
Expenditures						
Capital outlay:						
General (non-project)	36,171	-	-	-	-	36,171
Fire Substation #2 project	3,398,457	3,398,457	-	-	3,398,457	-
Fire Substation #2 fiber optics	-	283,156	-	(283,156)	-	-
Public Works facility	-	756,486	-	(756,486)	-	-
Rogers Road conduit	155,000	-	-	-	-	155,000
S. Greensboro Street	15,699,895	644,503	458,705	-	1,103,208	14,596,687
Fleet Feet office condo	-	567,966	-	(567,966)	-	-
Anderson Park bathroom renovation	-	248,286	-	(248,286)	-	-
Anderson Park MP field renovation	-	181,400	-	(181,400)	-	-
Anderson Park field lighting	-	140,000	-	(140,000)	-	-
Wilson Park tennis court	-	125,322	-	(125,322)	-	-
Town Commons improvements	1,223,417	1,029,388	194,029	-	1,223,417	-
MLK park design	2,761,196	186,940	1,003,186	-	1,190,126	1,571,070
Police body worn cameras	131,843	66,318	65,525	-	131,843	-
Public safety radio upgrades	925,680	923,736	1,944	-	925,680	-
Planning permmtting software	230,000	129,755	53,291	-	183,046	46,954
Anderson Park pavilion	-	142,261	-	(142,261)	-	-
Anderson Park bleachers and fence	-	46,687	-	(46,687)	-	-
Century Center HVAC	-	149,698	-	(149,698)	-	-
Shetley Property	-	139,563	-	(139,563)	-	-
2019 Vehicles	298,483	-	298,483	-	298,483	-
2019 Equipment	101,318	-	101,318	-	101,318	-
Other	312,991	73,525	195,887	-	269,412	43,579
Total capital outlay	25,274,451	9,233,447	2,372,368	(2,780,825)	8,824,990	16,449,461

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Project Authorizaton and Actual
Capital Projects Fund
From Project Inception and for the Year Ended June 30, 2019

Schedule 4
(2 pages)

	Project Authorization	Prior Years	Actual Current Year	Closed Out Projects	Total to Date	Variance Positive (Negative)
Debt service:						
Principal retirement	\$ 1,467,188	\$ 1,467,188	\$ -	\$ -	\$ 1,467,188	\$ -
Interest and other charges	32,175	32,175	-	-	32,175	-
Total debt service	1,499,363	1,499,363	-	-	1,499,363	-
Total expenditures	26,773,814	10,732,810	2,372,368	(2,780,825)	10,324,353	16,449,461
Revenues under expenditures	(20,496,455)	(10,659,702)	(1,358,274)	2,780,825	(9,237,151)	11,259,304
Other financing sources (uses)						
Transfers from (to) other funds:						
From General Fund	8,252,804	8,940,691	1,337,450	(1,865,337)	8,412,804	160,000
From Capital Reserve Fund	62,969	141,969	-	(79,000)	62,969	-
From Bond Fund	200,000	-	200,000	-	200,000	-
To General Fund	(333,276)	(20,000)	(318,713)	-	(338,713)	(5,437)
To Capital Reserve Fund	(26,555)	(26,555)	-	-	(26,555)	-
Installment purchase obligations issued	12,340,513	4,017,000	-	(836,488)	3,180,512	(9,160,001)
Total other financing sources (uses)	20,496,455	13,053,105	1,218,737	(2,780,825)	11,491,017	(9,005,438)
Net change in fund balance	\$ -	\$ 2,393,403	(139,537)	\$ -	\$ 2,253,866	\$ 2,253,866
Fund balance, beginning of year			2,393,403			
Fund balance, end of year			2,253,866			
Amounts reported for Revenue, Expenditures and changes in Fund Balance are different for the Budgeted/Actual Statement due to consolidation of the Capital Reserve Fund and the Payment in Lieu Reserve Fund:						
Transfers in - Capital Reserve Fund			250,000			
Interest on investments - Capital Reserve Fund			2,084			
Interest on investments - Payment in Lieu Reserve Fund			1,590			
Fund balance, beginning (Capital Reserve Fund)			167,373			
Fund balance, beginning (Payment in Lieu Reserve Fund)			149,780			
Fund balance, ending (Consolidated Capital Projects Fund)			<u>\$ 2,824,693</u>			

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Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Capital Reserve Fund
Year Ended June 30, 2019

Schedule 5

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest on investments	\$ -	\$ 2,084	\$ 2,084
Other financing sources			
Transfer from General Fund	\$ 250,000	\$ 250,000	\$ -
Transfer to Capital Projects Fund	(250,000)	-	250,000
Total other financing sources (uses)	-	250,000	250,000
Net change in fund balance	<u>\$ -</u>	<u>252,084</u>	<u>\$ 252,084</u>
Fund balance, beginning of year		<u>167,373</u>	
Fund balance, end of year		<u>\$ 419,457</u>	

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Payment in Lieu Reserve Fund
Year Ended June 30, 2019

Schedule 5

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest on investments	\$ -	\$ 1,590	\$ 1,590
Net change in fund balance	<u>\$ -</u>	1,590	<u>\$ 1,590</u>
Fund balance, beginning of year		<u>149,780</u>	
Fund balance, end of year		<u>\$ 151,370</u>	

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Project Authorization and Actual
Grants Administration Fund
From Project Inception and for the Year Ended June 30, 2019

Schedule 6

	Project Authorization	Prior Years	Actual			Total to Date	Variance Positive (Negative)
			Current Year	Closed-Out Projects			
Revenues							
U.S. Department of Homeland Security: FEMA hazard mitigation grant	\$ 823,249	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (823,249)
N.C. Department of Public Safety: Hazard mitigation grant	185,619	-	-	-	-	-	(185,619)
N.C. Department of Transportation: Bicycle transportation grant	49,000	-	20,166	-	20,166		(28,834)
Duke Energy charging stations grant	9,082	9,082	-	-	9,082		-
Investment earnings	20	20	-	-	20		-
Miscellaneous	-	-	20,321	-	20,321		20,321
Total revenues	<u>1,066,970</u>	<u>9,102</u>	<u>40,487</u>	<u>-</u>	<u>49,589</u>		<u>(1,017,381)</u>
Expenditures							
Flooding mitigation	1,008,868	927	22,596	-	23,523		985,345
Charging stations	9,082	9,082	-	-	9,082		-
Bicycle transportation plan	<u>70,000</u>	<u>-</u>	<u>38,801</u>	<u>-</u>	<u>38,801</u>		<u>31,199</u>
Total expenditures	<u>1,087,950</u>	<u>10,009</u>	<u>61,397</u>	<u>-</u>	<u>71,406</u>		<u>1,016,544</u>
Revenue under expenditures	<u>(20,980)</u>	<u>(907)</u>	<u>(20,910)</u>	<u>-</u>	<u>(21,817)</u>		<u>(837)</u>
Other financing sources							
Transfer from the General Fund	<u>20,980</u>	<u>21,000</u>	<u>-</u>	<u>-</u>	<u>21,000</u>		<u>20</u>
Total other financing sources	<u>20,980</u>	<u>21,000</u>	<u>-</u>	<u>-</u>	<u>21,000</u>		<u>20</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 20,093</u>	<u>(20,910)</u>	<u>\$ -</u>	<u>\$ (817)</u>		<u>\$ (817)</u>
Fund balance, beginning of year			<u>20,093</u>				
Fund balance, end of year			<u>\$ (817)</u>				

Town of Carrboro, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
Year Ended June 30, 2019

Schedule 7

	Affordable Housing Fund	Energy Efficiency Revolving Loan Fund	Business Loan Fund	Total Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 263,601	\$ 108,717	\$ -	\$ 372,318
Notes receivable	<u>2,382</u>	<u>36,428</u>	<u>-</u>	<u>38,810</u>
Total assets	<u><u>\$ 265,983</u></u>	<u><u>\$ 145,145</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 411,128</u></u>
Liabilities				
Accounts payable	<u>\$ 18,509</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,509</u>
Deferred inflows of resources	<u>2,382</u>	<u>36,428</u>	<u>-</u>	<u>38,810</u>
Fund balances				
Restricted:				
Stabilization by state statute	25,522	-	-	25,522
Committed:				
Affordable housing	219,570	-	-	219,570
Energy efficiency	<u>-</u>	<u>108,717</u>	<u>-</u>	<u>108,717</u>
Total fund balances	<u>245,092</u>	<u>108,717</u>	<u>-</u>	<u>353,809</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 265,983</u></u>	<u><u>\$ 145,145</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 411,128</u></u>

Town of Carrboro, North Carolina
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended June 30, 2019

Schedule 8

	Affordable Housing Fund	Energy Efficiency Revolving Loan Fund	Business Loan Fund	Total Nonmajor Governmental Funds
Revenues				
Loan repayments	\$ -	\$ 10,320	\$ -	\$ 10,320
Interest repayments	-	1,283	-	1,283
Ad valorem taxes	110,071	-	-	110,071
Interest on investments	3,553	1,424	-	4,977
Total revenues	113,624	13,027	-	126,651
Expenditures				
Economic and physical development	630,931	-	-	630,931
Total expenditures	630,931	-	-	630,931
Revenues over (under) expenditures	(517,307)	13,027	-	(504,280)
Other financing uses				
Transfer to General Fund	-	-	(115,471)	(115,471)
Total other financing uses	-	-	(115,471)	(115,471)
Net change in fund balance	(517,307)	13,027	(115,471)	(619,751)
Fund balance, beginning of year	762,399	95,690	115,471	973,560
Fund balance, end of year	<u>\$ 245,092</u>	<u>\$ 108,717</u>	<u>\$ -</u>	<u>\$ 353,809</u>

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Project Authorization and Actual
Affordable Housing Fund
From Project Inception and for the Year Ended June 30, 2019

Schedule 9

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Payment in lieu	\$ 96,501	\$ 96,501	\$ -	\$ 96,501	\$ -
Donations	10,355	10,355	-	10,355	-
Loan repayments	16,733	16,733	-	16,733	-
Property taxes	112,501	-	110,071	110,071	(2,430)
Interest on investments	420	420	3,553	3,973	3,553
Total revenues	236,510	124,009	113,624	237,633	1,123
Expenditures					
Deferred loan expense	65,213	45,213	-	45,213	20,000
Critical home repairs	46,757	-	46,757	46,757	-
Contributions for acquisitions	35,000	-	-	-	35,000
Rental deposits	9,116	-	5,115	5,115	4,001
Emergency home repairs grant	224,415	93,012	-	93,012	131,403
Human services grants	123,650	94,700	24,500	119,200	4,450
Community home trust	324,077	213,599	110,428	324,027	50
Home consortium match	44,756	19,496	13,545	33,041	11,715
Partnership to end homelessness	72,089	46,361	23,378	69,739	2,350
Northside Neighborhood Initiative	30,000	-	30,000	30,000	-
CASA	357,208	-	357,208	357,208	-
Center for community self-help	75,000	20,000	20,000	40,000	35,000
Total expenditures	1,407,281	532,381	630,931	1,163,312	243,969
Revenues under expenditures	(1,170,771)	(408,372)	(517,307)	(925,679)	245,092
Other financing sources					
Transfer from General Fund	1,160,771	1,160,771	-	1,160,771	-
Transfer from Business Loan Fund	10,000	10,000	-	10,000	-
Total other financing sources	1,170,771	1,170,771	-	1,170,771	-
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 762,399	(517,307)	\$ 245,092	\$ 245,092
Fund balance, beginning of year			762,399		
Fund balance, end of year			\$ 245,092		

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Project Authorization and Actual
Energy Efficiency Revolving Loan Fund
From Project Inception and for the Year Ended June 30, 2019

Schedule 10

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Interest repayments	\$ -	\$ 14,310	\$ 1,283	\$ 15,593	\$ 15,593
Interest on investments	-	-	1,424	1,424	1,424
Revolving loan repayments:					
The Arts Center	28,128	13,067	2,847	15,914	(12,214)
Dispute Settlement Center	35,000	21,981	3,351	25,332	(9,668)
LB Bradley Properties	7,000	4,800	753	5,553	(1,447)
Sophie Piesse Architect	7,000	4,084	734	4,818	(2,182)
Surplus Sid's	30,000	16,448	2,635	19,083	(10,917)
Total revolving loan payments	107,128	60,380	10,320	70,700	(36,428)
Total revenues	107,128	74,690	13,027	87,717	(19,411)
Expenditures					
Economic and physical development:					
The Arts Center	28,128	28,128	-	28,128	-
Dispute Settlement Center	35,000	35,000	-	35,000	-
LB Bradley Properties	7,000	7,000	-	7,000	-
Sophie Piesse Architect	7,000	7,000	-	7,000	-
Surplus Sid's	30,000	30,000	-	30,000	-
Total expenditures	107,128	107,128	-	107,128	-
Revenues over (under) expenditures	-	(32,438)	13,027	(19,411)	(19,411)
Other financing sources					
Transfer from Grant Fund	83,128	83,128	-	83,128	-
Transfer from Revolving Loan Fund	45,000	45,000	-	45,000	-
Total other financing sources	128,128	128,128	-	128,128	-
Fund balance appropriated	(128,128)	-	-	-	128,128
Net change in fund balance	\$ -	\$ 95,690	\$ 13,027	\$ 108,717	\$ 108,717
Fund balance, beginning of year			95,690		
Fund balance, end of year			\$ 108,717		

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Project Authorization and Actual
Business Loan Fund
From Project Inception and for the Year Ended June 30, 2019

Schedule 11

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Interest repayments	\$ 471	\$ 472	\$ -	\$ 472	\$ 1
Revolving loan repayments:					
Surplus Sid's	12,000	11,999	-	11,999	(1)
Total revenues	12,471	12,471	-	12,471	-
Expenditures					
Economic and physical development:					
Surplus Sid's	12,000	12,000	-	12,000	-
Revenues (under) expenditures	471	471	-	471	-
Other financing sources (uses)					
Transfer from General Fund	125,000	125,000	-	125,000	-
Transfer to General Fund	(115,471)	-	(115,471)	(115,471)	-
Transfer to Affordable Housing	(10,000)	(10,000)	-	(10,000)	-
Total other financing sources (uses)	(471)	115,000	(115,471)	(471)	-
Revenues and other financing sources over (under) expenditures and other financing uses	-	115,471	(115,471)	-	-
Fund balance appropriated	-	-	-	-	-
Net change in fund balance	\$ -	\$ 115,471	(115,471)	\$ -	\$ -
Fund balance, beginning of year			115,471		
Fund balance, end of year			\$ -		

Town of Carrboro, North Carolina
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP)
Stormwater Enterprise Fund
Year Ended June 30, 2019

Schedule 12

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for services	\$ 900,000	\$ 778,157	\$ 121,843
Investment earnings	-	5,673	(5,673)
Total expenditures	900,000	783,830	116,170
Expenditures			
Personnel services	182,555	182,545	10
Operations	121,664	65,924	55,740
Capital outlay	297,993	297,993	-
Total expenditures	602,212	546,462	55,750
Revenues under expenditures	297,788	237,368	(60,420)
Other financing uses			
Transfers to:			
General Fund	(56,475)	(56,475)	-
Unexpended reserves	(148,693)	-	148,693
Total other financing uses	(205,168)	(56,475)	148,693
Revenues and other financing sources over expenditures	92,620	180,893	88,273
Appropriated fund balance	(92,620)	-	92,620
Revenues, other financing sources and appropriated fund balance over expenditures	\$ -	\$ 180,893	\$ 180,893
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Capital outlay		\$ 297,993	
Depreciation		(9,150)	
Increase in accrued vacation pay		(2,646)	
Deferred outflows of resources for contributions made to pension plan in current fiscal year		8,540	
Pension expense		(13,957)	
OPEB expense		(3,481)	
Total reconciling items		277,299	
Change in net position		\$ 458,192	

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Additional Financial Data

This section contains additional information on property taxes.

- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy

Town of Carrboro, North Carolina
Schedule of Ad Valorem Taxes Receivable
June 30, 2019

Schedule 13

Fiscal Year	Uncollected Balance June 30, 2018	Additions	Collections and Credits	Uncollected Balance June 30, 2019
2018 - 2019	\$ -	\$ 14,670,122	\$ 14,587,583	\$ 82,539
2017 - 2018	101,211	-	61,895	39,316
2016 - 2017	44,995	-	14,185	30,810
2015 - 2016	28,360	-	7,217	21,143
2014 - 2015	20,233	-	5,451	14,782
2013 - 2014	28,638	-	5,543	23,095
2012 - 2013	41,019	-	11,721	29,298
2011 - 2012	26,460	-	4,742	21,718
2010 - 2011	23,843	-	406	23,437
2009 - 2010	19,773	-	17	19,756
2008 - 2009	18,091	-	18,091	-
	<u>\$ 352,623</u>	<u>\$ 14,670,122</u>	<u>\$ 14,716,851</u>	<u>305,894</u>
Less: allowance for uncollectible accounts:				
General Fund				<u>(86,708)</u>
Ad valorem taxes receivable - net				<u>\$ 219,186</u>
Reconciliation with revenues:				
Ad valorem taxes - General Fund				\$ 13,113,521
Ad valorem taxes - Affordable Housing Fund				110,071
Motor vehicle license fees - General Fund				<u>1,439,289</u>
Total revenues				14,662,881
Reconciling items:				
Releases and adjustments				35,879
Amounts written off for tax year 2008-2009 per statute of limitations				<u>18,091</u>
				<u>\$ 14,716,851</u>

Town of Carrboro, North Carolina
Analysis of Current Tax Levy - Town-Wide Levy
Year Ended June 30, 2019

Schedule 14

	Town-Wide			Total Levy	
	Property Valuation**	Rate	Total Levy*	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 2,389,985,868	0.5944	\$ 14,206,076	\$ 13,154,572	\$ 1,051,504
Penalties and interest			8,316	8,316	-
Total property valuation	<u>\$ 2,389,985,868</u>		14,214,392	13,162,888	1,051,504
Vehicle tag fees			455,730	-	455,730
Total gross levy			14,670,122	13,162,888	1,507,234
Uncollected taxes at June 30, 2018			82,539	77,664	4,875
Current year's taxes collected			<u>\$ 14,587,583</u>	<u>\$ 13,085,224</u>	<u>\$ 1,502,359</u>
Current levy collection percentage			<u>99.44%</u>	<u>99.41%</u>	<u>99.68%</u>

* Total adjusted levy includes discoveries and abatements.

** Property tax valuation prior to the discoveries and abatements.

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Statistical Section

Statistical Section

This part of the Town of Carrboro's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Page

Financial Trends Information

These schedules contain trend information intended to help the reader understand how the City's financial position has changed over time.

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Revenue Capacity Information

These schedules contain information to help the reader assess the Town's most significant local revenue sources, primarily property taxes.

111

Debt Capacity Information

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

119

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

126

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

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Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.*

Financial Trends Information

Town of Carrboro
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 1
(2 pages)

	2010	2011	2012	2013	2014
Governmental activities:					
Net investment in capital assets	\$ 23,811,827	\$ 22,800,027	\$ 24,803,167	\$ 25,869,273	\$ 28,835,361
Restricted	-	2,625,784	1,877,720	1,902,041	1,918,028
Unrestricted	12,296,387	10,977,854	10,311,263	9,735,451	7,090,901
Total governmental activities net position	<u>\$ 36,108,214</u>	<u>\$ 36,403,665</u>	<u>\$ 36,992,150</u>	<u>\$ 37,506,765</u>	<u>\$ 37,844,290</u>
Business-type activities:					
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Unrestricted	-	-	-	-	-
Total business-type activities net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary Government:					
Net investment in capital assets	\$ 23,811,827	\$ 22,800,027	\$ 24,803,167	\$ 25,869,273	\$ 28,835,361
Restricted	-	2,625,784	1,877,720	1,902,041	1,918,028
Unrestricted	12,296,387	10,977,854	10,311,263	9,735,451	7,090,901
Total primary government net position	<u>\$ 36,108,214</u>	<u>\$ 36,403,665</u>	<u>\$ 36,992,150</u>	<u>\$ 37,506,765</u>	<u>\$ 37,844,290</u>

Town of Carrboro
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 1
(2 pages)

	2015	2016	2017	2018	2019
Governmental activities:					
Net investment in capital assets	\$ 29,120,308	\$ 28,529,962	\$ 28,581,194	\$ 30,401,621	\$ 32,602,046
Restricted	2,187,718	2,015,396	2,097,192	2,719,947	3,869,297
Unrestricted	<u>6,358,440</u>	<u>6,447,035</u>	<u>(5,179,126)</u>	<u>(5,964,874)</u>	<u>(6,314,682)</u>
Total governmental activities net position	<u><u>\$ 37,666,466</u></u>	<u><u>\$ 36,992,393</u></u>	<u><u>\$ 25,499,260</u></u>	<u><u>\$ 27,156,694</u></u>	<u><u>\$ 30,156,661</u></u>
Business-type activities:					
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ 288,843
Restricted	-	-	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,475</u>	<u>225,824</u>
Total business-type activities net position	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 56,475</u></u>	<u><u>\$ 514,667</u></u>
Primary Government:					
Net investment in capital assets	\$ 29,120,308	\$ 28,529,962	\$ 28,581,194	\$ 30,401,621	\$ 32,890,889
Restricted	2,187,718	2,015,396	2,097,192	2,719,947	3,869,297
Unrestricted	<u>6,358,440</u>	<u>6,447,035</u>	<u>(5,179,126)</u>	<u>(5,908,399)</u>	<u>(6,088,858)</u>
Total primary government net position	<u><u>\$ 37,666,466</u></u>	<u><u>\$ 36,992,393</u></u>	<u><u>\$ 25,499,260</u></u>	<u><u>\$ 27,213,169</u></u>	<u><u>\$ 30,671,328</u></u>

Town of Carrboro
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2
(4 pages)

	2010	2011	2012	2013	2014
Expenses					
Governmental activities:					
General government	\$ 3,139,849	\$ 3,355,221	\$ 3,493,073	\$ 3,978,378	\$ 4,571,146
Public safety	6,087,506	6,757,198	6,835,304	6,778,893	6,925,676
Planning	1,399,817	1,232,157	1,162,777	1,107,377	1,153,138
Transportation	1,032,835	1,184,975	1,058,859	1,286,714	1,396,423
Public works	3,614,262	3,929,320	4,252,251	4,072,606	4,035,886
Parks and recreation	1,833,715	1,498,043	1,516,336	1,453,991	1,553,686
Economic and community development	50,543	185,874	275,681	170,695	623,220
Interest on long-term debt	327,037	292,766	301,772	186,898	211,082
Total governmental activities expenses	<u>17,485,564</u>	<u>18,435,554</u>	<u>18,896,053</u>	<u>19,035,552</u>	<u>20,470,257</u>
Business-type activities:					
Stormwater	-	-	-	-	-
Total primary government expenses	<u>\$ 17,485,564</u>	<u>\$ 18,435,554</u>	<u>\$ 18,896,053</u>	<u>\$ 19,035,552</u>	<u>\$ 20,470,257</u>
Program revenues					
Governmental activities:					
Charges for services:					
General government	\$ 134,344	\$ 128,530	\$ 344,239	\$ 546,583	\$ 531,812
Public safety	384,667	286,847	483,956	120,171	65,823
Planning	577,392	573,316	551,792	572,542	655,664
Public works	85,779	115,107	126,495	82,458	107,622
Parks and recreation	256,639	254,933	260,225	259,168	279,499
Operating grants and contributions	786,375	791,842	871,613	320,304	707,636
Capital grants and contributions	236,894	647,514	406,518	954,131	865,182
Total governmental activities program revenues	<u>2,462,090</u>	<u>2,798,089</u>	<u>3,044,838</u>	<u>2,855,357</u>	<u>3,213,238</u>

Town of Carrboro
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2
(4 pages)

	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
General government	\$ 4,200,241	\$ 4,487,922	\$ 4,695,317	\$ 4,849,740	\$ 5,246,829
Public safety	6,951,141	7,051,112	7,550,083	7,469,443	7,735,947
Planning	1,244,849	1,374,325	1,356,771	1,206,329	1,422,374
Transportation	1,472,508	1,540,288	1,455,012	1,455,012	1,808,940
Public works	4,421,682	4,205,935	4,295,622	4,142,187	4,839,876
Parks and recreation	1,642,737	1,741,056	1,724,769	1,737,984	1,845,198
Economic and community development	90,108	200,798	147,259	220,960	692,328
Interest on long-term debt	191,916	167,984	154,350	127,897	115,564
Total governmental activities expenses	<u>20,215,182</u>	<u>20,769,420</u>	<u>21,379,183</u>	<u>21,209,552</u>	<u>23,707,056</u>
Business-type activities:					
Stormwater	-	-	-	251,908	269,163
Total primary government expenses	<u>\$ 20,215,182</u>	<u>\$ 20,769,420</u>	<u>\$ 21,379,183</u>	<u>\$ 21,461,460</u>	<u>\$ 23,976,219</u>
Program revenues					
Governmental activities:					
Charges for services:					
General government	\$ 652,862	\$ 528,403	\$ 416,231	\$ 644,733	\$ 726,021
Public safety	73,311	117,590	696,492	720,801	739,011
Planning	675,682	665,028	57,005	116,135	39,872
Public works	70,249	74,644	77,454	51,733	56,561
Parks and recreation	270,028	259,974	280,625	242,740	182,644
Operating grants and contributions	723,767	700,263	654,075	641,436	832,607
Capital grants and contributions	283,090	5,635	90,166	13,080	2,504,061
Total governmental activities program revenues	<u>2,748,989</u>	<u>2,351,537</u>	<u>2,272,048</u>	<u>2,430,658</u>	<u>5,080,777</u>

Town of Carrboro
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2
(4 pages)

	2010	2011	2012	2013	2014
Business-type activities:					
Charges for services:					
Stormwater	\$ -	\$ -	\$ -	\$ -	\$ -
Total business-type activities program revenues	-	-	-	-	-
Total primary government program revenues	<u>\$ 2,462,090</u>	<u>\$ 2,798,089</u>	<u>\$ 3,044,838</u>	<u>\$ 2,855,357</u>	<u>\$ 3,213,238</u>
Net expenses					
Governmental activities	\$ 15,023,474	\$ 15,637,465	\$ 15,851,215	\$ 16,180,195	\$ 17,257,019
Business-type activities	-	-	-	-	-
Total primary government net expenses	<u>\$ 15,023,474</u>	<u>\$ 15,637,465</u>	<u>\$ 15,851,215</u>	<u>\$ 16,180,195</u>	<u>\$ 17,257,019</u>
General revenues and other changes in net assets					
Governmental activities:					
Taxes	\$ 14,834,736	\$ 14,917,776	\$ 15,445,629	\$ 15,695,931	\$ 16,599,061
Unrestricted intergovernmental revenues	870,613	951,820	946,091	952,397	982,040
Miscellaneous and unrestricted investment earnings	49,175	63,320	47,980	46,482	13,443
Transfers	-	-	-	-	-
Total governmental activities	<u>15,754,524</u>	<u>15,932,916</u>	<u>16,439,700</u>	<u>16,694,810</u>	<u>17,594,544</u>
Business-type activities:					
Unrestricted investment earnings	-	-	-	-	-
Transfers	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 15,754,524</u>	<u>\$ 15,932,916</u>	<u>\$ 16,439,700</u>	<u>\$ 16,694,810</u>	<u>\$ 17,594,544</u>
Change in net position					
Governmental activities	\$ 731,050	\$ 295,451	\$ 588,485	\$ 514,615	\$ 337,525
Business-type activities	-	-	-	-	-
Total primary government	<u>\$ 731,050</u>	<u>\$ 295,451</u>	<u>\$ 588,485</u>	<u>\$ 514,615</u>	<u>\$ 337,525</u>

Town of Carrboro
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2
(4 pages)

	2015	2016	2017	2018	2019
Business-type activities:					
Charges for services:					
Stormwater	\$ -	\$ -	\$ -	\$ -	\$ 778,157
Total business-type activities program revenues	-	-	-	-	778,157
Total primary government program revenues	\$ 2,748,989	\$ 2,351,537	\$ 2,272,048	\$ 2,430,658	\$ 5,858,934
Net expenses					
Governmental activities	\$ 17,466,193	\$ 18,417,883	\$ 19,107,135	\$ 18,778,894	\$ 18,626,279
Business-type activities	-	-	-	251,908	(508,994)
Total primary government net expenses	\$ 17,466,193	\$ 18,417,883	\$ 19,107,135	\$ 19,030,802	\$ 18,117,285
General revenues and other changes in net assets					
Governmental activities:					
Taxes	\$ 17,011,559	\$ 17,322,279	\$ 17,690,415	\$ 19,094,382	\$ 19,695,520
Unrestricted intergovernmental revenues	1,481,631	1,452,221	1,418,370	1,406,331	1,492,028
Miscellaneous and unrestricted investment earnings	52,226	28,818	58,455	243,998	382,223
Transfers	-	-	-	(308,383)	56,475
Total governmental activities	18,545,416	18,803,318	19,167,240	20,436,328	21,626,246
Business-type activities:					
unrestricted investment earnings	-	-	-	-	5,673
Transfers	-	-	-	308,383	(56,475)
Total business-type activities	-	-	-	308,383	(50,802)
Total primary government	\$ 18,545,416	\$ 18,803,318	\$ 19,167,240	\$ 20,744,711	\$ 21,575,444
Change in net position					
Governmental activities	\$ 1,079,223	\$ 385,435	\$ 60,105	\$ 1,657,434	\$ 2,999,967
Business-type activities	-	-	-	56,475	458,192
Total primary government	\$ 1,079,223	\$ 385,435	\$ 60,105	\$ 1,713,909	\$ 3,458,159

**Town of Carrboro
Fund Balances
Governmental Funds
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

**Table 3
(2 pages)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General fund:					
Reserved	\$ 2,062,813	N/A	N/A	N/A	N/A
Unreserved, designated	933,608	N/A	N/A	N/A	N/A
Unreserved, undesignated	9,950,620	N/A	N/A	N/A	N/A
Nonspendable	N/A	\$ 213,743	\$ 403,022	\$ 98,336	\$ 294,643
Restricted	N/A	2,459,812	2,527,603	2,549,652	2,397,759
Committed	N/A	N/A	-	-	-
Assigned	N/A	2,712,163	2,787,316	2,866,048	3,084,075
Unassigned	N/A	8,354,128	9,804,868	7,296,945	7,988,424
Total general fund	<u>12,947,041</u>	<u>13,739,846</u>	<u>15,522,809</u>	<u>12,810,981</u>	<u>13,764,901</u>
All other governmental funds:					
Reserved	-	N/A	N/A	N/A	N/A
Unreserved, reported in:					
Special revenue funds	(436,507)	N/A	N/A	N/A	N/A
Capital projects funds	2,464,956	N/A	N/A	N/A	N/A
Nonspendable	N/A	-	-	-	-
Restricted	N/A	1,414,404	1,076,370	791,699	2,453,964
Committed	N/A	2,369,833	1,404,374	4,652,528	2,225,168
Assigned	N/A	-	-	-	-
Unassigned	N/A	(2,466,051)	(2,606,994)	(37,048)	(40,731)
Total all other governmental funds	<u>2,028,449</u>	<u>1,318,186</u>	<u>(126,250)</u>	<u>5,407,179</u>	<u>4,638,401</u>
Total, all governmental funds	<u>\$ 14,975,490</u>	<u>\$ 15,058,032</u>	<u>\$ 15,396,559</u>	<u>\$ 18,218,160</u>	<u>\$ 18,403,302</u>

N/A - Not applicable prior to and subsequent to the implementation of GASB Statement No. 54.

Town of Carrboro
Fund Balances
Governmental Funds
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 3
(2 pages)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General fund:					
Reserved	N/A	N/A	N/A	N/A	N/A
Unreserved, designated	N/A	N/A	N/A	N/A	N/A
Unreserved, undesignated	N/A	N/A	N/A	N/A	N/A
Nonspendable	\$ 92,212	\$ 159,185	\$ 25,775	\$ 280,068	\$ 317,306
Restricted	2,788,336	2,642,583	2,466,537	2,532,472	2,652,989
Committed	-	-	-	-	-
Assigned	2,624,916	2,275,559	2,569,579	3,088,391	3,500,753
Unassigned	9,119,966	10,638,014	10,816,213	10,634,162	11,233,203
Total general fund	<u>14,625,430</u>	<u>15,715,341</u>	<u>15,878,104</u>	<u>16,535,093</u>	<u>17,704,251</u>
All other governmental funds:					
Reserved	N/A	N/A	N/A	N/A	N/A
Unreserved, reported in:					
Special revenue funds	N/A	N/A	N/A	N/A	N/A
Capital projects funds	N/A	N/A	N/A	N/A	N/A
Nonspendable	-	-	-	-	-
Restricted	1,890,936	1,590,442	1,348,609	827,636	1,458,567
Committed	3,105,843	3,715,244	4,454,119	4,119,338	2,947,928
Assigned	-	-	-	-	-
Unassigned	(41,811)	43,892	(680)	-	(496,241)
Total all other governmental funds	<u>4,954,968</u>	<u>5,349,578</u>	<u>5,802,048</u>	<u>4,946,974</u>	<u>3,910,254</u>
Total, all governmental funds	<u>\$ 19,580,398</u>	<u>\$ 21,064,919</u>	<u>\$ 21,680,152</u>	<u>\$ 21,482,067</u>	<u>\$ 21,614,505</u>

N/A - Not applicable prior to and subsequent to the implementation of GASB Statement No. 54.

Town of Carrboro
Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 4
(2 pages)

	2010	2011	2012	2013	2014
Revenues					
Ad valorem taxes	\$ 11,213,669	\$ 11,386,243	\$ 11,708,787	\$ 11,754,299	\$ 11,792,234
Local option sales taxes	3,039,931	3,113,356	3,308,060	3,427,678	3,567,123
Other taxes and licenses	508,344	438,229	449,628	461,054	1,316,876
Unrestricted					
intergovernmental	875,129	951,820	946,091	952,397	982,040
Restricted intergovernmental	731,165	1,075,884	1,095,408	1,179,461	1,487,840
Permits and fees	1,175,313	1,090,101	1,308,544	1,255,930	1,249,319
Sales and services	256,639	254,934	260,225	261,373	283,611
Investment earnings	49,174	63,320	47,980	25,954	11,757
Other	148,927	539,189	266,206	135,078	207,671
Total revenues	<u>17,998,291</u>	<u>18,913,076</u>	<u>19,390,929</u>	<u>19,453,224</u>	<u>20,898,471</u>
Expenditures					
General government	2,980,135	3,162,592	3,350,244	3,345,195	3,964,409
Public Safety	5,397,502	5,624,076	5,795,546	5,736,675	6,019,294
Planning	1,098,192	1,132,203	1,045,854	1,088,802	1,150,603
Transportation	1,032,835	1,032,825	1,032,825	1,286,714	1,396,423
Public Works	2,958,684	3,100,603	3,397,396	3,385,065	3,260,291
Parks and recreation	1,243,416	1,237,163	1,274,082	170,695	1,378,862
Economic and community development	47,825	132,826	275,681	1,276,064	623,220
Capital outlay	2,474,729	2,373,015	1,840,865	2,717,113	2,132,488
Debt service					
Interest	263,461	1,217,736	292,041	2,503,013	226,334
Principal	1,214,257	293,894	1,068,046	232,596	1,066,150
Total expenditures	<u>18,711,036</u>	<u>19,306,933</u>	<u>19,372,580</u>	<u>21,741,932</u>	<u>21,218,074</u>
Excess of revenues over (under) expenditures	<u>(712,745)</u>	<u>(393,857)</u>	<u>18,349</u>	<u>(2,288,708)</u>	<u>(319,603)</u>
Other financing sources (uses)					
Proceeds from borrowing	3,867,955	476,399	298,850	4,997,320	498,822
Premium on borrowing	-	-	-	92,461	-
Sale of capital assets	-	-	21,328	20,528	5,923
Transfers in	975,923	531,428	-	4,424,133	1,850,165
Transfers out	(975,923)	(531,428)	-	(4,424,133)	(1,850,165)
Total other financing sources	<u>3,867,955</u>	<u>476,399</u>	<u>320,178</u>	<u>5,110,309</u>	<u>504,745</u>
Net change in fund balances	<u>\$ 3,155,210</u>	<u>\$ 82,542</u>	<u>\$ 338,527</u>	<u>\$ 2,821,601</u>	<u>\$ 185,142</u>
Capital outlay included in expenditures above	<u>\$ 2,474,729</u>	<u>\$ 2,373,015</u>	<u>\$ 1,840,865</u>	<u>\$ 2,717,113</u>	<u>\$ 2,132,488</u>
Debt service as a percentage of noncapital expenditures	<u>9.1%</u>	<u>8.9%</u>	<u>7.8%</u>	<u>14.4%</u>	<u>6.8%</u>

Town of Carrboro
Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 4
(2 pages)

	2015	2016	2017	2018	2019
Revenues					
Ad valorem taxes	\$ 11,771,793	\$ 11,829,436	\$ 11,769,118	\$ 12,921,946	\$ 13,223,592
Local option sales taxes	3,897,200	4,105,283	4,345,612	4,557,933	4,880,680
Other taxes and licenses	1,386,254	1,381,093	1,601,126	1,601,362	1,630,840
Unrestricted					
intergovernmental	1,481,631	1,452,221	1,409,630	1,406,331	1,492,028
Restricted intergovernmental	949,579	651,211	722,928	636,879	2,867,644
Permits and fees	1,260,859	1,270,187	1,177,350	1,377,586	1,273,962
Sales and services	274,350	263,444	282,929	245,059	253,023
Investment earnings	10,477	28,818	58,455	151,707	266,589
Other	400,617	218,561	128,591	210,283	378,474
Total revenues	<u>21,432,760</u>	<u>21,200,254</u>	<u>21,495,739</u>	<u>23,109,086</u>	<u>26,266,832</u>
Expenditures					
General government	4,093,908	4,353,526	4,503,267	4,729,326	5,369,254
Public Safety	6,265,547	6,216,871	6,506,633	6,555,984	6,649,349
Planning	1,203,990	1,333,903	1,285,705	1,134,657	1,331,441
Transportation	1,472,508	1,540,288	1,455,012	1,455,012	1,808,940
Public Works	3,481,463	3,134,390	3,192,643	3,104,559	3,750,034
Parks and recreation	1,444,752	1,529,332	1,474,274	1,503,476	1,602,097
Economic and community development	20,108	145,144	147,259	220,511	692,328
Capital outlay	1,888,948	1,410,447	1,549,712	3,486,840	4,063,670
Debt service					
Interest	202,907	191,229	152,927	138,983	126,621
Principal	946,047	973,069	983,905	1,001,731	824,548
Total expenditures	<u>21,020,178</u>	<u>20,828,199</u>	<u>21,251,337</u>	<u>23,331,079</u>	<u>26,218,282</u>
Excess of revenues over (under) expenditures	<u>412,582</u>	<u>372,055</u>	<u>244,402</u>	<u>(221,993)</u>	<u>48,550</u>
Other financing sources (uses)					
Proceeds from borrowing	717,102	621,180	362,091	240,000	-
Premium on borrowing	-	-	-	-	-
Sale of capital assets	47,412	491,287	8,740	92,291	27,413
Transfers in	881,518	1,808,060	1,522,129	3,165,098	2,279,109
Transfers out	(881,518)	(1,808,060)	(1,522,129)	(3,473,481)	(2,222,634)
Total other financing sources	<u>764,514</u>	<u>1,112,467</u>	<u>370,831</u>	<u>23,908</u>	<u>83,888</u>
Net change in fund balances	<u>\$ 1,177,096</u>	<u>\$ 1,484,522</u>	<u>\$ 615,233</u>	<u>\$ (198,085)</u>	<u>\$ 132,438</u>
Capital outlay included in expenditures above	<u>\$ 1,888,948</u>	<u>\$ 1,410,447</u>	<u>\$ 1,549,712</u>	<u>\$ 3,486,840</u>	<u>\$ 4,063,670</u>
Debt service as a percentage of noncapital expenditures	<u>6.0%</u>	<u>6.0%</u>	<u>5.8%</u>	<u>5.7%</u>	<u>4.3%</u>

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Revenue Capacity Information

Town of Carrboro
Program Revenues by Function/Program
Governmental Funds
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 5
(2 pages)

Function/Program	2010	2011	2012	2013	2014
Governmental activities:					
General Government	\$ 148,995	\$ 221,913	\$ 250,719	\$ 714,449	\$ 958,976
Public Safety	700,807	755,276	644,867	916,576	813,257
Planning	427,535	299,022	521,028	141,086	83,602
Public Works and					
Transportation	828,263	1,212,175	1,150,348	710,883	984,621
Parks and Recreation	314,311	309,703	296,123	297,437	325,197
Economic and community development	42,179	-	181,753	74,926	47,585
Total primary government	<u>\$ 2,462,090</u>	<u>\$ 2,798,089</u>	<u>\$ 3,044,838</u>	<u>\$ 2,855,357</u>	<u>\$ 3,213,238</u>

Town of Carrboro
Program Revenues by Function/Program
Governmental Funds
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 5
(2 pages)

Function/Program	2015	2016	2017	2018	2019
Governmental activities:					
General Government	\$ 767,303	\$ 650,899	\$ 502,078	\$ 725,885	\$ 949,456
Public Safety	677,124	667,572	697,660	721,382	797,011
Planning	120,607	148,749	82,718	143,804	39,872
Public Works and					
Transportation	860,795	587,845	668,277	560,949	3,034,038
Parks and Recreation	305,926	296,472	317,927	278,638	218,542
Economic and Physical					
Development	17,234	-	3,388	-	41,858
Total primary government	<u>\$ 2,748,989</u>	<u>\$ 2,351,537</u>	<u>\$ 2,272,048</u>	<u>\$ 2,430,658</u>	<u>\$ 5,080,777</u>

Town of Carrboro
Tax Revenues by Source ^a
Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 6

Fiscal Year	Property Taxes
2010	\$ 11,213,669
2011	11,386,243
2012	11,708,787
2013	11,754,299
2014	11,792,234
2015	11,771,793
2016	11,829,436
2017	11,769,118
2018	12,921,946
2019	13,223,592
Change 2010 - 2019	17.9%

^a This table presents the Town's most significant own source of revenues. All other taxes and revenues are either comparatively insignificant or levied by another governmental entity besides the Town of Carrboro.

Town of Carrboro
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Table 7

Fiscal Year Ended June 30,	Tax Year	Real Property	Personal Property	Public Service Companies	Total Taxable Assessed Value	Direct Tax Rate (\$100 of Assessed Value)	Estimated Actual Taxable Value	Taxable Assessed Value as Percentage of Actual Taxable Value
2010	2009	\$ 1,784,120,826	\$ 116,231,101	\$ 15,520,866	\$ 1,915,872,793	0.5894	\$ 1,915,872,793	100%
2011	2010	1,808,720,407	116,141,072	14,264,582	1,939,126,061	0.5894	1,939,126,061	100%
2012	2011	1,833,640,649	124,209,262	14,927,885	1,972,777,796	0.5894	1,972,777,796	100%
2013	2012	1,840,579,388	147,215,525	15,377,555	2,003,172,468	0.5894	2,003,172,468	100%
2014	2013	1,879,514,863	193,640,289	15,358,935	2,088,514,087	0.5894	2,088,514,087	100%
2015	2014	1,902,400,670	197,002,419	14,499,872	2,113,902,961	0.5894	2,113,902,961	100%
2016	2015	1,932,854,388	185,701,586	17,048,727	2,135,604,701	0.5894	2,135,604,701	100%
2017	2016	1,940,618,958	204,073,445	18,567,166	2,163,259,569	0.5894	2,163,259,569	100%
2018	2017	2,137,452,118	204,113,885	19,198,975	2,360,764,978	0.5894	2,360,764,978	100%
2019	2018	2,159,464,518	208,868,826	21,652,524	2,389,985,868	0.5944	2,389,985,868	100%

Source: Orange County, North Carolina, Tax Assessor.

Note: Property in the Town of Carrboro is assessed and collected by Orange County, North Carolina.

Town of Carrboro
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate per \$100 of Assessed Value)

Table 8

Fiscal Year	Direct Rate	Overlapping Rate
	Town of Carrboro	Orange County
2010	0.5894	0.8580
2011	0.5894	0.8580
2012	0.5894	0.8580
2013	0.5894	0.8580
2014	0.5894	0.8580
2015	0.5894	0.8780
2016	0.5894	0.8780
2017	0.5894	0.8780
2018	0.5894	0.8780
2019	0.5944	0.8504

Source: Orange County, North Carolina, Tax Assessor.

Note: The Town of Carrboro charges a single direct rate for property taxes

Town of Carrboro
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 9

Fiscal Year Ended June 30,	Tax Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Outstanding Delinquent Taxes
			Amount	Percentage of Levy		Amount	Percentage of Levy	
2010	2009	\$ 11,686,026	\$ 11,470,312	98.15%	\$ 195,958	\$ 11,666,270	99.83%	\$ 19,756
2011	2010	11,792,820	11,578,630	98.18%	190,753	11,769,383	99.80%	23,437
2012	2011	11,999,523	11,790,705	98.26%	187,100	11,977,805	99.82%	21,718
2013	2012	12,184,632	11,937,142	97.97%	218,192	12,155,334	99.76%	29,298
2014	2013	12,868,792	12,741,993	99.01%	103,704	12,845,697	99.82%	23,095
2015	2014	12,970,309	12,887,757	99.36%	67,770	12,955,527	99.89%	14,782
2016	2015	13,083,098	12,989,241	99.28%	72,714	13,061,955	99.84%	21,143
2017	2016	13,219,902	13,143,645	99.42%	45,447	13,189,092	99.77%	30,810
2018	2017	14,377,304	14,276,093	99.30%	61,895	14,337,988	99.73%	39,316
2019	2018	14,670,122	14,587,583	99.44%	-	14,587,583	99.44%	82,539

**Town of Carrboro
Principal Property Taxpayers
Current Year and Nine Years Ago**

Table 10

Taxpayer	2019			2010		
	2018 Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	2009 Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
GS Villages of Chapel Hill, LLC	\$ 28,323,144	1	1.19%	\$ 19,346,054	3	1.01%
MREI IV Autumn Woods LLC	26,816,161	2	1.12%	20,538,496	2	1.07%
180 West Clup LP	21,853,000	3	0.92%			
Carr Mill Mall Limited, Partnership	18,244,700	4	0.76%	16,417,310	4	0.86%
Tarheel Lodging II LLC	18,166,616	5	0.76%			
Westdale Poplar Place LP	18,137,300	6	0.76%	14,968,400	6	0.78%
Ashbrook Investors LLC	17,171,402	7	0.72%			
TGM Rock Creek LLC	15,918,108	8	0.67%			
RP Barnes LLC	14,950,600	9	0.63%			
SK Chapel Hill LLC	14,823,576	10	0.62%			
Carrboro Shopping Center I LLC	-		-	13,223,589	7	0.69%
BBR Chapel Hill	-		-	9,361,186	10	0.49%
VAC Limited Partnership	-		-	23,542,873	1	1.23%
Crit NC III, LLC	-		-	16,048,281	5	0.84%
188 Claremont LLC	-		-	10,023,122	8	0.52%
Zell Samuel Trustee	-		-	9,996,256	9	0.52%
Total	<u>\$ 194,404,607</u>		<u>8.15%</u>	<u>\$ 153,465,567</u>		<u>8.01%</u>

Source: Orange County Tax Assessor Office.

Debt Capacity Information

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Town of Carrboro
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Table 11

Fiscal Year	Governmental Activities				Total Primary Government	Per Capita
	General Obligation Bonds	Premium On Bonds	Installment Purchase Agreements	Bond Anticipation Notes Payable		
2010	\$ -	\$ -	\$ 7,060,641	\$ 2,590,000	\$ 9,650,641	485.18
2011	-	-	6,319,304	2,590,000	8,909,304	454.97
2012	-	-	5,405,219	2,590,000	7,995,219	408.29
2013	4,600,000	90,028	3,444,437	-	8,134,465	415.41
2014	4,350,000	85,162	3,127,109	-	7,562,271	383.83
2015	4,100,000	80,296	3,148,164	-	7,328,460	349.24
2016	3,850,000	75,430	3,046,275	-	6,971,705	332.24
2017	3,600,000	70,563	2,674,461	-	6,345,024	302.37
2018	3,350,000	65,698	2,162,730	-	5,578,428	265.84
2019	3,100,000	60,831	1,588,182	-	4,749,013	226.32

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

Town of Carrboro
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 12

Fiscal Year	General Bonded Debt Outstanding		Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Total			
2010	\$ -	\$ -	\$ 1,915,872,793	0.000%	\$ -
2011	-	-	1,939,126,061	0.000%	-
2012	-	-	1,972,777,796	0.000%	-
2013	4,600,000	4,600,000	2,003,172,468	0.230%	234.91
2014	4,350,000	4,350,000	2,088,514,087	0.208%	220.79
2015	4,100,000	4,100,000	2,113,902,961	0.194%	195.39
2016	3,850,000	3,850,000	2,135,604,701	0.180%	183.47
2017	3,600,000	3,600,000	2,163,259,569	0.166%	171.56
2018	3,350,000	3,350,000	2,360,764,978	0.142%	159.65
2019	3,100,000	3,100,000	2,389,985,868	0.130%	147.73

Town of Carrboro
Direct and Overlapping Governmental Activities Debt
June 30, 2019

Table 13

<u>Town of Carrboro</u>	<u>Total Outstanding</u>	<u>Percentage Applicable to Town</u>	<u>Amount Applicable to Town</u>
General obligation debt			
Town of Carrboro's direct debt	\$ 4,749,013	100.00%	\$ 4,749,013
Overlapping (bonded) debt - Orange County			
Overlapping debt - Orange County	126,048,971	13.83%	<u>17,432,573</u>
Total direct and overlapping debt			<u><u>\$ 22,181,586</u></u>

Sources:

Budgeted revenues used to estimate applicable percentages. Debt outstanding provided by Orange County, NC Finance Dept.

**Town of Carrboro
Legal Debt Margin Information
Governmental Funds
Last Ten Fiscal Years**

**Table 14
(2 pages)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Debt limit	\$ 153,269,823	\$ 155,130,085	\$ 152,417,005	\$ 160,253,797	\$ 167,081,127
Total net debt applicable to limit	<u>7,060,641</u>	<u>6,319,304</u>	<u>5,405,219</u>	<u>8,044,437</u>	<u>7,477,109</u>
Legal debt margin	<u>\$ 146,209,182</u>	<u>\$ 148,810,781</u>	<u>\$ 147,011,786</u>	<u>\$ 152,209,360</u>	<u>\$ 159,604,018</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>4.61%</u>	<u>4.07%</u>	<u>3.55%</u>	<u>5.02%</u>	<u>4.48%</u>

Note: Under State Finance law, the Town's outstanding general obligation debt should not exceed 8% of total assessed property value.

**Town of Carrboro
Legal Debt Margin Information
Governmental Funds
Last Ten Fiscal Years**

**Table 14
(2 pages)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt limit	\$ 169,112,237	\$ 170,848,376	\$ 173,060,766	\$ 188,861,198	\$ 191,198,869
Total net debt applicable to limit	<u>7,248,164</u>	<u>6,896,275</u>	<u>6,274,461</u>	<u>5,578,428</u>	<u>4,749,013</u>
Legal debt margin	<u><u>\$ 161,864,073</u></u>	<u><u>\$ 163,952,101</u></u>	<u><u>\$ 166,786,305</u></u>	<u><u>\$ 183,282,770</u></u>	<u><u>\$ 186,449,856</u></u>
Total net debt applicable to the limit as a percentage of debt limit	<u>4.29%</u>	<u>4.04%</u>	<u>3.63%</u>	<u>2.95%</u>	<u>2.48%</u>

Note: Under State Finance law, the Town's outstanding general obligation debt should not exceed 8% of total assessed property value.

Demographic and Economic Information

**Town of Carrboro, North Carolina
Demographic and Economic Statistics
Last Ten Calendar Years**

Table 15

Year	Population	Per Capita Personal Income	Median Age	Chapel Hill and Carrboro Schools Public School Enrollment	Carrboro Schools Only Public School Enrollment	Unemployment Rate
2010	19,891	\$ 39,380	28.1	11,657	1,611	6.4%
2011	19,582	32,198	30.1	11,892	1,663	7.2%
2012	19,582	32,198	30.1	11,885	1,449	6.5%
2013	19,582	32,198	30.1	12,094	1,490	5.7%
2014	19,702	32,198	30.1	12,353	1,490	4.2%
2015	20,984	32,198	30.1	12,353	1,490	3.9%
2016	20,984	32,198	30.1	12,076	1,321	4.7%
2017	20,984	32,198	30.1	12,115	1,318	4.6%
2018	20,984	32,198	30.1	12,115	1,318	3.7%
2019	20,984	32,198	30.1	12,115	1,318	3.3%

Notes:

Orange County unemployment rate is used.

Population for 2011-2017 is based on last actual value calculated in 2010 from the U.S. Census Bureau.

Per capita personal income is based on last actual value calculated in 2010 from the U.S. Census Bureau for Orange County. Information for Carrboro was not available.

Median age is estimated from the 2000 and 2010 Census of Population.

Public school enrollment is based on information from the Chapel Hill-Carrboro Schools FY 2015 CAFR.

Schools that have a Carrboro mailing address are included in this demographic, which are Carrboro Elementary and Carrboro High School. Carrboro High School opened in 2007.

**Town of Carrboro
Principal Employers
Current Year and Nine Years Ago**

**Table 16
(2 pages)**

2019			
Employer	Average Number of Employees	Rank	Percentage of Total Town Employment
Cypress Creek Renewables LLC	201	1	1.64%
Town of Carrboro	192	2	1.57%
Chapel Hill-Carrboro City Schools	148	3	1.21%
Food Lion	118	4	0.96%
Orange Water & Sewer Authority	109	5	0.89%
Art Is Love LLC	90	6	0.73%
Harris Teeter	83	7	0.68%
Elmo's Diner (Cacklerberrys Carrboro Inc)	78	8	0.64%
Weaver Street Market	72	9	0.59%
U.S. Postal Service	72	10	0.59%
Total	1,163		9.49%

Source:

Orange County Economic Development Commission, average number of employees 3rd quarter 2012 from Employment Security Commission.

Note:

Orange County Economic Development Commission is no longer operational, and reliable information for 2015 is not readily available. However, historically there has been little change in the principal employers for the Town.

**Town of Carrboro
Principal Employers
Current Year and Nine Years Ago**

**Table 16
(2 pages)**

2010			
Employer	Average Number of Employees	Rank	Percentage of Total Town Employment
Carrboro Elementary School	210	1	1.91%
Town of Carrboro	155	2	1.41%
Orange Water and Sewer	139	3	1.26%
Harris Teeter	82	4	0.75%
Food Lion	56	5	0.51%
Elmo's Diner	56	6	0.51%
Piedmont Health Services, Inc.	50	7	0.45%
Weaver Street Market	50	8	0.45%
Crescent Green of Carrboro	48	9	0.44%
Carolina Fitness	45	10	0.41%
	<u>891</u>		<u>8.10%</u>

Source:

Orange County Economic Development Commission, average number of employees 3rd quarter 2012 from Employment Security Commission.

Note:

Orange County Economic Development Commission is no longer operational, and reliable information for 2015 is not readily available. However, historically there has been little change in the principal employers for the Town.

Town of Carrboro
Full-Time Equivalent Town Government Employees by Function/Program
Last Ten Fiscal Years

Table 17

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government:										
Mayor and Board of Aldermen	-	-	-	-	-	-	-	-	-	-
Town manager	2	4	5	5	5.0	6.0	6.0	3.0	3.0	4.0
Economic development	1	1	2	2	1.5	1.5	1.5	1.5	1.5	1.5
Town clerk	1	1	1	1	1.5	1.5	1.5	1.5	1.5	1.5
Management services	8	6	7	7	6.5	6.5	6.0	6.0	6.0	8.0
Human resources	2	2	2	2	2.0	1.5	2.0	3.0	3.0	2.0
Information technology	1	1	1	2	2.0	3.0	3.0	3.0	3.0	3.0
Public safety:										
Police	44	44	42	41	41.0	41.0	41.0	41.0	42.0	42.0
Fire	36	36	37	37	36.5	36.5	37.0	37.0	37.0	37.0
Planning	14	14	14	14	14.0	13.5	13.5	14.5	13.5	15.5
Public works	36	36	34	35	35.0	35.0	36.0	37.0	36.0	39.0
Parks and recreation	11	11	13	13	12.5	12.5	12.0	13.0	13.0	13.5
Total	<u>156</u>	<u>156</u>	<u>156</u>	<u>157</u>	<u>158</u>	<u>158.5</u>	<u>159.5</u>	<u>160.5</u>	<u>159.5</u>	<u>167.0</u>

Source: Annual operating budget

Operating Information

Town of Carrboro
Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 18
(2 pages)

	2010	2011	2012	2013	2014
General government:					
Revolving loan inquiries	50	50	5	6	6
Small business counseling referrals	29	40	10	12	10
Privilege licenses issued	1,253	1,158	948	1,203	720
Public safety:					
Police:					
Major crimes	750	716	746	599	625
Criminal arrests	830	767	830	1,082	829
Motor vehicle accidents	494	479	476	476	490
Narcotics arrests	204	157	150	105	243
Fire:					
Fire and EMS responses	1,530	1,392	1,406	1,517	1,520
Inspections	998	1,006	1,045	1,070	1,090
Planning:					
Annexations	-	-	1	-	-
Zoning permits	89	88	86	89	90
Building permits for new residential	77	50	92	92	60
Building permits for new commercial	78	4	6	11	12
Value of building permits issued	\$ 29,410,835	\$ 18,883,628	\$ 30,184,969	\$ 18,978,343	\$ 18,000,000
Public works:					
Paved streets maintained (miles)	39	42	42	44	44
Unpaved streets maintained (miles)	2	2	2	2	2
Paved bikeways maintained (miles)	1	1	1	1	1
Litter collection (hours annually)	425	425	405	390	400
Residential refuse collection (tons annually)	3,765	3,645	3,971	4,277	3,666
Multi-family & commercial refuse collection	2,865	3,098	3,595	2,534	2,823
Bus shelters maintained	22	23	23	23	23
Parks and recreation:					
Athletic activities offered	48	50	48	48	44
Athletic activity participants	2,760	2,909	2,763	2,872	2,533
Athletic activity hours	952	934	882	878	885
Other activities offered	284	263	364	393	405
Other activity participants	26,122	17,476	30,056	31,667	32,252
Century Center rentals (a)	139	127	105	116	120
Park rentals (a)	203	181	201	199	182

Sources: Town departments

Notes: N/A - Information was not collected/available.

(a) One rental contract can be for more than one event.

* North Carolina General Assembly eliminated privilege licenses in FY 2015.

Town of Carrboro
Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 18
(2 pages)

	2015	2016	2017	2018	2019
General government:					
Revolving loan inquiries	6	5	5	8	5
Small business counseling referrals	10	13	12	15	12
Privilege licenses issued	301	*	*	*	*
Public safety:					
Police:					
Major crimes	472	521	441	473	406
Criminal arrests	665	550	458	488	399
Motor vehicle accidents	453	540	514	465	491
Narcotics arrests	169	93	132	81	45
Fire:					
Fire and EMS responses	2,231	2,227	2,300	2,308	2,185
Inspections	646	1,050	1,020	421	941
Planning:					
Annexations	-	-	-	-	-
Zoning permits	87	73	62	53	70
Building permits for new residential	66	69	28	42	55
Building permits for new commercial	4	9	41	127	8
Value of building permits issued	\$ 14,424,416	\$ 13,021,295	\$ 11,905,162	\$ 50,502,713	\$ 138,482
Public works:					
Paved streets maintained (miles)	46	46	46	46	46
Unpaved streets maintained (miles)	2	2	2	2	2
Paved bikeways maintained (miles)	1	1	1	1	2
Litter collection (hours annually)	428	385	321	207	29
Residential refuse collection (tons annually)	2,754	2,132	2,497	2,740	2,547
Multi-family & commercial refuse collection	3,713	4,692	3,269	9,502	3,991
Bus shelters maintained	23	23	23	23	23
Parks and recreation:					
Athletic activities offered	46	42	51	63	65
Athletic activity participants	2,726	2,534	2,822	2,751	2,285
Athletic activity hours	1,079	972	942	877	1,068
Other activities offered	392	358	318	343	289
Other activity participants	34,988	22,793	22,720	28,436	26,031
Century Center rentals (a)	109	112	1,610	674	750
Park rentals (a)	135	186	410	526	650

Sources: Town departments

Notes: N/A - Information was not collected/available.

(a) One rental contract can be for more than one event.

* North Carolina General Assembly eliminated privilege licenses in FY 2015.

Town of Carrboro
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Table 19

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public safety:										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units	42	43	43	43	43	43	43	43	47	
Fire stations	1	2	2	2	2	2	2	2	2	2
Fire trucks	6	6	6	6	6	6	6	6	6	6
Public works:										
Refuse collection trucks	7	7	7	7	7	7	7	7	8	8
Replacement refuse collection trucks	1	1	1	1	1	1	1	1	-	-
Streets (miles)	39.35	43.27	43.27	43.27	43.27	43.27	43.27	43.27	46.70	46.70
Bike paths (miles)	3.32	3.32	3.32	3.32	3.32	3.32	3.32	3.32	3.32	3.84
Streetlights	968	986	986	986	986	986	986	986	986	1,014
Parks and recreation:										
Parkland (acres)	112	112	112	112	112	112	112	112	112	112
Parks (quantity)	10	10	10	10	10	10	10	10	10	10
Hiking trails	6	6	6	6	6	6	6	6	6	6
Dog parks	1	1	1	1	1	1	1	1	1	1
Soccer fields	1	1	1	1	1	1	1	1	1	6
Baseball/softball fields	6	6	6	6	6	6	6	6	6	6
Basketball courts	4	4	4	4	4	4	4	4	4	4
Tennis courts	6	6	6	6	6	6	6	6	6	6
Volleyball courts	2	2	2	2	2	2	2	2	2	3
Multi-purpose fields	3	3	3	3	3	3	3	3	3	3
Fishing ponds	1	1	1	1	1	1	1	1	1	1
Playgrounds	8	8	8	8	8	8	8	8	8	8
Picnic shelters	4	5	5	5	5	5	5	5	5	5

Sources: Town Departments

Compliance Section

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Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Honorable Mayor and Members of
the Board of Aldermen
Town of Carrboro, North Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Carrboro, North Carolina (the "Town"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Carrboro's basic financial statements, and have issued our report thereon dated November 20, 2019. The financial statements of the Carrboro Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Dixon Hughes Goodman LLP

**High Point, North Carolina
November 20, 2019**

Independent Auditors' Report on Compliance for the Major Federal Program and on Internal Control over Compliance in Accordance with OMB Uniform Guidance and the State Single Audit Implementation Act

Honorable Mayor and Members of
the Board of Aldermen
Town of Carrboro, North Carolina

Report on Compliance for the Major Federal Program

We have audited Town of Carrboro, North Carolina's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on its major federal program for the year ended June 30, 2019. The Town of Carrboro's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance of the Town of Carrboro's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Carrboro's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination on the Town of Carrboro's compliance.

Opinion on the Major Federal Program

In our opinion, the Town of Carrboro complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of the Town of Carrboro is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of Carrboro's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Carrboro's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency or combination of deficiencies in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the State Single Audit Implementation Act. Accordingly, this report is not suitable for any other purpose.

Dixon Hughes Goodman LLP

**High Point, North Carolina
November 20, 2019**

Schedule of Findings and Questioned Costs

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X No

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X No
- Noncompliance material to federal award _____ Yes X No

Type of auditors' report issued on compliance for major federal program:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____ Yes X No

Identification of major federal program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction Cluster

Dollar threshold used to distinguish between Type A and Type B Programs:

\$750,000

Auditee qualified as a low-risk auditee?

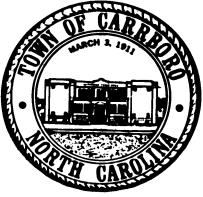
_____ Yes X No

II. Financial Statement Findings

There were no findings related to the financial statements for the fiscal year ended June 30, 2019.

III. Federal Awards Findings and Questioned Costs

There were no findings related to the federal awards for the fiscal year ended June 30, 2019.



TOWN OF CARRBORO
NORTH CAROLINA
WWW.TOWNOFCARRBORO.ORG

Summary Schedule of Prior Audit Findings

North Carolina Department of Transportation

Program Name: Powell Bill
Program Number: DOT-4
Grant Number: 2000006452

Finding 2018-001: Allowable Costs/Cost Principles

Corrective action has been taken by the Town of Carrboro. This finding is cleared.

Town of Carrboro, North Carolina
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2019

Schedule 17

<u>Grantor/Program Title</u>	<u>Federal CFDA/ State Number</u>	<u>Grant Number</u>	<u>Federal (Direct and Pass-Through) Expenditures</u>	<u>State Expenditures</u>
Federal grants:				
<u>U.S. Department of Justice</u>				
Direct payments:				
Office of Justice Programs				
Body Worn Camera Policy and Implementation	16.835	2017-BC-BX-0075	\$ 38,318	\$ -
Total U.S. Department of Justice			38,318	-
<u>U.S. Department of Transportation</u>				
Highway Planning and Construction Cluster:				
Passed through the NC Department of Transportation:				
Highway Planning and Construction (Federal Aid Highway Program):				
Bolin Creek Greenway	20.205	36268.3.F26	123,524	-
Rogers Road Sidewalk	20.205	36268.3.25	799,184	-
Jones Creek Greenway	20.205	46289.3.1	43,999	-
Bicycle Transportation Plan	20.205	44527.1.33	16,133	4,033
Total Passed through NC Department of Transportation			982,840	4,033
Total Highway Planning and Construction Cluster			982,840	4,033
<u>U.S. Department of Homeland Security</u>				
Passed through N.C. Department of Public Safety-Emergency Management:				
Hazard Mitigation Grant Program	97.039	HMGP-4167-0023	22,596	-
Total Passed through NC Department of Public Safety - Emergency Management			22,596	-
Total U.S. Department of Homeland Security			22,596	-
Total assistance - federal programs			1,043,754	4,033
State grants:				
<u>NC Department of Transportation</u>				
Direct programs:				
Powell Bill	DOT-4	2000026784	-	241,741
Total NC Department of Transportation			-	241,741
Total assistance - state programs			-	241,741
Total assistance			\$ 1,043,754	\$ 245,774

Notes to Schedule of Expenditures of Federal and State Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) includes the federal and state grant activity of the Town of Carrboro under the programs of the federal government and the State of North Carolina for the year ended June 30, 2019. The information in this SEFSA is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the Town it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town.

2. Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Town of Carrboro has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:20-70

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Update on the Greene Tract - 'Path Forward' Resolution and authorization for Town Manager to sign Interlocal Agreement Related to the Greene Tract Environmental Assessment Cost Share

PURPOSE: The purpose of this agenda item is to consider adoption of resolution that updates and consolidates expectations about the Greene Tract and a separate resolution that authorizes the Town Manager to sign an interlocal agreement between Carrboro, Orange County, and the Town of Chapel Hill to jointly fund the costs of an environmental assessment related to the Greene Tract.

DEPARTMENT: Planning Department

CONTACT INFORMATION: Patricia McGuire - 919-918-7327, pmcguire@townofcarrboro.org
<<mailto:pmcguire@townofcarrboro.org>>; Martin Roupe - 919-918-7333, mroupe@townofcarrboro.org
<<mailto:mroupe@townofcarrboro.org>>

INFORMATION: The Greene Tract is a 164-acre parcel of which 104 acres is jointly owned by Orange County, Carrboro and Chapel Hill and 60 acres is owned by Orange County (designated as the Headwaters Preserve). Starting in May 2017, a joint staff work group began to examine the preservation and development potential of the existing Greene Tract. Last February, Orange County and the Town of Carrboro adopted the 2019 Greene Tract Resolution and Conceptual Plan. In July, the Town of Chapel Hill adopted a substitute Resolution, identified as "Option C," which was not the same resolution and conceptual plan adopted by Orange County and the Town of Carrboro. The Chapel Hill Town Council adopted an additional resolution outlining next steps for the Greene Tract, which included the completion of an environmental assessment. This element was not contained specifically in the resolutions adopted by Orange County and of the Town of Carrboro since a multi-jurisdictional environmental scan had previously been completed.

Following the July Chapel Hill Town Council meeting, local governments have examined the importance of the environmental assessment and discussed how to proceed. As a result of these discussions, a 2020 Greene Tract resolution was proposed to outline next steps which included: adoption of an updated "Path Forward" resolution that includes consistent language for Orange County, Chapel Hill, and Carrboro regarding expectations, commitment and future use of the Greene Tract, including the initiation of an environmental assessment of the 164-acre Greene Tract to determine the most environmentally sensitive area to be designated as the 60-acre Headwaters Preserve along with environmental areas to be protected within the other 104 acres.

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

The updated “Path Forward” resolution is provided as Attachment A.

The purpose of the environmental assessment is to obtain site-specific information on environmental conditions present on the Greene Tract in order to identify areas of the property to be preserved and/or protected. The assessment will also balance the environmental conditions in conjunction with future infrastructure (i.e. roads, water, sewer, stormwater, et cetera) necessary for adjacent future development. A future developer would use this information as a base and not have to duplicate such work.

Orange County, in partnership with the Towns of Chapel Hill and Carrboro, will be providing joint funding to cover the costs of the environmental assessment.

The proposed administrative process and cost sharing for the environmental assessment are specified in the interlocal agreement (Attachment B). The proposed resolution and interlocal agreement has also been reviewed by the respective attorneys of the three local governments.

A 43/43/14 cost -share, as has been used in other Rogers-Road-related efforts, is proposed. The estimated \$40,000 needed to complete this project would yield the following shares:

Orange County	\$17,200
Chapel Hill	\$17,200
Carrboro	\$ 5,600

A resolution authorizing the Town Manager to sign the agreement on the Town’s behalf is provided as Attachment C. The proposed resolution and interlocal agreement has also been reviewed by the respective attorneys of the three local governments.

The resolution (Attachment A) and interlocal agreement (Attachment B) are scheduled for consideration and action at the January 21 Carrboro Town Council meeting and the January 22 Chapel Hill Town Council Meeting. Any amendments by the Town of Chapel Hill and the Town of Carrboro would prompt a return to the BOCC for consideration.

FISCAL & STAFF IMPACT: Following approval of the interlocal agreement and Orange County obtaining and paying for environmental assessment services, the Town would be notified of its obligation to share 14 percent of the costs. Carrboro’s share of the estimated cost of completing an environmental assessment, currently \$40,000, would total \$5,600.

RECOMMENDATION: Staff recommends that the Carrboro Town Council receive the “Path Forward” resolution and interlocal agreement and discuss. Staff also recommends that the Town Council consider adoption of the “Path Forward” resolution (Attachment A) and Attachment C, a resolution that authorizes the Town Manager and Finance Director to sign the interlocal agreement on the Town’s behalf.

**A RESOLUTION FOR A PATH FORWARD PROCESS FOR FURTHER ASSESSMENT
OF THE GREENE TRACT**

WHEREAS, in 1984, Orange County and the Towns of Carrboro and Chapel Hill jointly purchased the property known as the Greene Tract (164 acres more or less); and

WHEREAS, in 2000, title to 60 acres of this property was deeded exclusively to the Orange County Solid Waste Enterprise Fund for non-landfill solid waste purposes under provisions of the 1999 Interlocal Agreement for Solid Waste Management; and

WHEREAS, at that time, the remaining 104 acres was retained in joint ownership by the three governments (with the intent that the future uses of the property would be determined at a future time); and

WHEREAS, the 60-acre parcel (designated as the Headwaters Preserve by the Orange County Board of Commissioners on October 18, 2016) was purchased by Orange County via reimbursement to the Solid Waste Enterprise Fund in 2016; and

WHEREAS, in 2002 Orange County and the Towns of Carrboro and Chapel Hill adopted the 2002 Resolution which called for approximately 86 acres for open space and 18 acres for affordable housing on the jointly-owned land; and

WHEREAS, the Greene Tract is part of the Historic Rogers Road Neighborhood where the Towns of Chapel Hill and Carrboro have researched market development potential and zoning to implement a planning program in the overall area; and

WHEREAS, over the last 16 years, various joint planning studies and collaborations with the community and school district have suggested land use and acreage needs; and

WHEREAS, Mayors for Carrboro and Chapel Hill and the Orange County Commissioners Chair have agreed to jointly pursue an update to the 2002 Resolution and have been meeting with respective management and supporting staff, as suggested by the elected officials at an Assembly of Governments meeting in 2017, to determine next steps for preservation and development of the Greene Tract; and

WHEREAS, on February 12, 2019 the Carrboro Board of Aldermen and on February 19, 2019 the Orange County Commissioners voted to approve a resolution to support adjusting the property lines of the 104-acre jointly-owned tract and the 60-acre Headwaters Preserve, creating a jointly-owned preserve, indicating land uses, and conceptually agreeing to consider development of the Greene Tract; and

WHEREAS, on February 20, 2019 the Chapel Hill Town Council voted to approve the exploration of ways to protect the County-owned Headwaters Preserve and a proposed jointly-owned preserve area; and

WHEREAS, the Chapel Hill Carrboro City Schools in a letter dated May 22, 2019, have indicated the district's continued interest in designation of a school site to be located on the Greene Tract; and

WHEREAS, on July 15, 2019 the Chapel Hill Town Council adopted a resolution to support adjusting the property lines on the tract and the Headwaters Preserve, creating a jointly-owned preserve, and conceptually agreeing to consider development of the Greene Tract; and

WHEREAS, at that time the Chapel Hill Town Council did not agree to designating the land uses indicated on the maps attached to the Carrboro and County's resolutions; and

WHEREAS, the three jurisdictions agreed conceptually to the following land use designations:

- Approximately 22 acres for joint preserve;
- A minimum of 16 acres for public school site and public recreational facility site;
- Approximately 66 acres for housing/mixed use; and

WHEREAS, the Chapel Hill Town Council also adopted a resolution on July 15, 2019 committing to holding a series of community meetings, soliciting input from the public and respective advisory boards regarding land uses and densities, initiate environmental and connectivity assessment; and initiate steps to protect the jointly-owned preserve and the Headwaters Preserve in perpetuity; and

WHEREAS, an environmental assessment would be based on the highest protective environmental regulations of the three jurisdictions (Carrboro, Chapel Hill, and Orange County) and as also defined by the Army Corps of Engineers for wetlands determination; and

WHEREAS, in the interest of working together, Carrboro, Chapel Hill, and Orange County elected boards have considered this resolution to determine a joint path forward; and

WHEREAS, each board will consider this resolution in January 2020 outlining next steps and provide direction to their respective staff; and

WHEREAS, this resolution attempts to consolidate the differences and supersede the resolutions adopted in February 2019 by the Carrboro Board of Aldermen and the Orange County Commissioners and the resolution adopted in July 2019 by the Chapel Hill Town Council; and

WHEREAS, analysis of the Greene Tract's past, present, and future identified the following land use needs and goals:

- Promote mixed-income housing opportunities; development of housing that serves a range of incomes
- Preserve valuable environmental features including tree canopy, open space, stream buffers, and wildlife corridors;
- Protect historical and cultural resources;
- Promote cost effective infrastructure;
- Incorporate school and recreation sites;
- Earmark development areas for mixed income housing and mixed use potential; and

WHEREAS, the staff work group considered direction from the respective governing boards, specialized staff, housing partners, and community in developing a conceptual process for the Greene Tract.

NOW, THEREFORE, BE IT RESOLVED THAT the Carrboro Town Council:

1. Jointly pursue an environmental assessment of the entire 164 acres to consider designating the most environmentally sensitive area as the Headwaters Preserve with a cost share Interlocal Agreement for that analysis of 43/43/14 percent (Orange County/Chapel Hill/Carrboro respectively).
 - a. Environmental assessment of the site should include site topography, habitat for species of special concern, wetlands, stream corridors, and cultural and historic resources.
 - b. Best practical alternative shall be evaluated to balance environmental and infrastructure needs (i.e. roadway, water, sewer, stormwater, etc.).
2. Jointly pursues a Memorandum of Understanding for future decision-making process. This document will be used to ensure the parties participate in good faith in the planning process for potential development of the Greene Tract. The document will describe community outreach efforts.
3. Jointly agrees to not initiate formal public engagement until completion of the Memorandum of Understanding document.
4. Jointly agrees any potential developers of the Greene Tract may rely upon and utilize the environmental assessment contemplated herein and shall not be required to conduct or obtain a separate environmental assessment.
5. Agrees to discussion of the Greene Tract at the 2020 Assembly of Governments meeting on January 28, 2020.

This resolution is effective upon adoption.

SECOND DRAFT

**AGREEMENT AMONG ORANGE COUNTY AND THE TOWNS
OF CHAPEL HILL AND CARRBORO, NORTH CAROLINA TO OBTAIN
AN ENVIRONMENTAL ASSESSMENT FOR THE GREENE TRACT**

This Agreement is made among Orange County and the Towns of Chapel Hill and Carrboro, North Carolina to obtain an environmental assessment for the Greene Tract as follows:

WITNESETH

WHEREAS, Orange County and the Towns of Chapel Hill and Carrboro (“the parties”) each have an ownership interest in certain contiguous parcels of land located in the County and lying south of Eubanks Road, collectively known as the “Greene Tract,” consisting of a total of approximately 164 acres (“the entire tract”), of which approximately 60 acres are solely owned by Orange County and approximately 104 acres are owned in different percentage shares by the County and the Towns;

WHEREAS, on December 18, 2019, representatives of the parties met to discuss next steps in the parties’ consideration about the future use of the Greene Tract and recommended obtaining an environmental assessment of the entire tract in furtherance of that consideration;

WHEREAS, the parties conclude that obtaining an environmental assessment of the entire Greene tract would be beneficial to them as a first step in obtaining site-specific information on environmental conditions present on the tract; and

WHEREAS, the parties have adopted a resolution to authorize an environmental assessment for the entire Greene tract.

NOW, THEREFORE, in consideration of the foregoing and based on the promises and obligations herein, the County and the Towns agree as follows:

1. Orange County staff shall: (i) develop, through collaboration among the parties’ staffs, an RFP for an environmental assessment of the entire tract and the scope of work for the assessment; (ii) disseminate the RFP to prospective providers of the assessment and select a suitable provider for the assessment based on the

recommendation of the parties’ staffs; (iii) notify the Towns of the provider selected by the County to conduct the assessment; (iv) enter into a contract for the assessment with the provider selected and provide a copy of that contract to the Towns; and (v) provide to the Towns a copy of the assessment when it is completed.

2. Orange County shall be responsible for paying to the provider of the assessment the total cost of it under the County’s contract with the provider; and the Towns shall, after notification by the County of its payment to the provider and the total amount of that payment, promptly authorize reimbursement to the County for the total cost of the study as follows: for Chapel Hill, 43% of the total cost; and for Carrboro, 14% of the total cost.

3. This agreement shall be effective as of the date when all of the parties have executed it by their managers with the attestation of the parties’ clerks below and shall terminate upon full performance of the obligations of all parties under the agreement.

In witness whereof, the parties, by their authorized managers, with the attestation of the parties’ clerks, have hereunder set their hands and seals on the dates provided:

_____	_____
Manager, Orange County	Finance Director, Orange County

ATTEST

By: _____
Clerk

Date:_____

_____	_____
Manager, Town of Chapel Hill	Finance Director, Town of Chapel Hill

ATTEST

By: _____
Clerk

Date: _____

Manager, Town of Carrboro

Finance Director, Town of Carrboro

ATTEST

By: _____
Clerk

Date: _____

A RESOLUTION OF THE TOWN OF CARBORO APPROVING THE EXECUTION OF AN AGREEMENT TO CONDUCT AN ENVIRONMENTAL ASSESSEMENT OF THE GREENE TRACT AND DEFERRING FURTHER PUBLIC ENGAGEMENT UNTIL THE COMPLETION OF THAT STUDY

BE IT RESOLVED by the Council of the Town of Carrboro that the Council:

1. Approves conducting an environmental assessment of the entire 164 acres of the Greene Tract to obtain site-specific information on environmental conditions present on the tract in order to identify areas of the property to be preserved and/or protected and areas that could be considered for desired uses as determined in future site evaluations, suitability analyses, community input sessions, site plans and development proposals, with a cost share agreement for that analysis of 43/43/14 percent (Orange County/Chapel Hill/Carrboro respectively).
2. Authorizes the Manager to execute the attached agreement on behalf of the Town for the study.
3. Agrees to not initiate formal public engagement until after the Environmental Impact Study has been completed and received by the governing boards of Orange County, Chapel Hill and Carrboro.
4. Agrees to discussion of the Greene Tract at the 2020 Assembly of Governments meeting on January 28, 2020.

This the 22nd day of January 2020.



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:19-374

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Public Hearing on Proposed Amendments to the Stormwater Rate Structure

PURPOSE: The purpose of this item is for the Council to consider adoption of the proposed amendments to the stormwater utility rate structure.

DEPARTMENT: Public Works

CONTACT INFORMATION: Randy Dodd, Stormwater Utility Manager, 919 918-7341; Joe Guckavan, Public Works Director, 919 918-7427; Nick Herman, Town Attorney, (919) 630-1204

INFORMATION: On September 10th, the Board received a report on stormwater service delivery, and directed staff to set a public hearing to amend the stormwater rate structure. A resolution recommending revisions to the rate structure (Attachment A) is provided, along with a staff memo (Attachment B) and advisory board input (Attachment C). Other supporting materials are available at <http://www.townofcarrboro.org/1138/Stormwater-Utility-Rate-Structure>.

FISCAL & STAFF IMPACT: Amending the rate structure is estimated to increase the dedicated annual revenue for the Stormwater Utility's from a little over \$800k to close to \$1M. The additional revenue will support additional staff capacity and accelerated and expanded delivery of stormwater services.

RECOMMENDATION: It is recommended that the Council accept public comment and consider the recommended rate structure.

**A RESOLUTION APPROVING AMENDMENTS TO
THE STORMWATER UTILITY RATE STRUCTURE**

WHEREAS, the Town of Carrboro modified the Town Code in June, 2017 to create a Stormwater Utility and Stormwater Enterprise Fund; and

WHEREAS, the Town adopted a stormwater rate structure in June, 2018; and

WHEREAS, staff prepared a report with options for expanded delivery of stormwater services in September, 2019, and have prepared a recommendation for modifications to the rate structure;

WHEREAS, advisory boards have reviewed the recommendations for the rate structure amendments; and

WHEREAS, adopting the amendments will enable the Town to accelerate and expand the delivery of services to address the stormwater management needs of the Town.

NOW, THEREFORE, The Town Council of the Town of Carrboro does hereby approve the rate structure presented below:

The resolution is effective upon adoption.

This 21st day of January, 2020.

ATTACHMENT A

AN ORDINANCE AMENDING THE TOWN CODE PROVISIONS
FOR A STORMWATER UTILITY RATE STRUCTURE

Draft 1-18-2020

THE CARRBORO TOWN COUNCIL ORDAINS: CHANGES TO
THE STORMWATER UTILITY RATE STRUCTURE

Section 1. Chapter 18, Article II, Section 18-6 of the Carrboro Town Code (Rate Structure) is amended to read as follows:

The service charges shown below shall apply to all non-exempt properties.

Residential

<u>Tier</u>	<u>Minimum Impervious Surface (square feet)</u>	<u>Maximum Impervious Surface (square feet)</u>	<u>Fee</u>
1	500	5,999	\$90
2	6,000	---	\$180

Non-Residential

<u>Tier</u>	<u>Minimum Impervious Surface (square feet)</u>	<u>Maximum Impervious Surface (square feet)</u>	<u>Fee</u>
1	500	5,999	\$90
2	6,000	23,999	\$450
3	24,000	41,999	\$990
4	42,000	59,999	\$1,530
5	60,000	89,999	\$2,250
6	90,000	119,999	\$3,150
7	120,000	149,999	\$4,050
8	150,000	179,999	\$4,950
9	180,000	209,999	\$5,850
10	210,000	239,999	\$6,750
11	240,000	269,999	\$7,650
12	270,000	299,999	\$8,550
13	300,000	329,999	\$9,450
14	330,000	359,999	\$10,350
15	360,000	389,999	\$11,250
16	390,000	419,999	\$12,150
17	420,000	449,999	\$13,050
18	450,000	479,999	\$13,950
19	480,000	509,999	\$14,850
20	510,000	539,999	\$15,750
21	540,000	569,999	\$16,650
22	570,000	599,999	\$17,550



TOWN OF CARRBORO
NORTH CAROLINA
STORMWATER UTILITY

**To: David Andrews, Town Manager
Mayor and Town Council**

From: Randy Dodd, Stormwater Utility Manager

**Cc: Joe Guckavan, Public Works Director
Nick Herman, Town Attorney
Arche McAdoo, Finance Director**

Date: January 13, 2020

Subject: Stormwater Rate Structure Public Hearing

Background and Summary

The purpose of this memorandum is to provide background information for the public hearing on the consideration of changes to the stormwater utility rate structure.

Information

A report on stormwater service delivery was presented on September 10, 2019 and a draft rate structure developed as part of the request to set up a public hearing on November 12, 2019. The draft rate structure has been reviewed by the Stormwater Advisory Commission and Economic Sustainability Commission. Notification of the proposed changes has been provided through media advertisement and Town communication channels. Drop in sessions were provided on December 12th and January 9th¹. A summary is provided in this memo to supplement other materials provided in consideration of amendments to the structure.

Recommended Rate Structure

The below excerpt from the Town Code creates the fundamental basis for the utility.

Town Code Section 18-4: “Stormwater management utility shall mean an organizational structure established by the Town, that is responsible for funding, administering, and operating the Town's stormwater management program, and that is supported through a rate structure based on the impervious surface area and found on land parcels located within the town limits.”

¹ There were no attendees at either session. Staff also have not received any written input, outside of advisory board review, to the draft amendments.

The Town's stormwater rate structure is based on the amount of impervious surface relative to the "Equivalent Residential Unit" (ERU) of impervious surface area as specified in the Town Code (18-3)), and consistent with the predominant practice for the other jurisdictions that have created a stormwater utility in North Carolina². The premise is that impervious surface is an appropriate metric for determining the impact of stormwater runoff from a given property, and the ERU is a reasonable accounting basis.

In general terms, stormwater fees are calculated by determining the costs of providing the desired level of service and then distributing the costs based on impervious surface area. The draft rate structure includes a modification of the flat fee for single family residential properties to include a new tier for residential properties with greater than 6000 square feet of impervious surface, and a continuation of the current tiered structure for all other properties ("nonresidential") that is a direct extrapolation from the ERU. The tiered (22 tiers) nonresidential structure is driven by the much wider range of non-residential impervious area per parcel relative to residential properties. The overall rate structure approach balances considerations around: the accuracy of current data; administrative time with further impervious analysis and resolution of property level discrepancies, inquiries, and disputes; and providing as much equity through the number of tiers as possible in the rate structure given the currently available data and staff capacity.

Stormwater Services

On September 10th, staff presented a report on stormwater services, which have been incrementally increasing over the past 35-40 years. The Town has been transitioning into its largest increase in services with the new Stormwater Utility, Enterprise Fund, and Advisory Commission.

Until 2018, the stormwater program was staffed through a distributed network of responsibility across departments and positions. With the formation of the Stormwater Utility and the establishment of a rate structure with dedicated funding, the Enterprise Fund is currently funding 2 full time staff positions dedicated to stormwater service delivery who in turn are supported by other staff.

Beyond the transition from a formative to operational Stormwater Utility, the program is experiencing an inflection point:

- 1) EPA and the State are now requiring a higher level of regulatory compliance, record keeping, and reporting for NPDES stormwater permits. Two specific components of the Town's permit for which immediate attention is needed are preparing for a planned 2020 State/EPA audit, and expanding the inspections of Stormwater Control Measure (SCM) for private properties with SCMs permitted by the Town. Based on experience in over 20 other communities that have already been audited, it appears highly likely that Carrboro will be required to put more resources

² According to the UNC Environmental Finance Center (EFC) dashboard: <https://efc.sog.unc.edu/resource/2018-north-carolina-stormwater-rates-dashboard>.

into NPDES permit compliance.

- 2) Recent experience with and concern for more intense storms is leading to a need for the stormwater program to play an expanding role in improved resilience to storm events, and floodplain management. Specific current examples include pursuit of FEMA Hazard Mitigation Grant Program (HMGP) and Public Assistance funds, Toms Creek flood mitigation, and request for support for other neighborhoods, and for potential Land Use Ordinance amendments to improve resiliency.
- 3) The Jordan Lake Rules will be reviewed in 2020; this is anticipated to place additional requirements on the program and Enterprise Fund.

Funding the Delivery of Stormwater Services

The Stormwater Enterprise Fund and [rate structure](#) established in 2018 have been set up to fund both operational and capital stormwater program needs³, including initiating projects with both water quantity/flood mitigation and water quality/environmental benefits. The initial establishment of the rate structure did not anticipate or attempt to completely reconcile the concerns mentioned above. This step was necessary to create the initial foundation for a program with dedicated funding, with a recognition that many details would need to be worked out over time to transition the Utility to a long term and sustainable enterprise. The long term nature is associated with the undertaking of developing a new and comprehensive program, maintaining and retrofitting infrastructure from a century worth of development, and building resiliency for uncertain and long term climate change related impacts. Since the Stormwater Utility is in the second year of receiving dedicated revenue, there are constraints on currently available funding for capital/larger projects as capital reserves are just beginning to accumulate. As a final and summary point for the motivation for considering a rate increase, staff are responding to the general need for the program to increase and accelerate service delivery.

Service Level Options Going Forward

Three short term (1-2 year) service level/delivery expansion options were presented on September 10 (Table 1). Highlighted/italicized items were mentioned as priorities at this meeting.

³ This approach is referred to as “pay as you go”. According the UNC Environmental Finance Center, it is how most stormwater programs fund their programs, including capital improvements. The EFC discusses various funding and financing options at https://efc.sog.unc.edu/sites/default/files/2019/NC%20Stormwater%20Landscape_Final%20Draft_0.pdf

Table 1. Service Expansion Options Matrix (1-2 year time horizon)⁴

Services	Current/Planned	Option 1	Option 2
Public Stormwater Infrastructure (repair, rehab, replace, retrofit, extend)	Pursue Public Works stream restoration and Broad Street Culvert Replacement. Develop prioritization matrix of already identified projects.	Update MS4 inventory Initiate system wide condition assessment	Finish condition assessment and develop life cycle repair, rehab, replacement implementation plan. Develop green infrastructure plan.
Private Stormwater Control Measures Inspections	Inspect 25% of SCMs in next 18-24 months.	<i>Inspect 50% of SCMs within 2 years.</i>	<i>Inspect 100% of SCMs within 2 years.</i>
Regulatory/Water Quality	Prepare for NPDES audit in early 2020 as able with current capacity and workload. Continue to track Jordan Lake Rules.	Prioritize/expand NPDES permit compliance activities	Commit to 319 grant application for next grant cycle (2020).
Flood Mitigation/Resilience	Continue with FEMA HMGP grants and Public Assistance projects. Complete engineering assessment for Toms Creek catchment. Complete neighborhood pilot RainReady project. ⁵ Schedule LUO text amendment public hearing by December, 2020.	<i>Launch residential assistance program within 2 years</i> Schedule LUO text amendment public hearing by September, 2020.	Could include additional cost sharing. Schedule LUO text amendment public hearing by June, 2020.
Stormwater Operations and Administration	Continue with Stormwater Enterprise Fund administration and other current operations. Initiate workflow management system.	Consider new contractual services, e.g., on call Jet Vac and inspections of MS4	Invest in additional equipment. Consider tiered rate structure and/or credit manual Prepare first annual stormwater report.

The following feedback is provided in response to other comments provided on September 10th.

- The recommended rate structure provides capacity to initiate a residential assistance program, with the details to be determined through Management, Stormwater Advisory Commission, and Council review of policy and program recommendations to be provided later in 2020 after the “RainReady” pilot has been completed.

⁴ Options 1 or 2 require a rate increase. All “Current/Planned” services are implicit in “Option 1”. “Option 1” services are implicit in “Option 2”. Only services not included in others are shown for “Option 2”.

⁵ The Center for Neighborhood Technology “RainReady” pilot study is underway.

- Stormwater and Affordable Housing staff have conferred about supporting residents in low income housing with stormwater related concerns and needs. When qualifying households have stormwater problems, staff plan to work on a case by case basis to see what solutions are possible.
- Regarding creating synergies in community outreach between the Community Climate Action Plan and the Center for Neighborhood Technology (CNT) Pilot “RainReady” Project: Stormwater staff and the Environmental Planner have conferred and have also participated in a call with Center for Neighborhood Technology staff.
- With regard to expediting inspections of privately owned and permitted Stormwater Control Measures, the main immediate need is for additional staff: the recommended rate structure will support a new staff position to focus on administrative and technical/office activities that will free up the Stormwater Utility Manager and Stormwater Specialist for these inspections, with the potential for support from other staff if needed.

An important consideration for planning for service delivery over the next 1-2 years is that Stormwater staff are and, presuming new funding is awarded, will continue to be supporting FEMA HMGP projects (2 grant cycles, four residential properties) and Public Assistance efforts. FEMA grant administration requires a very significant amount of staff time, and success is contingent on navigation of many requirements. The motivation is that, if successful, flood mitigation will be provided for 4 of the most vulnerable residences along Toms Creek and a very vulnerable situation due to streambank instability at Public Works will be addressed. The Town could, if successful, also access close to \$1M of federal and state funds for these projects. (They are being pursued on a reimbursal basis that requires substantial documentation and adherence to federal requirements; funding is not guaranteed.) Stormwater staff’s pursuit of these projects is one reason why the two core/full time Stormwater staff are not currently able to devote more time to other important activities. The draft rate structure has been developed to support the necessary additional staff capacity that the program needs. A 10 year projection of anticipated program expenses has been developed and reviewed, and premised on adequate service delivery from stormwater fees alone. Any additional revenue through grant support or other revenue streams will allow for further acceleration and expansion. The additional fee-based revenue will also greatly enhance staff’s capacity to pursue other grant opportunities.

Recommendation

Staff recommend that the Town Council hold a Public Hearing and consider the draft resolution to modify the rate structure as presented in Table 2 and the resolution. This rate structure will allow the Town to in general accelerate and expand stormwater service delivery, more quickly create reserves to pursue larger projects, and to specifically respond to the feedback provided in September, as described in this memo.

**Table 2: Recommended Rate Structure
(Annual Service Charge/Fee)**

Residential

<u>Tier</u>	<u>Minimum Impervious Surface (square feet)</u>	<u>Maximum Impervious Surface (square feet)</u>	<u>Fee</u>
1	500	5,999	\$90
2	6,000	---	\$180

Non-Residential

<u>Tier</u>	<u>Minimum Impervious Surface (square feet)</u>	<u>Maximum Impervious Surface (square feet)</u>	<u>Fee</u>
1	500	5,999	\$90
2	6,000	23,999	\$450
3	24,000	41,999	\$990
4	42,000	59,999	\$1,530
5	60,000	89,999	\$2,250
6	90,000	119,999	\$3,150
7	120,000	149,999	\$4,050
8	150,000	179,999	\$4,950
9	180,000	209,999	\$5,850
10	210,000	239,999	\$6,750
11	240,000	269,999	\$7,650
12	270,000	299,999	\$8,550
13	300,000	329,999	\$9,450
14	330,000	359,999	\$10,350
15	360,000	389,999	\$11,250
16	390,000	419,999	\$12,150
17	420,000	449,999	\$13,050
18	450,000	479,999	\$13,950
19	480,000	509,999	\$14,850
20	510,000	539,999	\$15,750
21	540,000	569,999	\$16,650
22	570,000	599,999	\$17,550



TOWN OF CARRBORO
Economic Sustainability Commission

301 West Main Street, Carrboro, North Carolina 27510

R E C O M M E N D A T I O N

JANUARY 8, 2020

Stormwater Utility Rate Structure Amendment

Motion was made by Jim Porto and seconded by David Jessee that the Economic Sustainability Commission recommends the Town Council approve the draft amendments to the stormwater utility rate structure.

Additional comments:

VOTE:

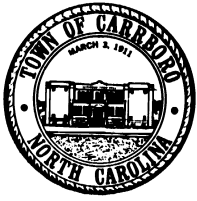
AYES: (5 including Turner, Vandegrift, Jessee, Porto, Jisa)

ABSENT/EXCUSED: (Darr)

NOES: (2 including Morraco, Gange)

ABSTENTIONS: ()

David Gange 1-8-20
Vice Chair (Date)



TOWN OF CARRBORO

Stormwater Advisory Commission

301 West Main Street, Carrboro, North Carolina 27510

R E C O M M E N D A T I O N

THURSDAY, JANUARY 9, 2020

Stormwater Rate Structure Review

Motion was made by Joca and seconded by Paul that the Stormwater Advisory Commission of the Town of Carrboro endorses the rate structure increase in order to expand and accelerate the delivery of essential stormwater services.

VOTE:

AYES: (Dickson, Joca, O'Connor, Paul)

ABSENT/EXCUSED: (Cox, Hoban)

NOES: (0)

ABSTENTIONS: (0)

(for Chair)

1/10/2020

(Date)



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:19-384

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Public Hearing for Community Input on Town Budget for Upcoming FY 2020-21

PURPOSE: This is a public hearing to receive comments from the public regarding the upcoming budget for the Town beginning July 1, 2020.

DEPARTMENT: Town Manager and Finance

CONTACT INFORMATION: David Andrews, Town Manager; and Arche McAdoo, Finance Officer

INFORMATION: The Town Council is required to adopt an annual operating budget ordinance by July 1st. As part of the budget development process, the Council holds a public hearing at the beginning of the process to receive comments from residents about Town services. These comments are considered in developing the recommended operating and capital budgets for FY 2020-21.

A notice of this public hearing was advertised in local newspaper and on the Town's website. The advertisement notifies residents of a public hearing to receive public input and invites residents to submit written comments about the budget for the upcoming year. Residents may also email their comments to the Town Clerk via the Town's website (townofcarrboro.org). Residents will have another opportunity to speak about the Town Manager's Recommended Budget for FY 2020-21 at a public hearing planned for Tuesday, May 19, 2020.

The Town Council is also requested to provide comments, suggestion and inputs to the Town Manager on needs or service improvements they consider important in developing the manager's recommended budget for FY 2020-21.

FISCAL & STAFF IMPACT: None

RECOMMENDATION: Staff recommends that the Town Council hold a public hearing to receive community comments for the upcoming budget year and provide input to the Town Manager on needs and service improvements to consider when developing the budget for FY 2020-21.



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:20-71

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Energy and Climate Protection Plan and Community Climate Action Plan Implementation Update

PURPOSE: The purpose of this item is to update the Council on Energy and Climate Protection Plan and Community Climate Action Plan Implementation Efforts

DEPARTMENT: Planning Department

CONTACT INFORMATION: Laura Janway, Environmental Planner, ljanway@townofcarrboro.org, (919) 918-7326; Patricia McGuire, Planning Director, pmcguire@townofcarrboro.org, (919) 918-7327

INFORMATION: The purpose of this item is to provide the Council with an update on the implementation of two climate action plans, the municipal Energy and Climate Protection Plan (ECPP) and Community Climate Action Plan (CCAP). Work on the ECPP has been underway since the Board's adoption on May 28, 2014. (A complete copy of the ECPP can be found at:

<http://www.townofcarrboro.org/DocumentCenter/View/553/Energy--Climate-Protection-Plan-2014>). Progress on the CCAP has been ongoing since the Board's adoption of the plan on January 24, 2017. (A complete copy of the CCAP may be found at: <http://www.townofcarrboro.org/DocumentCenter/View/4116/Community-Climate-Action-Plan>).

This update includes a detailed report describing ECPP and CCAP implementation since the October update (Attachment B). This update also includes a summary of project recommendations for the CCAP and ECPP from the Environmental Advisory Board (EAB) (Attachment C) and a document from the Environmental Advisory Board (EAB) requesting changes to the Land Use Ordinance regarding Electric Vehicle Charging station requirements (Attachment D).

Should the Council wish to move forward with changes to the CCAP and ECPP, the following actions would need to occur.

1. Staff edits documents per direction from Council.
2. Staff brings revised documents to a future meeting for the Council's formal consideration.

FISCAL & STAFF IMPACT: There is no fiscal or staff impact related to this update.

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

RECOMMENDATION: Staff recommends that the Carrboro Town Council receive this update on the implementation of the Energy and Climate Protection Plan (ECPP) and the Community Climate Action Plan (CCAP) and provide direction regarding amendments to the ECPP and CCAP related to the Environmental Advisory Board's recommendations.

A RESOLUTION RECEIVING AN UPDATE ON THE CLIMATE AND ENERGY
PROTECTION PLAN AND COMMUNITY CLIMATE ACTION PLAN

WHEREAS, the Town Council has received a presentation regarding the Energy and Climate Protection Plan and the Community Climate Action Plan; and

WHEREAS, the Town of Carrboro has a number of emissions-reduction projects in process; and

WHEREAS, Town staff have requested Council input at key milestones; and

WHEREAS, staff have provided the Council with updates on particular projects at regular intervals.

NOW, THEREFORE, BE IT RESOLVED by the Carrboro Town Council that the Council receives this update on the implementation of the Energy and Climate Protection Plan and the Community Climate Action Plan.

BE IT FURTHER RESOLVED that the Council provide direction regarding amendments to the Energy and Climate Protection Plan and Community Climate Action Plan related to the Environmental Advisory Board’s recommendations.

This the 21st day of January in 2020.



TOWN OF CARRBORO

NORTH CAROLINA

TRANSMITTAL

PLANNING DEPARTMENT

DELIVERED VIA: ☒ HAND ☐ MAIL ☐ FAX ☒ EMAIL

To: David Andrews, Town
Manager, Town Council

From: Laura Janway, Environmental
Planner, Patricia McGuire, Planning
Director

Date: January 21, 2020

Subject: Implementation Update: Energy and Climate Protection Plan (2014)
& Community Climate Action Plan (2017)

Summary

The purpose of this memo is to provide the Board with a progress report on implementation of the Energy and Climate Protection Plan (ECPP), adopted May 28, 2014, and the Community Climate Action Plan (CCAP), adopted January 24, 2017. The ECPP concentrates on lowering municipal greenhouse gas emissions and the CCAP establishes a 50% reduction goal in per capita greenhouse emissions by 2025. Town staff are examining and pursuing several initiatives to reach the emissions reductions goals.

Staff have continued to implement the ECPP by addressing rehabilitation of municipal buildings and examining building performance. Staff also completed an employee recycling drive and worked to make Town's annual Holiday Party a zero waste event.

Recent CCAP implementation measures include the first Green Neighborhood Initiative outreach meeting and the commencement of the CCAP implementation survey. Town staff have completed a 10-year climate emergency budget and worked with the Environmental Advisory Board to revise ECPP and CCAP goals. Staff worked to initiate invasive species removal volunteer events, have submitted a grant to the Volkswagen (VW) Emissions Mitigation Fund Diesel Program, and have partnered with the Center for Advanced Hindsight for a grant proposal to the Triangle J Council of Governments Transportation Demand Management Program to reduce single-occupancy vehicle trips in Carrboro.

Facility Condition Assessment

The Facility Condition Assessment has been completed and Town staff are currently working to address rehabilitation of municipal buildings and will be examining building performance.

Staff have drafted a Request for Qualifications to select an Architectural and Engineering Firm (Consultant) interested in providing consulting services for developing renovation plans for Carrboro's Town Hall and Century Center. The consultant will provide energy analyses of Town Hall and the Century Center and will provide recommended solutions to retrofit existing buildings to achieve energy sustainability goals. The consultant will also provide conceptual drawings for planned renovations and additions and provide detailed construction drawings for specific renovations identified by Town Staff. The Town Council has recently expressed interest in exceeding the goals outlined in the Energy and Climate Protection Plan, towards a net-zero energy footprint.

Town Hall Roof Replacement

While performing the municipal greenhouse gas emissions inventory for 2019, staff will evaluate the yearly energy usage of Town Hall and will compare seasonal pre-and post-roof installation energy use to estimate of the likely energy reductions from this project.

Exploration of LED Lighting for Town Buildings

Town staff are working with Duke Energy to assess opportunities to convert indoor lighting fixtures to LEDs. These conversions qualify for incentives from Duke Energy, who will pay for a portion of the upgrades. LED lights will save energy and reduce municipal emissions.

Town Zero Waste Holiday Party and Recycling Drive

Town staff worked with Orange County to arrange to borrow composting bags and x-frames for food waste from the annual staff Holiday Party. Staff also organized a successful employee recycling drive at the event. Employees gathered used batteries, printer ink cartridges, lightbulbs, and plastic bags for recycling.

LED Streetlights

Duke Energy and Piedmont Electric Membership Corporation have finished installing the LED streetlights. Town staff are working to ensure all streetlights have been installed correctly and working with residents to address concerns about unwanted spill light. Town staff are working to finalize an LED infographic and Frequently Asked Questions Page for the Town website.

Town Council 6/25/19 Resolution Regarding Climate Action Goals and Budget Plan

The 6/25/19 Resolution directed staff and the Environmental Advisory Board to perform the following tasks:

The Carrboro Town Council directs the Town Manager to charge staff to work with the EAB to review the carbon reduction goals in the Environmental and Climate Protection Plan (ECPP) and Community Climate Action Plan (CCAP).

- The EAB reviewed the CCAP carbon reduction goals in the 8/22/19, 9/5/19, and 9/19/19 meetings.
- The EAB reviewed the ECPP carbon reduction goals in the 10/3/19 meeting.

The Town Council directs both staff and the EAB to recommend changes as may be needed to achieve goals defined the Town of Carrboro's 2009 climate resolution, recognizing the latest science and historical responsibilities for climate change.

- Staff provided the EAB with a summary of climate action goals made by other local governments, definitions of common terms used in climate goals, scientific recommendations made by the Intergovernmental Panel on Climate Change (IPCC) and research performed to update climate goals to include the principles of climate equity.
- On 9/19/19, the EAB unanimously passed a motion to recommend a change in the CCAP goals to an 80% community reduction of 2010 levels by 2030.
- On 10/3/19, the EAB unanimously passed a motion to recommend a change in the ECPP goals to an 80% community reduction of 2010 levels by 2030.

The Carrboro Town Council directs the Town Manager to charge staff to work with the EAB to identify substitutions to or additional activities or projects and their estimated CO₂ reductions

- The EAB began prioritizing their CCAP recommendations at the 6/5/19 meeting. In-depth discussions were held at the 6/19/19, 7/24/19, 8/22/19, and 9/19/19 Special Meetings.
- At the 1/16/20 meeting, the EAB discussed their recommendations for the ECPP.
- At the 9/5/19 meeting, the EAB discussed options for changes in advisory boards related to CCAP implementation.
- On 9/7/19, the EAB chair approved a draft memo to the Town Council to advise on board structure, including the creation of a new, climate-focused advisory board. This memo was sent to the Planning Director and Town Manager.

The Town Council directs both staff and the EAB to recommend such changes to include within the Town's Climate Plans, in order to more effectively reach the Town's climate reduction goals, while also recognizing principles of race and equity and climate justice.

- At the 11/7/19 meeting, the EAB discussed a list of their current recommendations and added additional ideas.
- At the 1/16/20 meeting, the EAB finalized their recommendations for the ECPP.
- See Attachment C for summary of EAB recommendations.

The Carrboro Town Council directs the Town Manger to charge staff to update cost estimations of current and proposed projects and activities, and develop a 10-year annual climate emergency budget proposal for implementing updated climate action plan goals and related activities and projects for consideration by the Carrboro Town Council beginning in the FY 2020-21 budget cycle, and annually thereafter.

- Staff have completed a climate emergency budget proposal which will be presented as a separate agenda item.

The resolution also states that the Town Council will assess the recommended climate plan updates and budget based by cost, ability to reduce greenhouse gas emissions per the Town's

carbon reduction goals, and implications for race and equity and climate justice for final inclusion in the Town's FY 2020-21 budget and annually thereafter.

The resolution also directed the Town Manager to charge staff to leverage resources from Orange County, the State of North Carolina and the Federal government, when these are available, for helping achieve the Town's goals and for offsetting costs when possible.

Orange County Climate Council

- *Policy Connections:* CCAP Community Integration Recommendation #2: Community Integration Recommendation #2: Expand Public Partnerships to More Explicitly Consider Climate Action.

Town staff, Town Council Member Sammy Slade, and Carrboro at-large representative Kathy Kaufman have attended monthly meetings of the Orange County Climate Council. In recent meetings, the Council has discussed diversity, environmental justice, building broad community support for climate action, and the group's strengths and challenges. The Council worked to define a mission and vision and form committees. Town staff have joined a committee to work on a climate action reporting database. The Council will also work to identify joint projects in future meetings.

Volkswagen (VW) Settlement Phase 1 – Diesel and Bus Program

- *Policy Connections:* ECPP Goals
- *Policy Connections:* CCAP Transportation Recommendation #1: Reduce Greenhouse Gas Emissions from Motor Vehicle Use by 50% by 2025.

In September, Town staff submitted a proposal for two newer, more-efficient diesel refuse trucks and two compressed natural gas (CNG) vehicles as part of a pilot project with Orange Water and Sewer Authority (OWASA) for a potential biogas-to-fuel project. Staff will provide an update on the status of the proposal after notification by grant administrators.

Transportation Demand Management (TDM) Grant

- *Policy Connections:* CCAP Transportation Recommendation #4: Further Promote Walking, Biking, Transit

The Center for Advanced Hindsight has partnered with the Town of Carrboro to submit a proposal to the Triangle J Council of Governments (TJCOG) Transportation Demand Management (TDM) Program. This funding source is provided by the North Carolina Department of Transportation – Public Transportation Division (NCDOTPTD), the Capital Area Metropolitan Planning Organization (CAMPO), and the Durham-Chapel Hill-Carrboro MPO (DCHC-MPO) in order to implement the Triangle Regional 7-Year Long-Range TDM Plan.

The project proposal will involve designing welcome packets for Carrboro residents outlining

alternative transportation options to reduce single-occupant vehicle (SOV) trips in Carrboro. The funding will allow the Center for Advanced Hindsight and other project partners will also perform research to test the effectiveness of this educational campaign. This project will help grant partners learn to incentivize and motivate residents to explore transportation options and find alternatives that suit their needs.

U.S. Census Bureau data from 2014-2018 shows that approximately 28% of Carrboro residents have moved to a new residence within the past year. The Town population has also increased by 8.9% over the past decade. New Carrboro residents or individuals who relocate to new locations may not have knowledge of specific transportation options in their neighborhoods. Moreover, residents may not be aware of how to locate the resources and information they need to make these decisions. The Town can help disseminate information directly to those who need it through a dedicated, targeted welcome packet informational campaign. Town staff can also look for opportunities to better connect with residents who may not have internet access or prefer traditional forms of communication. Mailed correspondence, such as the proposed welcome packet, can serve this purpose for residents who are not active on email or social media platforms.

Town of Carrboro staff will participate in planning sessions, provide data in both the exploratory and outcome phases of the project, and provide ongoing communication and engagement with project partners and Carrboro residents.

This project will improve air quality, reduce greenhouse gas emissions, and enhance quality of life within Carrboro, Orange County, and the greater Triangle community.

Invasive Species Volunteer Group

- *Policy Connections:* Ecosystem Recommendation #5: Improve Regulations and Community Capacity to Discourage Invasive Plants and Encourage Native Plants

In late July 2019, Mayor Lavelle and Town staff met with a Carrboro resident to discuss a proposal to form a volunteer invasive species removal team in Carrboro and decided to begin with Town properties. Staff from the Planning, Recreation and Parks, Public Works, and Finance Departments met to discuss the logistics of the project. On January 11, 2020, Town staff held the first volunteer invasive species removal event at Wilson Park.

Approximately 20 volunteers, including several students from Carrboro High School, helped to remove wisteria (*Wisteria spp.*), English ivy (*Hedera helix*), autumn olive (*Elaeagnus umbellata*), privet (*Ligustrum spp.*), and leatherleaf mahonia (*Mahonia bealei*) from the park using use hand-held tools. The group removed enough vegetation to fill four parking spots in the parking lot. Public Works staff picked up the vegetation the week after the event was held. Volunteers expressed interest in attending future events and helping the Town manage invasive species.

Managed Natural Landscape Ordinance

- *Policy Connections:* Ecosystem Recommendation #5: Improve Regulations and Community Capacity to Discourage Invasive Plants and Encourage Native Plants

Ecosystem Recommendation #5 states that the Town should encourage naturalized landscaping instead of manicured lawns. These types of landscapes offer critical wildlife habitat, cause a decline in the use of petroleum-based fertilizers and pesticides, more effectively capture stormwater runoff, and reduce the heat island effect.

Town staff are currently working on continued revisions on a draft of amendments to the Town Code to allow for managed natural landscapes.

Green Neighborhoods Initiative

- *Policy Connections:* CCAP Community Integration Recommendation #3: Create Participatory Green Neighborhood Budgeting Program to Reduce Carbon Emissions, Build Community, Save Money, and Reallocate Savings to New Green Project Initiatives

On December 10, 2019, staff held the first Green Neighborhoods Outreach Meeting. At the meeting, Staff provided a presentation with an introduction to the Community Climate Action Plan and a summary of the Green Neighborhoods Initiative. Next, attendees identified their neighborhoods by placing stickers on a large paper map of the Town. This map will be used to ensure all Green Neighborhoods in Carrboro are represented by community champions.

Afterwards, all attendees were asked to break into groups depending on their project interests. Planning staff facilitated discussion. Groups included:

- Ecosystem Protection & Enhancement
- Food Choices
- Energy Efficiency & Renewable Energy
- Transportation

Groups used guided worksheets to discuss the following questions:

- What project are you interested in helping to champion in your neighborhood?
- What actions can you take to educate your neighbors and get others involved?
- How can the Town help facilitate your initiative?
- Can you identify any barriers to success in your neighborhood?
- Does your neighborhood have any established methods of communication? Do you have any meeting spaces in your neighborhood?
- Can you commit to reporting your neighborhood's progress to the Town through an online or paper reporting form?
- What action will you take next to move your project forward?

Before adjournment, Town staff provided direction for next steps on the project. Attendees who provided contact information will be sent a link to the Green Neighborhood information page on the Town website, which will include meeting summaries, presentations, a project reporting form, and other resources. Paper copies of project reporting forms will be available in the Town Hall front lobby.

Public Outreach

Staff will hold future Green Neighborhoods Outreach Meetings outside of Town Hall. Staff are working to compile a map showing public meeting spaces throughout Carrboro. This map will be used to schedule future Green Neighborhoods outreach events to ensure that all neighborhoods in the Town are represented in this initiative.

Green Neighborhoods Phase 1: Backyard Composting

The Town anticipates unrolling a backyard composting program as the first phase of the Green Neighborhood Initiative. Through composting promotion, the Town can begin to build communication networks within neighborhoods and between neighborhoods and the Town. These networks can be used to expand public outreach to encourage other emissions reduction initiatives outlined in the Community Climate Action Plan.

The Community Climate Action Plan includes a recommendation to promote composting to improve soil quality, increase soil organic content, enhance water quality by improving infiltration, and decrease methane gas landfill emissions and greenhouse gas emissions from trash pickup.

- *Policy Connections:* CCAP Ecosystem Integration Recommendation #3:
Accelerate Efforts to Study and Implement a Comprehensive Organics
Collection and Composting Program

To encourage composting, the Town has purchased kitchen composting bins and backyard composting bins, which will be offered at a discount to Carrboro residents. The Town Finance Department is working to ensure that the Town has the requisite state sales tax permit and internal protocols in place. Town staff have created an order form and a reporting form. The reporting form will contain information needed for Town staff to calculate greenhouse gas emissions reduction and to determine participation in each neighborhood. Staff will calculate greenhouse gas emissions reductions using the EPA's Waste Reduction (WARM) Model. The Town will begin sales of the composting bins in early 2020.

Multifamily Housing

While backyard composting will be relatively simple for single-family homeowners, approximately 56% of residents within the Town are renters. Those who live in rental units will have less ability to compost at home. The Town will need to ensure that these residents have access to participate.

Public Outreach

Public works staff have updated the Town's composting web pages. The web pages include information about composting benefits and uses, backyard composting, local composting drop-off, and vermicomposting. Town staff also worked to write, produce, and film an informational composting video that will be available on the Town website. Staff have also worked to create a composting brochure for residents.

CCAP Survey

- *Policy Connections:* CCAP Food Choice Recommendation #2: Develop Local Dietary Consumption and Associated GHG Profile

The CCAP survey began in November 2019. Over the past few months, a research team has randomly called 400 Carrboro residents over age 18 in order to reach a +/- 5% error rate. The research team is currently working to analyze the data and will provide results to the Town. The team will also cross-tabulate the data with demographic information to illustrate further trends in residents' habits.

The survey will provide data for a baseline snapshot of habits related to CCAP recommendations as well, including food choices, composting, commuting, and gardening. This baseline data will allow the Town to begin benchmarking and tracking progress towards emissions-reduction goals.

Program Expansion

In order to maximize emissions reduction, the Town will need to continue to promote composting beyond backyard efforts. Town staff have explored options to expand composting bin storage at Town Hall by renovating the area near the garbage dumpsters. These changes are currently in design and staff will meet to discuss how to finalize the project.

As residents purchase bins and provide address information, the Town will create a heat map showing neighborhoods actively participating in organic waste diversion. An active neighborhood will be chosen for an Every-Other-Week pilot initiative designed by Planning Department and Public Works staff. The heat map will also provide information about the success of composting in rental units and inform Town staff how to modify strategies for greater waste diversion.

The Green Neighborhood initiative will be expanded as composting momentum grows. Town staff will pursue other initiatives outlined in the CCAP, such as promoting home energy efficiency and invasive species management as Green Neighborhoods are formed and communication channels are established.

Municipal Greenhouse Gas Inventory

- *Policy Connections:* ECPP Section 4 (Measurement, Inventory, Assessment, and Reporting). Pursuing these activities will inform actions and stakeholders and create transparency.

Town staff are working to complete the 2018 and 2019 Municipal Greenhouse Gas Inventories. Staff have obtained and compiled the 2018 and 2019 electricity and natural gas bills for Town buildings. This data, along with vehicle fuel use data, will be entered for analysis to continue to track ECPP implementation progress.

EAB Recommendations for Community Climate Action Plan

Community Integration			
Task ID	CCAP Recommendation	EAB Recommendations for Additional Activities or Projects	Staff Comments
CI1	Create Grassroots Partnerships to Engage Community	Web-based modules to raise awareness of climate action	
CI2	Expand Public Partnerships to More Explicitly Consider Climate Action	Designate a climate action champion on each advisory board.	
		Request that the League of Municipalities facilitate notifications related to climate and ecological protection and to request local (to places that will be affected by the policy) public hearings.	
		Possibly in cooperation with other municipalities, seek outside legal advice as needed to resolve questions of state and municipal authority. Pursue exploration of the meaning/opportunity of Carrboro not having a franchise agreement with Duke Energy.	
CI3	Create Green Neighborhood Program	Hold community organizer trainings	
CI5	Expand Capacity for Sustainability Initiatives	Create Climate Advisory Board	
		Add additional sustainability staff	
CI6	Facilitate Low Cost Financing for Energy Efficiency and Renewable Energy Projects	Use the recently-approved tax increase in OC to increase energy efficiency in low-income housing.	
CI7	Integrate Climate Action and Social/Equity Initiatives	Reach out to refugees, work with El Centro	Town staff has been in contact with representatives working with the refugee community and El Centro regarding the Green Neighborhood Initiative and will continue outreach as this initiative and others are implemented

Building Energy Efficiency Measures			
Task ID	CCAP Recommendation	EAB Recommendations for Additional Activities or Projects	Staff Comments
BE1	80% Challenge	Incentivize lower energy use in buildings by framing actions using economic reasoning.	
		Perform an inventory of municipally-owned buildings for energy efficiency improvements	Staff have drafted a Request for Qualifications to select an Architectural and Engineering Firm for consulting services for developing renovation plans for Town Hall and the Century Center. The consultant will provide energy analyses of the buildings and will provide recommended solutions and drawings to retrofit existing buildings to achieve energy sustainability goals.
		Dedicate a yearly budget amount to implement energy-efficiency projects.	
		Pursue solar projects on Town buildings, including solar leasing; dedicate enough funding for these projects	Staff have held discussions with a solar leasing company and are working to evaluate this proposal against other options.
		Create energy efficiency templates/toolkits for residents	
		Renewable portfolio standards - purchasing RECs	Analysis underway as to how purchasing RECs or increasing the Town's contribution to NC Green Power may benefit the Town.
		Create a set of guidelines for residents to lead a lifestyling involving owning less and sharing more	
		Promote the use of radiant heating and solar-heated water tanks in building design.	
		Citizen groups and regional governments should use whatever resources they could to agitate for modification of the "third party sale rules" that hinder many options for quick adoption of solar and removing existing impediments, such as thrid party sales prohibition, to implementing solar.	
		Pursue the reinstatement of state solar tax credits. Local inducements such as local tax credits, low-interest financing through town-issued bonds could also be pursued.	
		Promote the use of USDA rural loans	

Building Energy Efficiency Measures			
Task ID	CCAP Recommendation	EAB Recommendations for Additional Activities or Projects	Staff Comments
BE2	Energy Audit/Performance Rating	Perform energy audits on Town buildings	This is an existing recommendation in the CCAP.
		For existing buildings, perform energy audits at the point of sale or lease.	This is an existing recommendation in the CCAP.
BE3	Demonstrate/Pursue Energy Performance Beyond Minimum Requirements for New Development	Create a rewards program to recognize green builders.	
		Negotiate with developers, e.g. density bonus	
BE4	Create Rental Property Task Force and Process	EAB Comment: The Town could immediately move forward with this recommendation.	The Town has partnered on previous funding requests to address this Recommendation. While this grant was not funded, the Town will continue to pursue grant opportunities.
		Engage with the Town attorney to see what the Town could legally require of landlords.	
BE5	Create Rental Property Registry/Certification	EAB Comment: The Town could immediately move forward with this recommendation.	
Transportation Measures			
Task ID	CCAP Recommendation	EAB Recommendations for Additional Activities or Projects	Staff Comments
TM1	80% Challenge	Strategic placement of EV charging stations combined with increased advertisement of locations	
		Require EV charging stations and infrastructure in new developments in the LUO	
		Incorporate solar panels to power EV charging stations	
		Use B100 biodiesel for half the year in Town vehicles (when the temperatures are above freezing)	
		Rental scooters and bikes	Staff is currently working to explore possibilities for a pilot bike share program.
		Incentivize EV cars with priority spaces at popular destinations.	
		Promote catching the school bus	
		Solarize fleet	
		Continue discussing Bolin Creek Greenway.	
TM2	Enhance Transit Service	Extending transit service - routes that run into RTP and Durham aren't being fully utilized.	

Transportation Measures			
Task ID	CCAP Recommendation	EAB Recommendations for Additional Activities or Projects	Staff Comments
TM4	Further Promote Walking, Biking, Transit	Apply for funding from the Triangle Transportation Demand Management (TDM) Program	Staff have partnered with the Center for Advanced Hindsight on a proposal for the TDM program.
		Work with Chapel Hill to pursue a redistribution of TDM funding	
		Have a staff member work more on TDM	
		Find a way to integrate more schools in the Safe Routes to Schools Grant through the Chapel Hill-Carrboro City Schools (CHCCS) - include non-infrastructure projects and middle- and high-schools.	
TM6	Improve Bicycle and Pedestrian Infrastructure	Apply for Platinum status through the League of American Cyclists’ Bicycle Friendly Communities program	
		Pursue infrastructure-based projects to reduce greenhouse gas emissions and traffic (e.g. roundabouts)	
Renewable Energy Measures			
Task ID	CCAP Recommendation	EAB Recommendations for Additional Activities or Projects	Staff Comments
RE1	Pursue Community Solar Projects	Work with a non-profit to become a community champion	
		Form a utility	
		Solar project on Eubanks Rd landfill	
		Create a microgrid under Duke Power	
		Pursue creative financing arrangements (solar leasing, third-party solar, PACE, on-bill financing)	
		Pursue solar projects in areas beyond solely Town buildings.	
RE2	Pursue Downtown Geothermal Heating and Cooling	Use Orange County as an example	
		Pursue geothermal for 203 Project	Staff will ask architects to evaluate in conjunction with updated project designs.

Ecosystem Protection & Enhancement			
Task ID	CCAP Recommendation	EAB Recommendations for Additional Activities or Projects	Staff Comments
ES1	Pursue Stormwater Utility	Implement changes in ordinances related to stormwater management to require developers to absorb the cost of increased stormwater requirements	
ES2	Evaluate Extent to Which the Deer Population and Climate Change affect Native Plant Ecosystems	Partner with a local university for research on impacts of deer population to forest health/invasive species. To start, reach out universities/botanical gardens to see if anyone is currently researching question.	
		Create an ordinance against feeding deer	Feeding deer is prohibited by the Town Code.
ES3	Accelerate/Expand Organic Waste Collection/Composting	Set up an educational demonstration on Town property to hold monthly events	Staff are currently discussing this possibility.
		Explore composting at multifamily residences (e.g. contracting with Brooks)	Staff are currently discussing this possibility.
		Set up model composting sites/yard waste management sites	
ES4	Tree Preservation, Protection, and Conservation	The Town should set specific standards for arborists in analyzing impacts to trees and determining tree health.	
		Create a public-private partnership for planting canopy trees on the edges of properties.	
		Analyze carbon capture on development sites.	
		Add additional environmental review requirements for developers to the Town's LUO, including tools such as the NHP Data Explorer and the Green Growth Toolbox	
		Ensure environmental reviews are considered early on in the development process	
		Perform outreach to environmental policy experts to see what Carrboro can do with broad land-use planning and Zoning, such as creating a Conservation overlay	
		Require EAB to use tools such as the NHP data explorer, national wetland inventory, DEQ environmental justice tool, and green growth toolbox before making recommendations.	
		Identify the amount of carbon capture that Carrboro is responsible for (per capita) and how to conserve such forests (OWASA, rural buffer, Bolin forest)	

Ecosystem Protection & Enhancement			
Task ID	CCAP Recommendation	EAB Recommendations for Additional Activities or Projects	Staff Comments
ES4	Tree Preservation, Protection, and Conservation	Expand right-of-ways to include tree protection	
		Work with Orange County to exchange land in the Rural Buffer to protect properties with high ecological value, such as properties along Eubanks Road.	
	Create New Biodiversity Recommendations	Develop a biodiversity protection plan to go along with CCAP, using local resources such as the Natural Heritage program and retired professors	
		Create thresholds for biodiversity and carbon capture in developments	
ES5	Improve Regulations and Community Capacity to Discourage Invasive Plants and Encourage Native Plants	Provide education and resources about invasives and native plants by adding features on native plants to the Town website or creating informational brochures.	
		Educate Town staff about treating invasive species on Town properties	
		Initiatate a Climate Friendly Habitat Program and promote New Hope Audubon Society’s Bird Friendly Habitats Certification Program	
		Create awareness campaign to encourage residents to leave leaves on the ground in their yard.	
		Observe Earth Day with large event.	
Food Choice Recommendations			
Task ID	CCAP Recommendation	EAB Recommendations for Additional Activities or Projects	Staff Comments
DM1	50% Challenge	Use behavioral information about motivations for food choices to encourage residents to choose plant-based options, e.g. menu placement	
		Work with local restaurants to promote plant-based meals and promote ideas such as Meatless Mondays.	
DM2	Develop Local Dietary Consumption and Associated GHG Profile	Purchase local sales data and grocery store loyalty data	Staff are exploring costs and available data.

EAB Recommendations for Items not Listed in Community Climate Action Plan

	CCAP Recommendation	EAB Recommendations for Additional Activities or Projects	Staff Comments
	New Section	EAB Recommendations	
	Environmental Justice	Add section regarding environmental justice and climate equity to CCAP	
		Community-based participatory research and participatory democracy concepts should be considered when deciding how best to work with community members to achieve goals	
		Utilize mapping tools and other resources.	
		In conjunction with the policies and procedures analyzed using racial equity toolkits through the GARE initiative, utilize racial equity impact assessments	
		Implement proactive procedures for outreach to ensure climate justice	
		Hold meetings in neighborhoods outside of Town Hall	Staff are currently working to plan Green Neighborhood Initiative Outreach Events in locations throughout the Town.
	Carbon Offsets	The Town should have a metric to determine how analyze what to prioritize in terms of buying carbon offsets - it is important to know more specifics about the projects and their efficiency.	
	Research	Protect climate action research	

EAB Recommendations for Energy and Climate Protection Plan

	ECPP Section	EAB Recommendations for Additional Activities or Projects	Staff Comments
Municipal Operations	LED Outdoor Lighting	The Town should inform residents of the possibility of removing streetlights from their neighborhood. This should include an educational component about actual relation of streetlights and safety.	
	Building Assesments and Ratings	Complete energy assessments in Century Center and Town Hall as well as all Town buildings.	
		Investigate the possibility of using non-profits such as Waste Reduction Partners to perform energy audits for free	
		Create implementation plans for energy-efficiency upgrades to Town buildings	
		Execute implementation plans for energy-efficiency upgrades to Town buildings	
		Look at the buildings as a system to ensure all upgrades are performed comprehensively.	

EAB Recommendations for Energy and Climate Protection Plan

	ECPP Section	EAB Recommendations for Additional Activities or Projects	Staff Comments
Municipal Operations	Facility Energy Efficiency	Solarize all municipal buildings.	
	Fleet Replacement & Efficiency		
		Convert all municipal cars to electric vehicles and power vehicles using solar panels on buildings.	
		Convert trucks and larger vehicles when appropriate models are available.	
		Investigate bulk purchasing of electric vehicles.	
		All EV charging stations should be solar-powered.	
		Consider using biogas to fuel vehicles that are not electric (Public Works).	
		Self-imposed internal cap and dividend for Town Departments to incentivize purchasing electric vehicles.	
Municipal Support of Community Sector	Transportation	Ask the Town Council to generate a letter to the State regarding placement of DC Fast Charge EV Charging Stations along travel corridors.	
		Work with Chapel Hill Transit to increase bus service overall, especially on Sundays.	
		Revive trolley service.	
		Leverage Transportation Demand Management Funding.	
	Buildings	Create a program that helps landlords and homeowners perform energy-efficiency upgrades. Host workshops to provide information.	
		Create a Green Home Program using the structure and funding example provided by Babylon, NY.	
	Renewable Portfolio	Solarize the bus fleet.	
	Other	Make it easier for employees to live in Town.	
		Look at trends over time for locations of employee residences.	
		Hold focus groups and perform qualitative interviews with Town employees to understand barriers to living in Town.	
		Provide stipend or livable salary for employees to live in Carrboro to reduce commutes among other things.	
		Town negotiate lower pricing for municipal purchases or leases for transportation options (such as electric vehicles or electric assist bicycles) for employees.	
		Expand sustainable living opportunities for employees	
		Develop a stormwater chapter in the Climate Change: Vulnerability and Adaptation section of the ECPP.	

To: Patricia McGuire, Carrboro Planning Director

Subject: Petition to add Electric Vehicle Ready Requirements to the LUMO

Meeting Date: December 13, 2018

Recommendation: The Environmental Advisory Board (EAB) petitions the Board of Alderman to start a process to amend the Land Use Ordinance (LUO) to add Electric Vehicle Readiness requirements. The EAB has researched and developed the text below for new developments:

Whereas, the Town of Chapel Hill Transportation Advisory Board with concurrence from the Chapel Hill Environmental Stewardship Board petitioned the Chapel Hill Town Council to consider modifying the LUMO to include provisions for, under certain circumstances, either installation of a minimum number of operating EV-capable parking spaces or a minimum number of parking spaces pre-wired to facilitate upgrade to full EV-capability in the future;

Whereas, both of the Town of Carrboro and Town of Chapel Hill are leaders in environmental protection and carbon reduction efforts;

Whereas, both of the Town of Carrboro and Town of Chapel Hill have similar environmental goals;

Whereas, many other governmental entities have adopted similar regulations (See references);

Whereas, many building and trades organization have drafted guidelines for implementing EV readiness (See references);

Whereas, Vision 2020, dated December 5, 2000 outlines Town goals to mitigate climate change, lower carbon emissions and increase energy efficiency that align with this proposal, namely

- **5.50 Energy**

- **5.51** The town should publicly promote every available means of energy conservation.

- The town's own alternative and renewable energy targets should include passive and active solar, and composted waste co-generation to fuel public vehicles and the heating of town facilities

- **5.52** The town should set a goal of reduced energy costs in all town buildings and increased fleet mileage for all town vehicles.

Whereas, the Town of Carrboro adopted the **Community Climate Action Plan**, Dated January 24, 2017 with various provisions that align with this proposal, namely,

- **Transportation Recommendation #1: 50% Challenge (Page 28)**, Reduce Greenhouse Gas Emissions from Motor Vehicle Use by 50% by 2025.
- **Carbon Free in 10 Years**, Page 76, Year 5 – Purchase an Electric car.

Whereas, the EAB has been recommending the following provisions in many SUP/CUP/rezoning reviews for almost a year with generally positive feedback from applicants,

Whereas, recommendations from the EAB are not legally enforceable,

Whereas, the EAB passed a motion to forward the proposal to Town government on December 13, 2018,

Therefore resolved, The EAB requests the following provisions be added to the Town of Carrboro LUO.

EV Ready Requirementsⁱ

These requirements apply to new or expanded parking lots and parking structures and developments which require a CUP or SUP or rezoning. They are not required retroactively for existing parking lots.

1. In parking lots with more than 50 spaces, EV charging stations installed in at least 3% of all parking spaces used by the project.
 - Minimum of two EV charging station parking spaces for each project. At least one of which must be ADA compliant, per NCDOT's guidelines.
 - Provide a Level 2 charging capacity (208 – 240 volts) or greater
 - Comply with the relevant regional or local standard for electrical connectors, such as SAE Surface Vehicle Recommended Practice J1772, SAE Electric Vehicle Conductive Charge Coupler so that they are compatible with all types of chargers
 - EV charging station spaces must be separate from and in addition to preferred parking spaces for green vehicles
2. Signage for parking of electric vehicles shall include:
 - Information on the charging station to identify voltage and amperage levels and any time of use, fees, or safety information.
 - As appropriate, directional signs to effectively guide motorists to the charging station space(s).
 - Station(s) reserved for electric vehicles
 - QR code linking to Town website for greenhouse gas emissions generation information
3. 20% of all total parking spaces will be made "EV Ready" for charging stations, meaning:
 - Installation of dedicated electrical circuit and underground conduit required to run electricity to EV charging spot
 - Electrical panels labeled "EV Ready"

SUMMARY OF ENVIRONMENTAL ADVISORY BOARD ACTION

Vote: Motion O'Connor, Second Sinclair

Ayes: Sinclair, Turner, O'Connor

Nays: 0

ⁱReferences

- <https://www.chargepoint.com/blog/contractors-guide-ev-ready-building-codes/>
- <http://www.transportationandclimate.org/ev-ready-codes-built-environment>
- <https://www.usgbc.org/credits/new-construction-core-and-shell-schools-new-construction-retail-new-construction-healthca-25>
- http://www.b3mn.org/guidelines2-2/s_12.html
- Full Electric Vehicle Ordinance Text
<http://www.codepublishing.com/WA/MountlakeTerrace/html/MountlakeTerrace19/MountlakeTerrace19126.html#19.126.070>
- Siting and Design Guidelines for Electric Vehicle Supply Equipment
http://www.transportationandclimate.org/sites/default/files/EV_Siting_and_Design_Guidelines.pdf
- <http://files.masscec.com/research/WatertownCleanEnergyRoadmap.pdf>
- <http://www.theenergycollective.com/greatplainsinstitute/2417956/making-city-ev-ready>
- Reducing Barriers to Electric Vehicle Adoption through Building Codes
<https://aceee.org/files/proceedings/2012/data/papers/0193-000012.pdf>
- Page 90 <https://www.ladbs.org/docs/default-source/publications/misc-publications/2010ca-green-building-standards-code.pdf?sfvrsn=11>
- Creating EV-Ready Towns and Cities: A Guide to Planning and Policy Tools
http://www.transportationandclimate.org/sites/default/files/EVSE_Planning_and_Policy_Tool_Guide.pdf
- City of Palo Alto - EV Code
<https://www.cityofpaloalto.org/civicax/filebank/documents/42838>
- Carrboro [Climate Action Plan](#)
<https://www.townofcarrboro.org/DocumentCenter/View/4116/Community-Climate-Action-Plan>
- [Carrboro Vision 2020](#) <http://www.townofcarrboro.org/785/carrboro-vision-2020>



Town of Carrboro

Town Hall
301 W. Main St.
Carrboro, NC 27510

Agenda Item Abstract

File Number:20-72

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

TITLE:

Report on Possible 10-year Annual Climate Emergency Budget Proposal

PURPOSE: The purpose of this item is to provide a report on a possible 10-year Annual Climate Emergency Budget Proposal for implementing updated climate action plan goals.

DEPARTMENT: Town Manager, Planning Department, Finance Department

CONTACT INFORMATION: David Andrews, Town Manager, dandrews@townofcarrboro.org, (919) 918-7315; Patricia McGuire, Planning Director, pmcguire@townofcarrboro.org, (919) 918-7327; Arche McAdoo, Finance Director, amcadoo@townofcarrboro.org, (919) 918-7349; Cary McNallan, Budget Analyst, cmcnallan@townofcarrboro.org, (919) 918-7301; Laura Janway, Environmental Planner, ljanway@townofcarrboro.org, (919) 918-7326

INFORMATION: The purpose of this item is to provide a report on a possible 10-Year Annual Climate Emergency Budget Proposal for implementing updated climate action plan goals as outlined in the Town Council 6/25/19 Resolution Regarding Climate Action Goals and Budget Plan (Attachment B).

The Finance Department, Planning Department, and Town Manager identified items related to existing Community Climate Action Plan (CCAP) and Energy and Climate Protection Plan (ECPP) efforts as well as projected efforts from the Capital Improvement Plan (CIP). Staff identified and summarized costs for these items (Attachment C).

Staff have prepared a roadmap showing a possible list of projects and associated costs which could be implemented to reach the updated emissions reduction goals (Attachment D). The roadmap incorporates the revisions to the CCAP and ECPP goals recommended by the Environmental Advisory Board (EAB) of an 80% reduction in greenhouse gas emissions by 2030. There are no staff or administrative costs estimated for the projects included in the budget proposal. Expenditures and likely carbon reductions would not be sequenced on a per year basis. Investments will have to be made before reductions are seen.

FISCAL & STAFF IMPACT: There is no fiscal impact related to discussing the information in this report. Fiscal and staff impacts vary in relation to any other actions taken by the Council in response to this report.

RECOMMENDATION: Staff recommends that the Council consider the attached resolution to receive

Agenda Date: 1/21/2020

File Type:Agendas

In Control: Board of Aldermen

Version: 1

the 10-Year Annual Climate Emergency Budget Proposal and advise further budgetary action.

A RESOLUTION RECEIVING A 10-YEAR CLIMATE EMERGENCY BUDGET

WHEREAS, the Town Council passed a Resolution on June 25th, 2019 Regarding Climate Action Goals and Budget Plan; and

WHEREAS, the Resolution directed the Town Manger to charge staff to develop a 10-year annual climate emergency budget proposal for implementing updated climate action plan goals and related activities and projects for consideration by the Carrboro Town Council beginning in the FY 2020-21 budget cycle, and annually thereafter; and

NOW, THEREFORE, BE IT RESOLVED by the Carrboro Town Council that the Council receives the attached documents and advise staff on further budgetary action.

This the 21st day of January in 2020.

A motion was made by Alderman Slade, seconded by Alderman Foushee, that the following resolution be approved:

**RESOLUTION REGARDING CLIMATE ACTION GOALS
AND BUDGET PLAN**

WHEREAS, the Town of Carrboro's standard for setting climate action goals is defined in the 2009 RESOLUTION TO TAKE RESPONSIBILITY IN A SOCIALLY JUST MANNER FOR CARRBORO'S PORTION OF CO₂ IN THE ATMOSPHERE; TOWARD GETTING THE ATMOSPHERE BACK TO A SAFE LEVEL BELOW 350 PPM OF CO₂; and

WHEREAS, the 2009 resolution resolved that "The Town of Carrboro will seek, and will facilitate the community at large, to cut CO₂ emissions by its proportion of the amount which is required to stabilize the climate back to less than 350 ppm of CO₂ in the atmosphere in time for a 90% probability for success as defined by the most up to date scientific consensus;" and

WHEREAS, the Town of Carrboro has been implementing the municipal Energy and Climate Protection Plan (ECPP) since its adoption in May 28, 2014; and

WHEREAS, the Town of Carrboro has been implementing the Community Climate Action Plan (CCAP) since the plan was adopted on January 24, 2017; and

WHEREAS, carbon sequestration by trees, water and soil is a necessary component for addressing the climate emergency; and

WHEREAS, Orange County designated a portion of a recent property tax for use in climate change mitigation; and

WHEREAS, the largest share of global greenhouse gas emissions emitted since the industrial revolution come from the United States, and cumulative emissions are the critical factor behind the warming we are experiencing today; and

WHEREAS, climate change is an existential threat and an emergency; reports and predictions are always trending for the worse, the time window for action continually shrinks and the probabilities of having passed a point of no return are constantly increasing.

NOW, THEREFORE, BE IT RESOLVED that the Carrboro Board of Aldermen directs the Town Manager to charge staff to work with the Environmental Advisory Board (EAB) to review the carbon reduction goals in the ECPP and CCAP, and for both staff and the EAB to recommend changes as may be needed to achieve goals defined in the 2009 climate resolution cited above, recognizing the latest science and historical responsibilities for climate change.

BE IT FURTHER RESOLVED that the Carrboro Board of Aldermen directs the Town Manager to charge staff to work with the EAB to identify substitutions to or additional activities or projects and their estimated CO₂ reductions, and for both staff and the EAB to recommend such changes to include within the Town's Climate Plans, in order to more effectively reach the

Town's climate reduction goals, while also recognizing principles of race and equity and climate justice.

BE IT FURTHER RESOLVED that the Carrboro Board of Aldermen directs the Town Manager to charge staff to update cost estimations of current and proposed projects and activities, and develop a 10 year annual climate emergency budget proposal for implementing updated climate action plan goals and related activities and projects for consideration by the Carrboro Board of Aldermen beginning in the FY 2020-21 budget cycle, and annually thereafter.

BE IT FURTHER RESOLVED the Board of Aldermen will assess the recommended climate plan updates and budget based by cost, ability to reduce greenhouse gas emissions per the Town's carbon reduction goals, and implications for race and equity and climate justice for final inclusion in the Town's FY 2020-21 budget and annually thereafter.

BE IT FURTHER RESOLVED the Board of Alderman directs the Town Manager to charge staff to leverage resources from Orange County, the State of North Carolina and the Federal government, when these are available, for helping achieve the Town's goals and for offsetting costs when possible.

This, the 25th day of June 2019.

The motion carried by the following vote:

Aye: Mayor Lydia Lavelle, Alderman Bethany Chaney, Alderman Barbara Foushee, Alderman Jacquelyn Gist, Alderman Randee Haven-O'Donnell, Alderman Damon Seils, Alderman Sammy Slade

I, Catherine Dorando, Town Clerk for the Town of Carrboro, NC do hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Carrboro Board of Aldermen.




Town Clerk

Community Climate Action Plan Budget - Town of Carrboro

	Adopted Budget FY 2020	CCAP Bdgt FY 2020 ¹	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026-29 (4 Yrs)	CCAP Bdgt FY20-FY29 Totals (10 Yrs)
General Fund:									
<u>Advisory Boards:</u>									
Transportation Advisory Board	500	500	510	520	530	541	552	2,319	5,472
Greenway Commission	500	500	510	520	530	541	552	2,319	5,472
Environmental Advisory Board	500	500	510	520	530	541	552	2,319	5,472
<u>Governance Support:</u>									
<u>Human Resources:</u>									
Go Passes - Triangle Transit	1,000	1,000	1,020	1,040	1,061	1,082	1,104	4,642	10,949
<u>Planning:</u>									
Staff time	1,431,962	77,615	81,496	85,571	89,850	94,343	99,060	448,311	976,246
Bicycle Friendly Community	5,000	5,000	5,100	5,202	5,306	5,412	5,520	23,206	54,746
Bicycle & Ped Minor Imprvmnts	3,000	3,000	3,060	3,121	3,183	3,247	3,312	13,924	32,847
<u>Transportation:</u>									
Chapel Hill Transit	2,002,600	2,002,600	2,042,652	2,083,505	2,125,175	2,167,679	2,211,033	9,295,272	21,927,916
General Fund Ttl	3,445,062	2,090,715	2,134,858	2,179,999	2,226,165	2,273,386	2,321,685	9,792,312	23,019,120
Energy Efficiency Fund:									
Revolving Loan Funds	267,388	119,935	11,808	8,861	5,820	3,260	1,300	-	150,984
Energy Efficiency Fund Ttl	267,388	119,935	11,808	8,861	5,820	3,260	1,300	-	150,984
Capital Projects & Bond Fund: ²									
<i>Project budget amounts include Town of Carrboro funding only</i>									
Bicycle Loop Detectors	57,500	27,500						-	27,500
Bus Shelter Replacement	288,000							-	-
Homestead Rd CHHS MUP	1,521,770	371,858						-	371,858
Jones Creek Greenway	850,250	170,050						-	170,050
LED Street Lights	40,000	40,000						-	40,000
Morgan Creek Greenway Ph I	1,568,500	113,663						-	113,663
Rogers Road Sidewalk	1,371,658	929,058						-	929,058
S Greensboro St Sidewalk	1,750,119	43,153						-	43,153
Sidewalk Repairs	115,000	115,000	100,000	100,000	100,000			-	415,000
Town Hall Roof Replacemnt	100,000	100,000						-	100,000
<u>Projects not yet approved by ordinance:</u>									
<u>(Total Proj Bdgt)</u>									
Barnes Street Sidewalk (\$292K)				9,179	2,639	46,582		-	58,400
Estes Dr Bike-Ped Imprvmnts (\$1064K)	170,000							-	-
Jones Ferry Road Sidewalk (\$551K)				17,000	6,000	87,200		-	110,200
Capital Projects & Bond Fnd Ttl	7,832,797	1,910,282	100,000	126,179	108,639	133,782	-	-	2,378,882
Storm Water Fund:									
Operations	393,172	393,172	597,780	646,874	669,589	712,661	765,268	3,505,840	7,291,184
Capital Projects	235,400	235,400	320,000	230,000	382,500	400,000	440,000	1,858,500	3,866,400
Storm Water Fund Ttl	628,572	628,572	917,780	876,874	1,052,089	1,112,661	1,205,268	5,364,340	11,157,584
Subtotal of Existing Budget	12,173,819	4,749,504	3,164,446	3,191,913	3,392,713	3,523,089	3,528,253	15,156,652	36,706,570
10-Year Possible Implementation Budget ³		19,976,287	20,433,064	20,433,064	20,433,064	20,433,064	20,433,064	81,732,256	203,873,863
Staff and Administrative Costs ⁴									
Grand Total	12,173,819	24,725,791	23,597,510	23,624,977	23,825,777	23,956,153	23,961,317	96,888,908	240,580,433

¹ These amounts are included in the FY20 Adopted Budget and related to CCAP expenditures.

² Approved Capital Project Ordinances must show a balanced budget i.e., (revenues = expenses). This is why all funding is shown in year of appropriation.

³ See 10-Year Annual Climate Emergency Budget Proposal in 1/21/20 Report to Town Council.

⁴ Staff and administrative costs not estimated.

This is a sample list of projects representing one way for the Community to reach a total reduction of 89,647.2 MTCDE (80% by 2030). Other combinations of projects are possible and staff will continue to explore emissions reductions and costs associated with these actions. Food choice data is not represented in this chart and will be added to the inventory after completion of the recent Community Climate Action Plan Survey.

Town of Carrboro Greenhouse Gas Emissions Reduction Road Map						
	Plan Section	Total Community Reductions	MTCDE	Estimated Cost	Cost/MTCDE	% of Total
Pre-2020 Reductions	Ecosystem Protection & Enhancement	CHCCS and Farmers' Market Composting	368.57	CHCCS and Orange County		0.33%
		Solid Waste	329.19	Related to Resident Actions		0.29%
	Transportation	EV Charging Station	9.02	\$10,000	\$1,109	0.01%
		Homestead Rd-Chapel Hill High School Multi-Use Path	16.02	\$1,521,770	\$94,992	0.01%
	Buildings	Town Reduction	353.90	Related to Multiple Actions		0.32%
		Pete Street	9.53	\$20,000	\$2,099	0.01%
		WISE Program Energy Efficiency Retrofits	89.70	\$310,605	\$3,463	0.08%
		Reduction in CHCCS Natural Gas Use	490.89	CHCCS		0.44%
		Changes in Electricity Emissions Factors	13,268.43	Duke Energy		11.84%
		LED Lighting for Town Streetlights	157.44	\$35,396	\$225	0.14%
		CHCCS Electricity, Solarize Carrboro	990.08	CHCCS, Solarize Costs		0.88%
	Renewable Energy					
		Pre-2020 Reductions Totals	16,082.76	\$1,897,771		14.35%
	Plan Section	Total Community Reductions	MTCDE	Estimated 10-Year Cost	Cost/MTCDE	% of Total
Estimated Future Reductions	Ecosystem Protection & Enhancement	Composting Program	236.89	\$848,906	\$5,706	0.21%
		Expand Farmers' Market Composting to Wed.	51.76	\$1,800,000	\$34,776	0.05%
	Transportation	Add 20 Additional EV Charging Stations	360.80	\$500,000	\$1,386	0.32%
		Partner with CHCCS for Idling Reduction Campaign	150.89	\$9,740	\$65	0.13%
		Jones Creek Greenway	16.00	\$890,250	\$55,641	0.01%
		Morgan Creek Greenway	16.00	\$1,500,000	\$93,750	0.01%
		Reduce Community Transportation Emissions 45% (TDM)	14,772.00	\$1,213,640	\$82	13.18%
		CH Transit - Electric Buses (3)	75.00	\$2,800,000	\$37,333	0.07%
		CH Transit - 7 Additional Electric Buses	175.00	\$6,533,333	\$37,333	0.16%
	Buildings	Commercial Retrofits (55% Reduction)	15,564.88	\$6,137,192	\$394	13.89%
		Single Family Retrofits (30% Reduction)	4,948.28	\$52,379,840	\$10,585	4.42%
		Multi-Family Retrofits (40% Reduction)	10,764.69	\$23,840,141	\$2,215	9.61%
		Town Retrofits (45% Reduction)	205.05	\$711,111	\$3,468	0.18%
	Renewable Energy	40% Electricity Use Reduction (Solar/Community Solar)	26,020.00	\$104,000,000	\$3,997	23.22%
		Town 30% Electricity Use Reduction (Solar)	216.84	\$1,166,485	\$5,379	0.19%
		Estimated Future Reductions Totals	73,574.08	\$204,330,640		65.66%
		Grand Total Emissions Reductions, 10-Year Future Estimated Cost	89,656.84	\$204,330,640		80.0%