



May 5, 2015

To: Mayor and Board of Aldermen:

I am pleased to submit for your consideration a recommended budget for Fiscal Year 2015-16. As you are aware, the North Carolina General Assembly has a number of bills under consideration that has the potential to significantly affect future local government revenues if enacted. The recommended budget for FY 2015-16 assumes that the General Assembly will make no changes in 2015 that would negatively impact the Town's existing revenues. The recommended budget represents the careful and balanced choices that were required among the Town's competing needs and demands. The major goals in developing the budget for FY 2015-16 were to:

- implement the Board's strategic priorities,
- manage costs while improving services to the citizens,
- develop a balanced budget with no property tax rate increase, and,
- provide salary adjustments for Town employees.

The proposed general fund budget for FY 2015-16 totals \$21.5 million, an increase of 1.2% over the current adopted budget. Some of the initiatives in the upcoming fiscal year include affordable housing, human services programs, parking management study, technology upgrades, and continued capital investments in Town infrastructure.

Other major activities proposed for FY 2015-16 include:

- Acquisition of Development Services Permitting Software;
- Funding the Affordable Housing Fund at a level equal to a penny of the property tax rate; and,
- Evaluation of options for managing stormwater management and flooding mitigation.

In addition to maintaining the current service levels in FY 2015-16, the Town will continue with its Strategic Energy and Climate Protection Plan. As new projects are considered, efforts will be made to incorporate energy savings strategies which will reduce operating costs. For example, we will continue to include the Havis Idle Manager in police patrol vehicles to be purchased. This allows officers to operate mission critical electrical loads such as lights, radio, laptop, and in-car video system without the engine running. This idle manager will also reduce unnecessary engine idling, save fuel, reduce wear and tear on engine, and reduce greenhouse gas emissions. The Town will continue its study to improve the HVAC system at the Century Center.

Total full-time equivalent positions in FY 2015-16 increase from 158 to 158.5. Two part-time administrative positions (one in finance department; and one in recreation and parks department) will be converted to full-time. A vacant full-time position in the planning department will be converted to a part-time GIS position.

The accompanying Executive Summary provides additional highlights of overall budget priorities and strategies for fiscal year 2015-16.

On behalf of all Town of Carrboro employees, I want to thank the Mayor and Board of Aldermen for your leadership and dedication to the community. Your efforts are vitally important to Carrboro's unique identity and quality of life. I would also like to recognize and thank Arche McAdoo, Sandy Svoboda, and the entire Finance Team for their dedicated efforts in the development of the FY 2015-16 Town budget.

Sincerely,



David L. Andrews, ICMA-CM
Town Manager