Town of Hillsborough

FY17 Adopted Budget
& Financial Plan

Hillsborough, North Carolina

Town of Hillsborough Historic Sites

(Cover page, clockwise starting top right)

Masonic Hall

Located at 142 W. King Street. The 1823 Greek Revival building was designed by state architect William Nichols and built by John Berry. Chartered in 1792, the Masons of Eagle Lodge Number 19 were one of the first Masonic lodges charted under the Grand Lodge of North Carolina. The solid brick wall cube, measuring 40 feet in width, depth and height has also served as an opera house, an unofficial town hall, and a Civil War hospital.

Francis Nash Historical Marker

The marker reads "Patriot general in American Revolution, was mortally wounded at Germantown, 1777. His home is 150 yds. W." In 1775 Nash was appointed Lieutenant Colonel of the First Regiment of the North Carolina Continental Line. He was killed in action two years later at the Battle of Germantown in Pennsylvania, becoming one of Orange County's first heroes of the American Revolution.

Alexander Dickson House

Located at 150 E. King Street. The late 18th century Quaker-plan house currently serves as the Orange County Visitors Center. The site includes an 18th and 19th century medicinal and herbal garden as well as an office used by Confederate General Joseph E. Johnston in April 1865 before he surrendered his troops to Union General William T. Sherman at nearby Durham Station.

Old Town Cemetery

Located at 102. W. Tryon Street. The 1757 cemetery surrounds Presbyterian Church, the original site of the first St. Matthew's Church of England, which burned in 1793. The cemetery contains 184 marked graves and about 100 unmarked graves. Buried here are some of North Carolina's most notable citizens, including William Hooper, one of North Carolina's three Signers of the Declaration of Independence; Governor William A. Graham, Secretary of the U.S. Navy, Senator of the U.S., and Senator of the Confederate States; and N.C. Chief Justice Frederick Nash.

Old Town Clock

Located at corner of E. King and S. Churton Streets. The clock was made in England, and is reported to have been given as a royal gift to the Town about 1769, possibly from King George III or Lord Hillsborough, Secretary of State for the Colonies, for whom the Town was named. The clock is believed to have first hung in the steeple of St. Matthew's Church of England, then in the tower of the Market-House. Since late 1846 it has hung in the octagonal cupola of the Old Courthouse.

Strategy Map

Vision for Hillsborough

We envision Hillsborough as a prosperous town, filed with vitality, fostering a strong sense of community, which celebrates its unique heritage and small-town character.

Mission of Town Government

We are stewards of the public trust who exist to make the Vision for Hillsborough a reality. We manage and provide the infrastructure, resources, and services that enhance the quality of life for the living beings and land within our town.

STRATEGIC OBJECTIVES

Serve the Community

Strengthen Citizen Engagement	Conserve Cultural and Natural Resources	Increase Citizen and Community Safety	Enhance Economic Vibrancy	Expand Recreation, Walkability and Connectivity

Run the Operations

Enhance Emergency Preparedness	Provide Responsive and Dependable Services	Manage Projects Effectively	Improve Communication and Collaboration	Excel at Staff and Logistical Support

Manage Resources

Maintain Fiscal Strength	Invest in Infrastructure	Develop Long-Term Financial Plans	Deliver Services Efficiently

Develop Know-How

Develop a Skilled and Diverse Workforce	Support Development of Citizen Volunteers	Enhance Relations with Other Entities

Town Board Strategic Priorities

Quality of Life

Superior Services

Community Safety

Strategic Growth

Economic Development

We Value

High quality services and high quality customer service

Hillsborough's small town nature and sense of community

Serving as a catalyst for change

Sustaining Hillsborough's unique "sense of place" including its history, architecture, citizens, river, and mountains

Maintaining and celebrating our community's diversity

Inclusion of all neighborhoods and areas of our town—Hillsborough is for everyone

Affordability — keeping the cost of services and living within reach of people who live and work here

Vibrancy — fostering a "Happening Hillsborough" that is alive, growing, and filled with positive energy.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Town of Hillsborough

North Carolina

For the Fiscal Year Beginning

July 1, 2015

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Town of Hillsborough, North Carolina for its annual budget for the fiscal year beginning July 1, 2015. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operating guide, as a financial plan, and as a communication device.

This award is valid for a period of one year only. We believe our current budget document continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

TABLE OF CONTENTS

Town Strategy Map 1
GFOA Distinguished Budget Presentation Award 2
Table of Contents 3
Information About Hillsborough 6
Town Organizational Chart 7
Mayor and Board of Commissioners 8
Town Administration 9

BUDGET MESSAGE

Budget Message 11
Budget Ordinance 25
Fees & Charges Schedule 29

BUDGET SUMMARY & INFORMATION

Reader's Guide to the Budget Document 42
Function of Financial Plan 43
Major Units of the Budget 44
Financial Management System 45
Fiscal Policies 47
Budget Process 50

FINANCIAL SUMMARIES

Town Revenues / Expenditures 54
Revenue Assumptions 57
Revenues & Expenditures by Type 58
Revenues
- General Fund 60
- Water & Sewer Fund 62
- Stormwater Fund 63

Financial Summaries 64
Financial Trends 67
Fund Balance 68
Debt Obligations 67
Personnel Summary 81
Fund & Budget Unit Structure 83

BALANCED SCORECARD

Town Strategy Map 86
Rationale, Overview & Processes 87
Strategic Priorities 90
Perspectives 91
Objectives by Perspective 92
Key Definitions & Components 93

GENERAL FUND

GENERAL FUND - Summary of Expenditures 96
GENERAL GOVERNMENT – Summary of Expenditures 98
- Governing Body 99

Administration..... 103
Local Government Channel (PEG)..... 111
Finance..... 115
Planning..... 121
Ruffin – Roulhac..... 125
Public Space..... 129
Safety & Wellness 135
Information Services 139
PUBLIC SAFETY – Summary of Expenditures 144
Police
Police – Administration 145
Police – Patrol 151
Police – Investigations & Community Services 155
Fire
Fire Marshal & Emergency Management 159
Fire Protection..... 165
PUBLIC WORKS – Summary of Expenditures 170
Fleet Maintenance 171
Streets 177
Powell Bill 183
Solid Waste..... 187
Stormwater 191
Cemetery 195
ECONOMIC & PHYSICAL DEVELOPMENT – Summary of Expenditures 200
Economic Development 201
SPECIAL APPROPRIATIONS – Summary of Expenditures 206
Special Appropriations 207
CONTINGENCY – Summary of Expenditures 212
Contingency 213

WATER & SEWER FUND

WATER & SEWER FUND - Summary of Expenditures..... 218
Administration of Enterprise 223
Engineering 227
Billing & Collections 231
Water Treatment Plant 237
West Fork Eno Reservoir 241
Water Distribution 245
Wastewater Collection 249
Wastewater Treatment Plant 253
Contingency 257

STORMWATER FUND

Stormwater Expenditures 261

SUPPLEMENTAL AGENCIES

Tourism Development Authority 269
Tourism Board 271

CAPITAL IMPROVEMENT PLAN (CIP)

Capital Improvement Plan Guide 274

CIP Summary 275
CIP Projects 276

SUPPLEMENTAL INFORMATION

Authorized Positions 296
Employee Pay Grades 299
Budgetary Planning Retreat Minutes 300
Vehicle Replacement Schedule 304
IT Refresh Schedule 306
Glossary 308

INFORMATION ABOUT HILLSBOROUGH

LOCATION

The Town of Hillsborough, the county seat for Orange County, is part of the Central Piedmont region of North Carolina. Located at the western edge of the Research Triangle Park Area, Hillsborough is in close proximity to the State Capital in Raleigh, the City of Durham and the Town of Chapel Hill. Two nationally renowned universities, the University of North Carolina at Chapel Hill and Duke University in Durham, are within close range. The Town of Hillsborough encompasses 3,719.141 acres (5.811 square miles).

HISTORY

The Town of Hillsborough was founded in 1754. Prior to the Revolutionary War, many dramatic events took place in Hillsborough. The Regulators, a group who staged an uprising to protest taxes, corrupt officials, and non-representation, were tried and hanged in Hillsborough. Hillsborough also hosted the momentous Constitutional Convention of 1788 where delegates demanded a Bill of Rights before they would ratify the U.S. Constitution. The Town's Visitor Center once served as the headquarters for General Johnston, who negotiated the surrender with General Sherman that led to the end of the Civil War.

Today, the Town's residents work hard to honor and preserve Hillsborough's rich history. There are over 110 homes and other structures built in the 1700s and 1800s that are still in use today. As a result, many tourists come to Hillsborough each year to visit a variety of historical attractions.

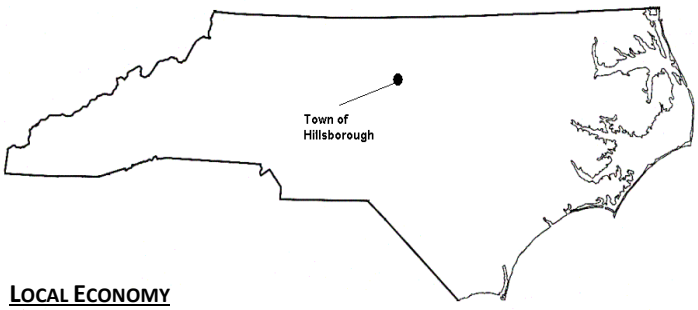
Modern Hillsborough encompasses residential neighborhoods, a large historic district and a considerable number of retail and business areas with an emphasis on antique and craft shopping.

DEMOGRAPHICS

The N.C. State Demographer's 2013 population estimate for the Town of Hillsborough is 6,395. The median age of the Hillsborough population is 36.4. The demographic breakdown of the Hillsborough according to the 2010 U.S. Census is 74.4% white and 11.9% black. Individuals who identify as Hispanic or Latino make up 8.2% of the Town's population. Almost 90% of residents have graduated high school and 54% have a bachelor's degree or higher. The median household income is $51,944.

GOVERNMENT

The Town of Hillsborough has used a Council-Manager form of government since 1989. Legislative and policy making authority rest with a Mayor and a five-member Board of Commissioners. The Mayor is elected every two (2) years. Each Commissioner serves a four-year term. Elections are non-partisan, staggered and held during odd-numbered years. The Board hires a Town Manager to carry out its policies, as well as to manage and direct the daily operation of the Town. The Town provides many services including police protection, street maintenance, and water and wastewater system operations.



LOCAL ECONOMY

The Town of Hillsborough, Orange County and Research Triangle Park area continue to experience growth and are considered to be among the most desirable areas of the country to live and work according to several national surveys. The economy of the Town is diversified with manufacturing and a mix of wholesale and retail businesses as well as numerous service providers. Approximately 43.5% of Hillsborough's tax base is commercial in nature. Local industries are involved in a range of operations from simple assembly to complex manufacturing processes resulting in products such as hydraulic equipment, electronic and computerized medical diagnostic equipment.

Principal Employers:

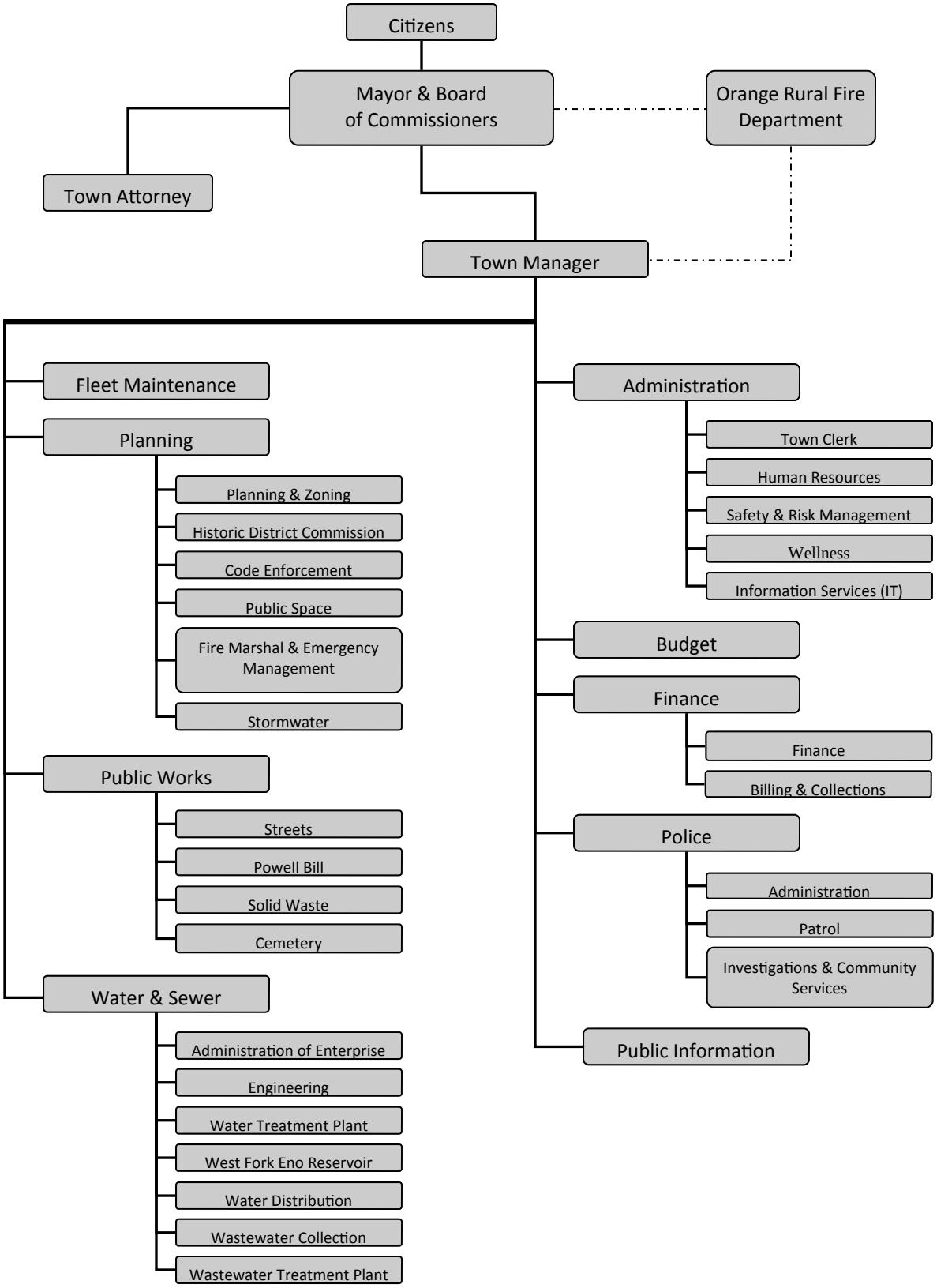
Employer	Town Population
Orange County Schools	16.20%
Orange County Government	15.23%
Sports Endeavors, Inc.	5.56%
PHE	4.94%
Wal-Mart Associates Inc	4.45%
Brookshire Nursing Center	2.34%
Piedmont Electric	1.45%
Town of Hillsborough	1.40%
Builders First	1.24%
Triangle Sportsplex	0.83%
Total	53.64%

Orange County's unemployment rate has been below the state and national rates over the past fifteen years. This trend continued during the last year in which the County's unemployment rate as of June 2016 was 3.9% while the state and national rates were both 4.9%.

The Town's economy is expected to remain relatively strong in the foreseeable future because of the benefits derived from the low unemployment rate, a stable employment base, and the March 2004 annexation of a 337-acre mixed used development called Waterstone that is expected to increase the Town's population by 25% and increase the tax base by 50% over the next ten years. The Town is served by Interstate Highway 85 and Interstate Highway 40. The widening of Interstate Highway 85 to eight lanes, expected to be completed by the state during the next several years, will greatly improve access to the Town from other areas of the state, thereby creating many economic benefits for the Town. We are confident that with proper planning and continued effective leadership, the Town will be able to meet the challenges of the future.

Town of Hillsborough

Organization Chart



MAYOR AND BOARD OF COMMISSIONERS

Tom Stevens
Mayor
P.O. Box 429
Hillsborough, NC 27278
(919) 732-2104 ext. 1005 (Work)
(919) 245-1026 (Home)
tom.stevens@hillsboroughnc.org
Term Expires: 2017

Kathleen Ferguson
Mayor Pro Tem
517 Central Avenue
Hillsborough, NC 27278
(919) 923-9120 (Home)
kathleen.ferguson@hillsboroughnc.org
Term Expires: 2017

Mark Bell
Commissioner
168 W. King St.
Hillsborough, NC 27278
(919) 883-5187 (Home)
mark.bell@hillsboroughnc.org
Term Expires: 2019

Evelyn P. Lloyd
Commissioner
169 W. Tryon Street
Hillsborough, NC 27278
(919) 732-1500 (Work)
evelyn.lloyd@hillsboroughnc.org
Term Expires: 2019

Brian J. Lowen
Commissioner
405 N. Nash St.
Hillsborough, NC 27278
(919) 644-1427 (Work)
brian.lowen@hillsboroughnc.org
Term Expires: 2019

Jenn Weaver
Commissioner
323 W. Queen Street
Hillsborough, NC 27278
(919) 619-6065 (Mobile)
jenn.weaver@hillsboroughnc.org
Term Expires: 2017

TOWN ADMINISTRATION

Eric Peterson	(919.732.1270 ext. 80)	Town Manager
Margaret Hauth	(919.732.1270 ext. 86)	Assistant Town Manager/Planning Dir.

MANAGEMENT TEAM

Emily Bradford	(919.732.1270 ext. 88)	Budget Director
Katherine Cathey	(919.732.1270 ext. 71)	Town Clerk/Human Resources Director
Jenifer Della Valle	(919.732.1270 ext. 81)	Management Analyst
Duane Hampton	(919.732.9381)	Police Chief
Ken Hines	(919.732.1270 ext. 78)	Public Works Director
Kenny Keel	(919.732.1270 ext. 75)	Town Engineer
Heidi Lamay	(919.732.2104 ext. 1001)	Finance Director
Catherine Wright	(919.732.1270 ext. 82)	Public Information Officer

TOWN HALL
101 E. Orange Street
P.O. Box 429
Hillsborough, NC 27278

TOWN HALL ANNEX
137 N. Churton Street
Hillsborough, NC 27278

www.hillsboroughnc.gov

Town of Hillsborough

Since 1754

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BUDGET MESSAGE

BUDGET MESSAGE

February 12, 2016 (Revised May 13 & June 13, 2016)

Honorable Mayor Stevens and Board of Commissioners:

I am pleased to submit Hillsborough's FY17 Annual Budget **Workbook** and FY17-19 Financial Plan. For the fifth year in a row, the budget is being presented three months earlier than the traditional delivery date for local governments in North Carolina. This provides additional time to review, deliberate, receive input, consider alternate ideas and make adjustments. To the best of our knowledge, Hillsborough is the only local government in North Carolina (of over 650 municipalities and counties) that delivers a draft budget this early to its governing board.

The budget is prepared in accordance with the North Carolina Local Government and Budget Fiscal Control Act. As this proposed document is transmitted from the Town Manager to the Board of Commissioners, it now becomes the governing body's budget to review, debate, adapt and ultimately adopt. It is expected that changes will be made to the proposed budget as proposals and alternatives are discussed. Delivering a budget so early requires on-going adjustments to revenue and expenditure projections, as new information becomes available, through adoption in June. The Manager and staff are ready to provide whatever information the Board deems necessary to help it make well-informed decisions on the budget and three-year financial plan.

It is important to note that this first draft/workbook is **not** the final word on Hillsborough's budget and financial plan. Rather, it's intended to serve as a "starting point" in a four-month process. Therefore, the mayor, Board of Commissioners, advisory boards and community are strongly encouraged to share their views regarding what should be funded, eliminated, reduced, added, or altered.

Why Develop a Detailed Budget so Early?

Answer: Make time an ally, not an adversary. The Board will have the advantage of seeing the detailed budget before its Annual Budgetary Planning Retreat on February 27. Early decisions on what issues the Board supports, does not support, and where it requires additional information, allows everyone to focus on the highest priority items. This provides more time for developing alternatives, soliciting additional feedback from the public, and debating the merits of various options. Additionally, starting the process early increases the window of time available to develop better solutions without the counterproductive pressures that can be brought on by a last-minute time crunch. In a normal budget cycle for local governments, only a few weeks are allotted between review and adoption.

The Budget as a Decision-Making Tool

This is the 19th year a multi-year financial planning format has been used in reviewing the Town's budget and operations. It is the 10th year the balanced scorecard has been used to implement and communicate the Board's mission, vision, strategic priorities and core values. The scorecards are a response to the Town Board's strategy map through initiatives, performance measures and targets pursued by departments in their daily operations. This system was designed to help the organization become more analytical, adaptive and responsive to the lessons it learns while trying to achieve its goals. Strategies are tested through trial and error via the performance measures in the scorecards.

These businesslike techniques (used by more than half of the Fortune 1,000 companies) determine how to prioritize needs and allocate Town resources. While the scorecard is a typical tool in the business world, Hillsborough is one of only about four or five local governments in North Carolina using this system that links goals, actions, measures, and targets. The draft Balanced Scorecard will be delivered to the board in advance of its review at the April 25 workshop and will be included in the final adopted budget.

The multi-year forecasting component of this document encourages the Town to look forward to identify, address and mitigate potential problems while they are still manageable. The plan allows readers to better see how today's decisions affect the Town's financial condition in the future. The financial plan functions as a "fiscal radar," giving Hillsborough more time to proactively plan responses to problems and needs. This is crucial in avoiding unwanted surprises! Using only an annual budget process, as most local governments do, to manage their financial and departmental operations provides little advance warning of problems looming on the horizon. If the Town Board, staff, and community is aware of a potential problem in advance, it has greater flexibility and time to develop reasonable solutions calmly.

FY17 BUDGET EXPENDITURES

General Fund	$ 9,565,695
Stormwater	$ 595,804
Water/Sewer Fund	$ 13,522.134
Total	**$ 23,683,633**

TAX & RATE HIGHLIGHTS

Property Tax Rate: *No change*, remains at 68 cents for FY17. Projected to remain unchanged for FYs18-19. This is the fourth consecutive year without an increase.

Water Rates: *No change. Water rates were last raised in July 2012.* Increases are projected for FY18 (3.0%) and FY19 (3.0%).

Sewer Rates: *No change* for FY17 and no increases are forecasted for FYs18-19.

Minimum Water/Sewer Rates: *Decrease cost of bills for low volume users.* FY14 began a four fiscal year plan to lower the minimum usage charge from 3,000 to 2,500 gallons per month (GPM). The Water & Sewer Advisory Committee (WSAC) and Town Board's goal was to decrease water and sewer costs for low volume users and do so without raising rates on customers using more than the minimum. FY17 proposes taking the final step by reducing the minimum another 100 gallons, from 2,600 to 2,500. This process has resulted in significant savings for lower volume users (often senior citizens, others on fixed incomes, and those living alone) and will continue to in the future. This policy change benefits about 28% of, or over 1,500 customer accounts that use less than the minimum on most months. Please see the bottom of the sixth page of this budget message to view the table that provides details on cost savings for low volume customers from this policy change.

Stormwater Fee (*Proposed new fee*): *Residential* (not including multi-family): $75/year. *Non-residential*: fee based on impervious surface. An updated proposal creates additional tiers to address equity concerns raised by businesses during the public information and feedback sessions (e.g., adding a lower expense tier for smaller properties and a higher expense tier for the largest properties. Details on the proposed fee and use of Stormwater funds can be found later in the budget message and in the Stormwater section of the budget.

Privilege License – *No fee charged to businesses***.** The General Assembly eliminated municipalities' ability to charge for this license to businesses operating within their jurisdiction. The license served as a revenue source and method of identifying which businesses were operating in town (e.g., for managing services like fire inspections, food and beverage tax, and planning and building inspection services). The revenue loss is costing the Town about $40,000 annually - about ½ cent on the tax rate. Municipalities in North Carolina are looking into the option and legality of charging a small flat fee to businesses to simply aid in record keeping for food and beverage tax collection, fire inspections, etc..

GENERAL FUND – PROJECTS & INITIATIVES

Expenses increase by 4.6% in FY17

- ✓ *Street Repaving*: $350,000 keeps the town on pace to repave about 5% of streets or on a 20-year cycle.
- ✓ *Public Works Facility Relocation* – current facility is in flood plain, small, old, in poor condition, and there are no shelters for equipment. $500,000 is placeholder figure. $25,000 allocated in FY17 for design.
- ✓ *Fiber Loop* - Connect all Town facilities via a fiber connection creating a network making file sharing and communication between facilities/departments easier - significantly reduces phone and internet costs. This project simultaneously builds a fiber backbone capable of fostering fiber to the home, or "last mile" service by third party providers. This is a next step in attracting a high-speed internet provider to serve Hillsborough. The feasibility study and construction estimates should be complete by May. Construction costs of $1 million and a 10-year loan with $123,291 annual debt payments (FY18) is placeholder figure until the feasibility study is complete.
- ✓ *Public Space Division* – Reorganization moves current Project Planner Stephanie Trueblood over this operation, which necessitates the hiring of a new planner. Continues contract for mowing cemeteries, parks, and rights-of-way. Adds a parks technician in March 2018 who would be responsible for maintenance in parks, public spaces and rights-of-way.

GENERAL FUND – Vehicle/Equipment Highlights

- ✓ *Police vehicles*: $35,000 to replace an aging vehicle in Patrol and a new vehicle in Community Policing.
- ✓ *In-vehicle video systems (police)*: $36,000 to replace old and unreliable VHS tape systems in patrol vehicles.
- ✓ *Knuckle-boom truck (solid waste):* $145,000 replaces 18-year old truck.
- ✓ *Dump truck (streets)*: $110,000 replaces 25-year old truck. Also, serves as snow plow.
- ✓ *Vibratory Asphalt Roller (streets):* $52,000 replaces 15-year old unit that is not nearly as effective as a vibratory roller setting pothole and pavement patches, often from utility system and stormwater conveyance work.
- ✓ *Vehicle for new Parks Technician:* small pick-up truck ($24,000) for new parks technician position in FY18.

Personnel – New Positions, Merit, Pay Plan, Etc.

- ✓ *Accounts Payable Clerk (Finance)*: starts December to address workload and cross-training needs for small staff.
- ✓ *Planner*: entry level, replaces project planner transferring to Public Space. Starts August 2016 to allow for transition.
- ✓ Police Department Training Officer (part-time): temporary part-time training officer to become permanent position, increasing number of hours devoted to managing training.
- ✓ *Water Treatment Plant Operator (part-time)*: adds retired operator back to staff to fill in when other operators are out due to illness, vacation, and training.
- ✓ *Stormwater (2)*: Equipment operator and Stormwater & Environmental Services Manager are new positions.
- ✓ *Merit System*: 3.25% average raise. General Fund: $65,000. Water/Sewer Fund estimate: $35,000.
- ✓ *Pay Classification & Compensation Update*: General Fund, $100,000 and Water & Sewer Fund, $30,000. Conduct labor market survey and evaluate all positions to establish internal equity in pay structure to ensure the Town maintains competitive pay plan. The last study did not have sufficient funding to elevate salaries behind the mid-point or market rate. Other positons need to be reclassified to reflect current responsibilities. The study will be done internally by the human resources staff, instead of a consultant, saving about $30,000.
- ✓ *Retirement*: The system is requiring contributions increase from 6.75 to 7.25% - $29,000 impact on the budget.

WATER/SEWER FUND – EXPENSE HIGHLIGHTS

Expenses increase by 16.4% in FY17.

Projects/Facilities/Initiatives

- ✓ *Permanent raw water pump station generator (water plant):* Allows for immediate engagement in lieu of portable unit at Lake Ben Johnson intake ($80,000).
- ✓ *Reservoir Phase II ($8.3 million)*: Construction starts January 2017 to ensure completion by end of 2018 when permit expires. Waiting to construct could double or triple construction cost due to new permit requirements. First debt payment not projected until FY18.
- ✓ *N.C. 86 water line improvements ($90,000):* 12-inch line/loop crossing I-85 to Hampton Pointe, approximately 2,500 feet, is a critical link to improve pressure/volume to the Meadowlands Business Park and Forrest Ridge area, as well as assist the central pressure zone.
- ✓ *Mini-excavator ($45,000):* shared with water distribution and wastewater collection to replace old unit.
- ✓ *Tractor ($64,000):* Cost shared with Distribution, Collection, and Streets. None of the current tractors used for mowing and other work have an enclosed cab. Thus, this tractor addresses safety concerns, provides new unit, and can be used for snow removal.
- ✓ *North Zone Water Loop:* Connects gap in water system from N.C. 86 North from Rocky Lane to Coleman Loop Road. $50,000 in FY17 for design and right-of-way acquisition; $120,000 to construct in FY18.
- ✓ *Sewer Line Repairs*: $50,000. Continues annual "inflow & infiltration" reduction program.
- ✓ *Effluent Aeration Equipment:* Wastewater Treatment Plant ($253,000). To increase the oxygen levels of the effluent leaving the plant for the Eno River, avoid violations for dissolved oxygen content and decrease electrical consumption compared to existing equipment.
- ✓ *Truck/Vehicle Replacements* in several divisions.

Rapid Growth in Progress

There's a lot "happening" in Hillsborough in terms of new development due to an improving local economy and infrastructure being completed for the Waterstone development in late 2015, funded by the Special Assessment District (SAD). The SAD paid for the completion of Cates Creek Parkway, water and sewer lines, and the park. The 2013 opening of medical offices at UNC Hospital site and the 2015 opening of the hospital have continued to drive growth in the southern end of town. Also, residential growth is occurring in many parts of Hillsborough. Downtown and the West end continue to thrive due to the variety of successful businesses.

After many years of no growth during the recession, the table below shows Hillsborough is in progress for significant growth. Population is projected to grow by about 30% over the next few years. This does not include possible impacts from new businesses, the train station that is scheduled to open in several years, or other pending development applications.

Residential Development

Approved & Under Construction

Project name	*Approved*	*Permitted*	*Completed*
Cates Creek Apartments	270	270	0
Corbin Creek Woods	18	14	13
Elfin Pond	104	14	6
Forest Ridge	233	30	21
Waterstone Estates	136	65	41
Waterstone Terrace	114	39	25
Total	**875**	**432**	**106**

Residential Development
Approved – Not Under Construction

Project	*Approved Units*	*Type*
515 N. Churton	24	Condos
Bellevue Mill	114	Apartments
Corbinton Commons	211	Senior single-family & apartments
Fiori Hill	46	Single-family, pocket neighborhood
Total	**395**	

In addition to the developments listed above, the 1,036 unit Collins Ridge Development received master plan approval in April. Since only the master plan has approval, developers will have to come back to the town for approval of each residential pod. Currently, it is projected that the earliest units might start to be occupied in FY19.

New development is a challenge for the General Fund since the Town will not receive property taxes for the full value of new homes being occupied today, for almost two years or until mid-FY18. In addition, the Town will not receive property taxes from the hospital. Delayed revenues, yet the immediate demand for services places the town in a challenging position of determining how to prepare for and serve new development in advance of corresponding revenue. The strategy is to use savings (fund balance) to pay for substantive operating deficits in FY16 and FY17. This gap should start decreasing by FY18 and become more manageable as property taxes from new development start making it into the budget.

Unlike the General Fund, assistance to the Water & Sewer Fund from new development is more immediate. Once a new home or business is occupied, revenues from water and sewer bills start immediately. The additional revenue should help stabilize water and sewer rates by taking advantage of currently unused capacity. While new growth is exciting, it will undoubtedly create challenges and demands for services of which we are not aware. This puts a premium on budgetary, financial and operational planning to prepare for this transition.

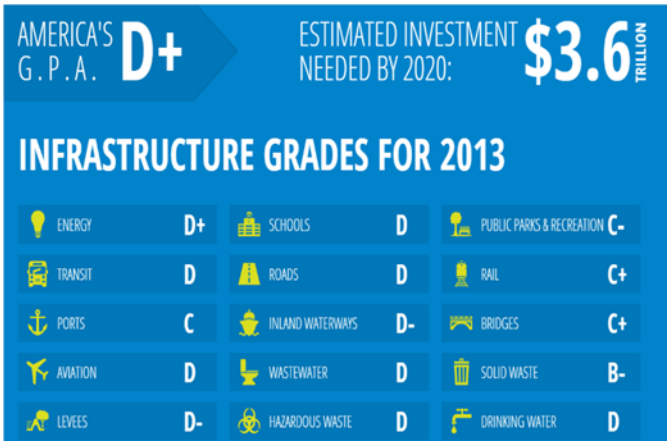
FY17-19 Budget & Financial Plan Strategy

The pressure of new development bringing more residents, businesses, tourists, and visitors to Hillsborough tests the strategy of assembling a budget that meets current and future demands. In recent years, a simple approach has been used to categorize and help balance the various wants and needs facing our town. In addition to the Town Strategy Map, the three following principles are used as a guide in developing this budget and financial plan:

1. **Take care of what we already have!**
2. **Invest in Hillsborough's future!**
3. **Minimize rate impacts on the citizens!**

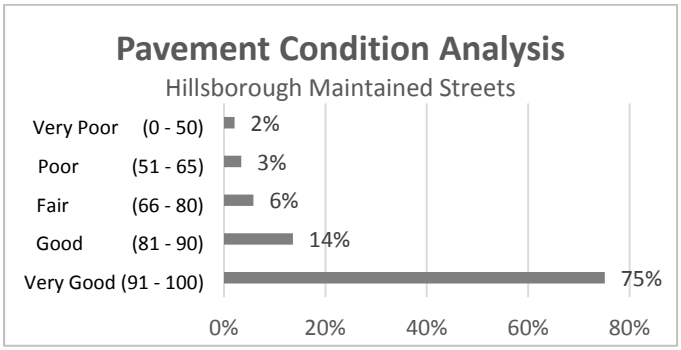
1. Take care of what we already have (infrastructure, equipment, employees, and organizational structure)! The Town's mission, vision, strategic priorities and objectives can't be implemented if these basic tools of service implementation are not in working order. The longer a municipality waits to address, repair or replace these assets (tangible and intangible), the more expensive it becomes in the long term. Federal, state and local governments are notorious for building capital assets and not adequately maintaining them. For example, ensuring the organizational structure and resources are in place to maintain parks is equally as important as building the parks themselves. Hence, construction of new assets must be balanced with the personnel, equipment, and organization to operate and maintain them, which is critical in avoiding the overextension of resources.

Most of us have seen reports assigning grades to how well infrastructure is maintained. It's rare when governments receive higher than a "C" for maintaining the most important and expensive assets in their communities. In fact, the American Society for Civil Engineers, in its 2013 update, gives the country's infrastructure an overall rating of a "D+." Updates are done every four years. The chart below shows grades for several areas of infrastructure.



In the past several years, articles have appeared about the struggles of two major cities in the region to keep up with infrastructure maintenance. The repaving cycle for streets in one major city is approximately once every 50 years. Another city projects it's replacing about 0.5 to 1% of its water lines annually. This translates to a 100 to 200-year replacement cycle. As a reference, Hillsborough has succeeded in achieving an approximate 20-year repaving cycle for its streets, after a four-year repaving surge. This is the reason funds are budgeted to repave approximately 5% of the streets annually. This data was confirmed and updated with the January 2015

pavement condition analysis and priority list of streets requiring paving and/or maintenance in the near future.



The Town Engineer/Utilities Director is working on a replacement schedule and age/condition analysis to help track progress on maintaining the overall condition of Hillsborough's water and sewer lines, as well as other key assets (e.g., pump stations, water tanks, generators, etc.). While an exact figure is not available at this time, the Town has been aggressive in line replacements and repairs in recent years (e.g., replacement of the Orange Grove Road water main, complete replacement of the water lines in the Riverside and Crawford Road subdivisions, northern and southern loops, and many other projects). Other examples include repairs throughout the wastewater collection system that have significantly reduced inflow and infiltration into the system, such as the recent $400,000 re-lining of a significant portion of the Eno River sewer outfall. These efforts have dramatically decreased flow into the wastewater treatment plant and many pump stations system wide, especially during periods of heavy rain.

Citizens certainly don't want Hillsborough to fall into the same trap as most other communities and governments in this country. Therefore, committing to ongoing lifecycle cost analysis for key assets and monitoring to properly fund our street, water, sewer and stormwater systems should be a top priority!

A few other examples in the budget/financial plan of "taking care of what we already have" include:

- ✓ Vehicle and equipment replacement: Older vehicles, prone to mechanical difficulties, can interrupt service to citizens and increase operational costs. The most problematic vehicles in all departments will be replaced or placed in reserve status over the next few years. The vehicle replacement schedule can be found at the end of this document in the Supplemental Information section. Overall, the fleet is in excellent condition – this is not a trivial accomplishment and it has taken many years to reach this point.

- ✓ Public Space Division – there have been a variety of problems over the years with mowing contractors damaging headstones at the Old Town Cemetery and at the Corbin Street Cemetery. Adding a parks technician in FY18 creates a resource to oversee the mowing contract and focus on taking care of other key town assets/investments, such as Riverwalk, the town parks, and rights-of-way. Failing to take care of these facilities also has potential negative economic impacts, as Riverwalk in particular, has turned into a major tourist generator that is helping local businesses. Promoting current Project Planner Stephanie Trueblood to the new public space manager position ensures a long-term focus on these and other key assets.

- ✓ Employees:
  - Funding for raises is included at a level that should be near or slightly above that of surrounding local governments.
  - Training continues to be funded as a priority, including re-starting Hillsborough University, adding supervisory and emerging leaders development courses, as well as funding for employees to attend seminars/classes/conferences, pursue certifications, and encourage employees wanting to further their education through the tuition reimbursement program for pursuing a GED, associate, bachelor, or master degree in conjunction with a career development plan.
  - Salary survey to implement necessary compensation adjustments to stay competitive with the market, recognize employees whose responsibilities have expanded, and maintain internal equity. Addresses problems with recruiting and retaining key positions in the town, especially as starting salaries and/or benefits in the HPD has fallen behind other area agencies. ORFD personnel are being included in the salary survey. Funding is being allocated to assist with compensation adjustments if determined necessary by the study, as well as the ORFD and Town boards.

- ✓ Water and Sewer Line Repairs/Replacements: Funding for line replacements and repairs continues, as well as "inflow and infiltration" reduction, and continual TV inspection and cleaning of sewer lines.

- ✓ Information Technology – unexpected problems with computers and various IT hardware can cause unnecessary service/productivity interruptions if replacement intervals are stretched too far. The schedule plans to replace most equipment on no longer than a five-year cycle. A performance measure used in the balanced

scorecard for the Village of Pinehurst cites percentage of IT equipment less than five years old. Their current percentage was almost 100%. The Town's inventory is found in the Supplemental Information section.

2. Invest in Hillsborough's future! Identify specific projects, programs, services and/or infrastructure improvements likely to make Hillsborough a better place to live, work, visit and start a new business. Sound growth is necessary to support the improvements and services desired by the citizenry, as well as to make Hillsborough an affordable place to live. Failing to make thoughtful investments will delay Hillsborough's recovery from the downturn.

- ✓ Reservoir and Water Treatment Plant Expansions. Design work is in process and will be completed in FY16 for the reservoir expansion. Financing is to be arranged and construction is slated to begin in January 2017. The project needs to be completed by December 31, 2018. Design work for the corresponding water treatment plant expansion starts in FY20. These projects provide water capacity to accommodate the type of growth Hillsborough wants and to strengthen the system's drought resistance.

- ✓ Public Works relocation from their current facility, known as "the shed," located in the Eno River flood plain. FY16 and FY17 provides design funds to move public works to the N.C. 86 North property. Construction is funded in FY18 for a new building and vehicle shelters.

- ✓ Old Water Plant (Distribution & Collection Operations): The line crews, assistant utility director, mechanics, and Backflow/FOG specialist all operate out of this facility, a decommissioned 1936 water plant. Currently, 13 employees and four inmates share one bathroom. New employees will be added in future years as the town grows. Some offices have no central heat or air-conditioning and rely on space heaters in the winter. Design work is scheduled for FY18 with construction starting in FY19 to provide adequate space and facilities for this critical operation.

- ✓ High Speed Fiber - The IT budget sees a major increase in the financial plan to address security threats, updating outdated systems and pursuing a fiber network that not only increases efficiency, but 1) provides a return on investment (ROI) by reducing future phone and internet costs, and 2) taking the first steps towards attracting a third-party high-speed internet provider to serve the citizens of Hillsborough.

- ✓ Parks
  - o Improvements at Kings Highway Park.
  - o Annual funding for park feasibility studies.

- ✓ Pedestrian Safety/Accessibility Improvements:
  - o Complete downtown pedestrian, parking and vehicle traffic improvements including crosswalks, widened sidewalks, and a loading zone on W. Margaret Lane. These projects are being accomplished primarily via NCDOT funding, with assistance from the Town.
  - o Feasibility analysis for pedestrian improvements on Highway 70 and North Churton Street, from Corbin Street to Highway 70. Provide matching funds of $25,000/20% in FY17 to assist NCDOT in funding these analyses, pedestrian construction projects and thus leverage $95,000 from the Durham-Chapel Hill Metropolitan Planning Organization (MPO) for planning and construction of transportation projects. Currently, the plans for use of these funds are pedestrian-oriented but can be used for other transportation/road projects.

3. Minimize rate impacts on the citizens!

- ✓ No property tax, water, or sewer rate increases are proposed for FY17.

- ✓ No property tax or sewer rate increases are forecasted in the three-year plan.

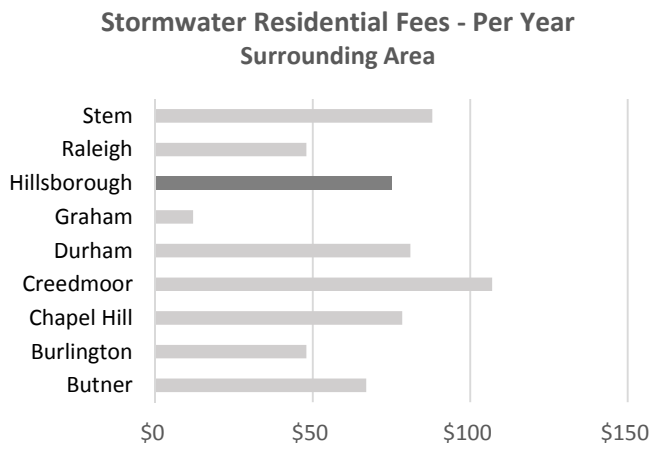
- ✓ The first water rate increase in six years is forecasted for FY18 and another in FY19. Two smaller increases are projected to smooth out the impact of a rate hike. If the financial picture improves over the next year then staff will certainly work to avoid or minimize a rate increase if practical.

- ✓ Decreasing water costs for low-volume users was accomplished via the four-year plan, which started in 2013 to lower the minimum charge from 3,000 to 2,500 gallons per month. This was done without raising rates on customers using above the minimum.

Cost Reduction Benefits
Change From 3,000 to 2,500 GPM Minimum Charge
Savings for Customers Using 2,500 Gallons/Month or Less

In-Town	*Month*	*Year*
Water	$ 4.04	$ 48.42
Sewer	$ 6.07	$ 72.78
Combined	**$ 10.10**	**$121.20**
Out-of-Town		
Water	$ 7.87	$ 94.44
Sewer	$ 11.83	$141.90
Combined	**$ 19.70**	**$236.34**

- ✓ Stormwater fee (proposed FY17). The proposed residential fee of $75/year is right at the state average. The chart below shows the proposed fee is less than all but two of the municipalities having to comply with the Falls Lake Rules.



Graham, Burlington, and Chapel Hill do not have to comply with the restrictive Falls Lake Rules, as do all other municipalities listed above.

GENERAL FUND – DEFERRED & UNFUNDED NEEDS

- ✓ *Additional positions* - multiple requests for new positions were either delayed or pushed off the three-year planning window. Almost all requests for new positions in FY18 and FY19 were removed and the requests will be reevaluated during the FY18 budget process. Deferred positions include: transportation/GIS planner, parks maintenance technician (delayed until FY18), fire inspector, debt management analyst, and management analyst.

- ✓ *Facility maintenance technician* is a major need that is not funded and not in the three-year plan. The town has no staff assigned to conduct basic maintenance and repairs at all of its facilities. This task is delegated to staff at each facility. For years, department heads and other key staff have spent a lot of time either fixing problems themselves or finding contractors to do the work. New federal safety regulations (Arc Flash) prohibit employees without training from even changing certain types of light bulbs. The town's utility system electricians and crews often did a lot of work, but they just don't have the time. Hence, the town has used one contractor to handle various work. The annual cost is getting large enough that we are probably getting close to being able to pay for a new position. This would save time across departments.

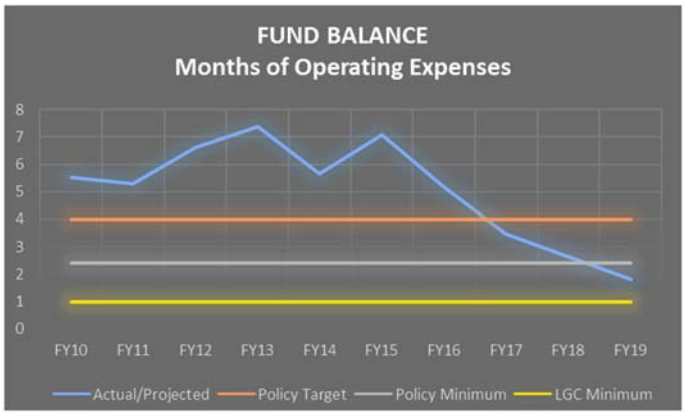
- ✓ *Move Town Hall Annex & Board Meeting Room* to 101 E. Corbin property, and Town Hall Campus Improvements. Design work and construction was originally scheduled for FY17, but this has now been delayed until funding becomes available.

- ✓ *Public Safety Station (fire and police)* – Master planning work on the site was scheduled for FY17 and full design work to start in FY19. Work on this facility is delayed until funding becomes available. While new facilities are certainly needed, ensuring solid operations via providing adequate pay, benefits, staffing levels, equipment, training, and the tools needed to do their daily jobs are a higher priority than getting new facilities rapidly.

- ✓ Transfer of Orange Rural Fire Department (ORFD) personnel to the Town – In late 2016, the ORFD Board requested a joint feasibility study to investigate the cost and practicality of transferring ORFD personnel to the Town. Firefighter turnover has been a long-term challenge since ORFD cannot participate in the Local Government Employees' Retirement System. Firefighters often leave for surrounding departments that offer this important benefit. A study was prepared by the chief and manager. The concept is still being evaluated to determine if there is a practical and economical way to address this need. The annual cost to the Town was anticipated to be about $160,000.

GENERAL FUND – FUND BALANCE & REDUCING DEFICITS

The fund balance policy requires a minimal savings level equal to at least 20% of projected expenses, but the preference is to maintain at least 33% or four months of operating expenses. The fund entered FY16 with a 58% level, which is close to the state average for communities of Hillsborough's size. Property tax revenues can be delayed almost two years, depending when a new residence or business receives its Certificate of Occupancy (CO), yet new citizens require services immediately. To address this challenge, the town manager's approach is to use more savings than typical to balance the budget. As revenue from new development starts to come in then those fund balance allocations should be throttled back.



There are several key points to remember regarding the fund balance projections from the budget and three-year financial plan:

- ✓ Fund balance levels are currently projected at 39% in FY17, 36% in FY18, and 33% in FY19. The State Treasurer's office and Local Government Commission maintains an eight percent minimum requirement.

- ✓ From when staff submitted the February budget draft to the board and this updated May version, staff have been examining ways to reduce the projected deficits and thus increase the fund balance projections. This May version completely brings all three years above 33%. This was not an easy task as evidenced by the many high priority projects that did not get funded. The purpose of financial plans is not to precisely project dollar amounts, it is to anticipate potential problems and provide ample time to take corrective actions. Hence, it is important that fund balance levels be closely monitored so expenditure cuts and delays can be made if projected revenue growth does not materialize. The next key milestone for monitoring town finances will the completion of the Town's Comprehensive Annual Financial Report in November.

- ✓ Due to the conservative approach of trying to under-estimate revenues and over-estimate expenses, most budget years come in noticeably better than projected. Just because the funds are budgeted does not mean departments spend them. This forecasting method is a more cautious approach and has helped the town to finish most fiscal years noticeably better than projected when the audit or Comprehensive Annual Financial Report (CAFR) is released. Hence, even without taking any action, the size of the deficits usually decreases significantly in the normal forecasting, budget, and audit cycle.

- ✓ Departments are required to make expenditure estimates for the current fiscal year (FY16) before they've even reached the mid-point. Again, to be cautious they typically overestimate expenses for the current year since it's so early. That in turn increases expense projections for the three-year plan, thus magnifying the impact of this conservative approach on the fund balance projections.

- ✓ Many financial plans have been adopted over the years showing fund balance levels lower than desired levels, yet the town has maintained strong savings for nearly the past two decades. This is one indicator that this approach to financial planning has worked for the General Fund.

- ✓ Since unforeseen needs, challenges, and opportunities always arise in future years, it's important to take the deficits projected in this draft seriously and look for ways to reduce them over the next few months.

- ✓ It's always much easier to add expenses than to cut so the town manager suggests not adding any items of significance to FY17-19 without first identifying corresponding cuts, deferments, and/or reductions since the resources have been stretched considerably. When additional funds become available in the future, often via updated information from expense reports and/or the CAFR, the board can add items back in the future (e.g., June budget workshop, mid-year or during the preparation of the following year's budget/financial plan).

GENERAL FUND DEBT

Equipment Financing Strategy: Guard Against Overspending

Standard large vehicle and equipment replacements are not included in long-term debt calculations for four reasons:

1) Operational in nature.

2) Short-term obligations are usually five to seven year loans. Local Government Commission approval is rarely needed for equipment purchases if the term is five years or less.

3) Service life of the vehicles/equipment usually far outlast the loan period. While a loan may be five to seven years, the town usually gets at least 10 years of service from a piece of equipment and often 15 – 20 years. In the case of fire trucks, 30 years is standard (20 years front line service, then 10 years as back-up).

4) Advantage of amortizing the true annualized cost of capital equipment. This financing strategy is important as it actually provides a preventative control on spending. For example, paying cash for much of the expensive equipment can create "peaks and valleys" in bottom line budget amounts. If not watched closely and failure to use a multi-year plan risks creating the illusion that the "cost of government" is less than it actually is. Thus, governments often misinterpret these "valleys" or years with low overall spending to mean they have more money available to fund new projects, initiatives, and needs. This mirage can cause local governments to unintentionally overspend, thus creating greater financial challenges down the road. Hence, the "smoothing" effective of using short-term debt to fund expensive vehicles/equipment provides a more accurate picture of the operational costs and thus makes it easier to determine how much money really is available for new initiatives.

Much of this strategy is dependent on low interest rates. Local governments and businesses have benefited from borrowing money at record lows in recent years.

Significant increases in interest rates would likely drive a strategy change incorporating two adjustments:

1) Raising the cost threshold of acquisition where debt financing is used (i.e., pay cash more often and save debt for much more expensive purchases). Currently, cash is used to purchase most standard vehicles (e.g., cars and light to medium duty pick-up trucks).

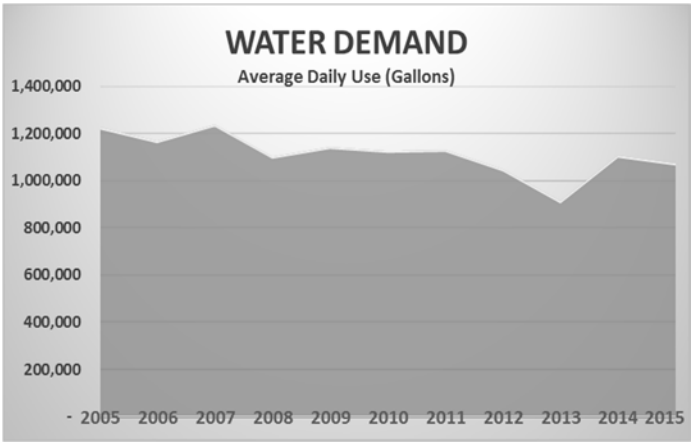
2) Create a vehicle/equipment capital replacement fund to pay for the most expensive acquisitions. The fund is started with an initial transfer of funds, then built/maintained each year with an on-going appropriation. This is another way to achieve the expenditure "smoothing" benefits discussed above.

Long-term debt obligations equate to 5.4% of the FY17 General Fund operating budget. This is a healthy amount…as nationally, local governments average 10.7%.

WATER/SEWER FUND

FY15 was the first year in which debt payments ($1.3 million) were made on the wastewater treatment plant upgrade project. This project more than doubled the budget for this operation but was essential to 1) preventing a moratorium on new development, 2) meeting the stringent Falls Lake Rules imposed by the state, and 3) making a long-term investment in one of the community's most important assets. As a result, the plant now has some of the cleanest wastewater effluent in the entire country in terms of nitrogen discharge. That is impressive considering the thousands of publicly operated wastewater plants in the United States.

Considering the average national grade for wastewater facilities is a "D", having a new state-of-the-art plant, while expensive, is a long-term asset for Hillsborough. The national grade for drinking water is also a "D". The board and community should feel good that the water system (e.g., plant, reservoir, and distribution components) is well cared for and consistently produces clean water. The utilities staff is to be commended for continually looking for ways, often creative, to maintain and improve our system.



Rates, Highlights, Issues and Complications

- Water/Sewer Usage: After over 15 years of declining or flat water usage, an increase in daily demand appears to be coming in the next few years with the completion of the hospital and many new homes under construction. It is anticipated this will start providing much needed revenue to the fund. As reported in the 2014 Water Research Foundation's report, "Defining a Resilient Business Model for Water Utilities," rates for small systems are often substantially higher than larger systems that can benefit from economies of scale. Hopefully the addition of a significant user base to the water and sewer system will help stabilize rates over the long term.

- New customer accounts should help absorb some of the approximate loss of about 5.3% of sewer revenue in FY17 due to the loss of Efland-Cheeks customers, expected to disconnect from Hillsborough's system in mid-FY17 (per projections from Orange County staff) and become part of Mebane's system. These customers generate about $240,000 of Hillsborough's sewer revenue. The revenue loss has been included in the sewer rate calculations for the past several years.

- Relief for Low-Volume Users: **The minimum charge for monthly water and sewer service continues to decrease – dropping to 2,500 gallons per month in FY17.** A monthly minimum charge between 2,000 and 4,000 gallons is common among utilities. Due to Hillsborough's high rates, especially for out-of-town customers, this minimum charge can be a costly expense for customers who use far less than the minimum. In addition, this billing methodology has raised legitimate equity concerns, especially regarding customers whose water use is well below the minimum. The minimum charge also provides no incentive for these customers to conserve.

  The Board of Commissioners and Water Sewer Advisory Committee (WSAC) have studied a variety of options over the past decade on how best to address this issue. Both

bodies set a goal of reducing the minimum monthly charge from 3,000 to 2,500 gallons. Reducing the minimum charge means reducing revenue, a projected $330,000 annual revenue loss by going from a 3,000 to 2,500 minimum. The change has been phased in via the four-year plan listed below:

- ☑ FY14 — 3,000 to 2,800 gallons
- ☑ FY15 — 2,800 to 2,700
- ☑ FY16 — 2,700 to 2,600
- ☑ FY17 — 2,600 to 2,500

- Solid Financial Reserves (Savings). The retained earnings level for the Water/Sewer Fund is projected to remain within policy through the three-year financial planning period, projected to end FY19 at 39 percent. **This is considered a strong and healthy level!** Keeping the savings amount over the 25 percent target (or three-month level) should be a goal in future years. This has become more challenging with the addition of the wastewater plant debt increasing the overall budget, thereby requiring a larger amount of retrained earnings to maintain the same level of savings. Maintaining a strong savings level is critical to continue 1) keeping most to all of the financial dashboard readings in the "green," and to 2) having good credit factors and/or bond rating since a long-term installment-purchase agreement or revenue bonds will likely be used to fund the Phase II reservoir expansion in FY17.

  The current flurry of growth is allowing the use of associated capital facility fees to contribute towards debt payments on facility expansion projects like the wastewater plant and reservoir. Using capital facility fees to help balance the budget over the next few years is helping stabilize rates. This will be a big help as there will be about two years of overlapping debt on the reservoir (e.g., debt on the $8.3 million Phase II project will overlap the final two years on Phase I). Capital facility fees should help "smooth" this expenditure spike and either prevent or minimize a potential rate increase over the next few years. The strategy is to use available capital facility fees to serve as a bridge to get through the next few years until the customer base expands sufficiently to better support the operations.

WATER/SEWER FUND – DEFERRED & UNFUNDED NEEDS

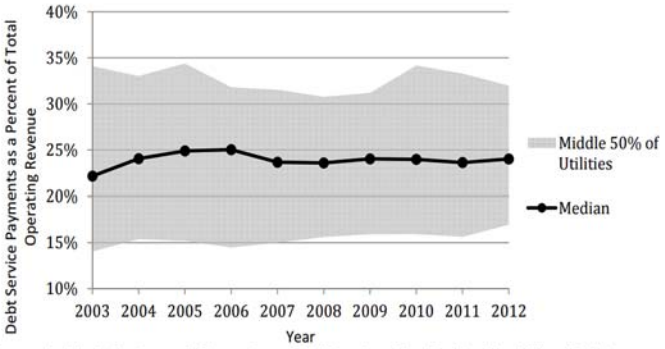
While there are plenty of items cut or deferred at the operational, divisional, and department level in every budget process, the following requests were considered justified by the manager, but deferred due to financial limitations:

- ✓ Water Treatment Plant – addition of an additional operator and a plant mechanic. Each of these requests were delayed in the financial plan.
- ✓ Distribution & Collection – addition of two (2) entry-level property maintenance positions to focus on mowing and maintaining outfalls and other sites, assisting with bi-annual flushing, valve exercise program, and other needs.
- ✓ Water treatment plant expansion design – delay the start until FY21. This will increase the capacity from 3 to 4.5 million gallons per day (MGD).
- ✓ Relocate Billing & Collection operations to 101. E. Corbin Street facility.

Water/Sewer Fund Debt

The recent CAFR/audit references the ratio of long-term debt to operational expenses at about 30%. The graph below, using data from Moody's rating agency (compiled by the UNC Environmental Finance Center and Raftelis Financial Consulting), shows the debt percentages for the middle 50% of a sampling of systems. While 30% is definitely high, it's still well within standard practice. Other data recently reviewed found over 600 utility systems showed a large number operating in the 35% – 55% range.

Finance and/or budget staff will provide a more detailed analysis of this and other financial metrics over the next year. This will be done via the benchmarking and dashboard reports comparing Hillsborough to similar jurisdictions that staff does most years. There is a wide variance on debt levels carried by water and sewer systems in the United States. While lower is definitely better, assuming that a system is being properly maintained, there are many fiscally healthy systems where a high percentage of the budget is allocated to long-term debt.



Data analyzed by the Environmental Finance Center at the University of North Carolina, Chapel Hill and Raftelis Financial Consultants, Inc. Data source: Moody's rating agency. The same group of utilities is used each year, and only utilites with debt data available for all ten years were used.

Debt is an important financial factor to monitor and consider when making budgetary decisions. Like many factors in operating an enterprise or governmental fund, there is no one right answer or set of standards to follow. Hillsborough's utility system certainly is carrying more long-term debt than one would ideally like to see. With that said, the Water & Sewer Fund has been faced with a broad array of challenges in

maintaining its capital assets. The choice was essentially to let these assets decay and get more expensive to repair over time or be proactive to 1) keep the system in good working order, and 2) prepare for the future.

Several benefits were obtained using longer-term debt to address critical system needs like construction of the reservoir to ensure adequate water capacity, water plant upgrade, wastewater plant upgrade, various water and sewer system upgrades/maintenance needs, and constructing a new water tank. It's critical to note that all of these improvements were financed with 10 – 20 year loans. While considered "long" term debt, many other systems use 30 – 40 year loans to finance improvements. Debt certainly can be a bad word. However, it offers several advantages if done wisely on long-term assets:

- ✓ Makes needed improvements more affordable.
- ✓ Financing an asset with a life much longer than the term of the loan helps spread or amortize the cost to more accurately reflect the true cost of operations. This is similar to the General Fund equipment debt discussion earlier about protecting from overspending, especially on lower priority items. For example, the Hassell Street water tank is about 80 years old. The quality of construction is nowhere near the new tank in Waterstone. Hence, taking 20 years to pay off the loan is not a relatively long period when compared to an asset that may last 100 years.
- ✓ Spreading the cost over time allows future customers and citizens of Hillsborough to pay their fair share of the assets they will use, whether it be water/sewer infrastructure, parks, police and fire stations, etc.).
- ✓ Limits the burden on current customers.

STORMWATER FUND (Proposed New Fund)

Program Overview

The creation of a separate stormwater utility and fee is proposed for FY17 to fund approximately $1.1 million in improvements to comply with Stage I of the Falls Lake Rules, required by the State of North Carolina, over the next five to seven years to protect and restore the lake's water quality. The fund will also pay for in-town stormwater and drainage system maintenance.

Stormwater expenses have been absorbed by General Fund revenues up to this point. Not adopting this fee would require a significant property tax increase next year. Since much of the costs included in the Stormwater Fund are required, failing to comply and paying $25,000 in daily fines to the Environmental Protection Agency does not appear to be an option. Hence, there appear to be two key decisions regarding the proposed fee and utility:

1. What operations, projects, personnel, and other costs will be paid for in the budget? These costs will determine the long-term fees/revenues required to pay for the fund's operation.
2. What method will be used to charge and collect the fee? Options include continuing to pay for it in the property tax, annual fee added to the property tax bill, or adding a monthly charge to the water bill.

Staff recommends adding the new stormwater utility fee to the annual property tax bill for a few key reasons:

- ✓ It's the least expensive and most efficient way to collect the utility fee. Adding it to the water bills would likely require hiring additional staff in the billing and finance departments, thus raising the costs of the operation and charges to citizens.
- ✓ Continuing to include stormwater expenses in property taxes means tax-exempt properties, such as schools, churches, Orange County government buildings and the UNC Hospitals Hillsborough Campus don't have to pay. Organizations like these pay utility bills, such as electric, gas, water, and sewer. Therefore, this is one reason using the utility fee approach is a typical way municipalities charge for this service. The fee addresses potential inequity and lowers overall charge for everyone in town.
- ✓ Leaving the cost to be paid by property taxes would likely require raising the rate 9 - 10 cents, or a 13 - 15% increase.
- ✓ Hence, staff believes the overall least expensive and most streamlined approach to collecting stormwater utilities is via the one annual charge added to the property tax bills.

What Does Stormwater Cost in Other Cities and Towns?

Stormwater utility fees are currently charged by about 60 other municipalities in the state. A 2013 survey of these jurisdictions cited the average residential charge as $47.82 per year. The following are stormwater utility fees from some of Hillsborough's surrounding neighbors:

- Butner - $67
- **Burlington - $48*
- **Chapel Hill - $26.16 – 156.90 (middle tier $78.45)*
- Creedmoor - $107
- Durham - $39.12 - $162.24 (middle tier $81.00)
- **Graham - $12**
- Raleigh - $19.20 – 139.20 (middle tiers: $48 and $81.60)
- Stem - $88
- Hillsborough - $75 proposed for FY2017.

* *Don't have to comply with the more restrictive Falls Lake Rules*

The proposed non-residential fee structure has been adjusted by the stormwater manager to reflect suggestions made by the business community.

Stormwater Expenditure Highlights

- ✓ Funding for three positions:

  1) Stormwater manager (current)

  2) Equipment operator - public works (new) to account for the increased emphasis of ongoing drainage/stormwater conveyance maintenance

  3) Stormwater and environmental services manager (new) – proposed promotion of current Stormwater Manager Terry Hackett to this position. After the first year, the General Fund will help pay for a portion of this position as it will attend to environmental responsibilities outside of stormwater, hence sharing the cost. Delay hiring replacement for stormwater manager until January 1 for cost saving and there is no space to locate the position until the New Town Hall Annex, meeting facility, and Town Barn Renovations take place.

- ✓ *Stormwater infrastructure ($140,000):* system maintenance, repairs, projects, inspections, cost share projects with property owners, and street sweeping.

- ✓ *Capital Projects ($165,000*): for Falls Lake nutrient reduction.

Closing

Quality of Life, Superior Services, Community Safety, and Strategic Growth are listed on the Strategy Map as the Town Board's Strategic Priorities. The FY17-19 budget and financial plan is full of programs, initiatives, and resources intended to carry out the 17 strategic objectives. These objectives, listed on the Strategy Map, serve as the foundation of the Town's Balanced Scorecard that drives operational priorities throughout the year.

There is no one right path to achieving goals, especially in dynamic environments. Hence, questions, deliberation, alternate suggestions, and debate on prioritization of the limited resources is an essential part of effective budget and operational planning. In addition to input from the town board and employees, feedback from the advisory boards, citizens, business community, and other key stakeholders is an important part of helping achieve long-term strategic priorities.

Key dates: this document will first be discussed at the February 27 budgetary planning retreat, departmental balanced scorecard reviews are scheduled for the April 25 workshop, and the first formal budget workshop/public hearing will be held on May 23. If necessary, a second workshop will take place on June 6. Adoption is scheduled for June 13, but can occur as late as July 1.

Please do not hesitate to contact me, Budget Director Emily Bradford, or Management Analyst/Assistant PIO Jen Della Valle if you need additional information. Town staff will make every effort to respond quickly and objectively to help you develop a budget that you feel best addresses the needs of the community!

Sincerely,

Eric J. Peterson

Eric J. Peterson
Town Manager

Town of Hillsborough

Since 1754

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BUDGET ORDINANCE

FISCAL YEAR 2016-17 BUDGET ORDINANCE
TOWN OF HILLSBOROUGH

Be it ordained by the Board of Commissioners of the Town of Hillsborough, North Carolina:

SECTION I. GENERAL FUND:
It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2016 and ending June 30, 2017:

Current & Prior Year Property Taxes	$ 5,904,500
Local Option Sales Tax	1,249,500
Licenses, Permits and Fees	157,000
Unrestricted Intergovernmental Revenue	883,915
Restricted Intergovernmental Revenue	207,000
Other	28,650
Investment Earnings	11,500
Transfers	204,534
Debt Issuance Proceeds	307,000
Fund Balance Appropriation	612,096
	$ 9,565,695

The following amounts are hereby appropriated in the General Fund for the operation of the Town Government and its activities for the fiscal year beginning July 1, 2016 and ending June 30, 2017 in accordance with the Chart of Accounts heretofore established for the Town of Hillsborough:

Governing Body	$ 130,796
Administration	538,973
Local Government Channel (PEG)	38,803
Finance	267,417
Planning	461,503
Ruffin-Roulhac	35,840
Public Space	518,166
Safety & Wellness	77,426
Information Services	164,320
Police	2,787,005
Fire Marshal & Emergency Mgmt.	145,694
Fire Protection	1,234,369
Fleet Maintenance	292,757
Streets/Powell Bill	1,104,703
Solid Waste	701,737
Cemetery	44,175
Economic Development	414,295
Special Appropriations	457,716
Contingency	150,000
	$ 9,565,695

SECTION II. WATER & SEWER FUND:
It is estimated that the following revenues will be available in the Water and Sewer Fund for the fiscal year beginning July 1, 2016 and ending June 30, 2017:

Licenses, Permits, and Fees	$11,176,660
Other	15,000
Investment Earnings	1,200
Transfers	1,310,179
Debt Issuance Proceeds	500,000
Retained Earnings Appropriated	519,095
	$13,522,134

The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer utilities for the fiscal year beginning July 1, 2016, and ending June 30, 2017 in accordance with the Chart of Accounts heretofore established for the Town of Hillsborough:

Administration of Enterprise	$ 4,396,390
Engineering	525,345
Billing & Collections	834,082
Water Treatment Plant	1,281,456
West Fork Eno Reservoir	1,204,792
Water Distribution	1,387,913
Wastewater Collection	1,064,244
Wastewater Treatment Plant	2,627,912
Contingency	200,000
	$13,522,134

SECTION III. STORMWATER FUND:
It is estimated that the following revenues will be available in the Stormwater Fund for the fiscal year beginning July 1, 2016 and ending June 30, 2017:

Licenses, Permits, and Fees	$ 595,804
	$ 595,804

The following amounts are hereby appropriated in the Stormwater Fund for the operation of the stormwater utilities for the fiscal year beginning July 1, 2016, and ending June 30, 2017 in accordance with the Chart of Accounts heretofore established for the Town of Hillsborough:

Stormwater	$ 595,804
	$ 595,804

SECTION IV. TAX RATE:
There is hereby levied a tax of sixty-eight cents ($0.68) per one hundred dollars ($100) valuation of property as listed for taxes as of January 1, 2016, for the purpose of raising the revenue listed as "Property Taxes" in the General Fund in Section I of the ordinance.

This tax rate is based on an estimated total valuation of real and personal property (excluding

motor vehicles) for the purposes of taxation of $816,300,000 and an estimated rate of collection of 97.00% and an estimated total valuation of motor vehicles of $53,400,000 and an estimated rate of collection of 90.00%.

SECTION V. PUBLIC SAFETY FACILITY:
Revenues totaling $78,480 are hereby approved for the following line-items:

Transfer from General Fund	$ 78,480
	$ 78,480

A total of $78,480 is hereby authorized to be expended from the Public Safety Facility Project Fund:

Design	$ 78,480
	$ 78,480

SECTION VI. PUBLIC WORKS FACILITY:
Revenues totaling $25,000 are hereby approved for the following line-items:

Transfer from General Fund	$ 25,000
	$ 25,000

A total of $25,000 is hereby authorized to be expended from the Public Works Facility Project Fund:

Design	$ 25,000
	$ 25,000

SECTION VII. DOWNTOWN ACCESS IMPROVEMENTS:
Revenues totaling $204,673 are hereby approved for the following line-items:

State Contingency	$ 120,000
Transfer from General Fund	$ 84,673
	$ 204,673

A total of $204,673 is hereby authorized to be expended from Downtown Access Improvements:

Construction	$ 17,673
Construction Administration	$ 125,000
Contingency	$ 62,000
	$ 204,673

SECTION VIII. WEST FORK ENO RESERVOIR PHASE II:
Revenues totaling $8,778,020 are hereby approved for the following line-items:

Transfer from Water & Sewer Fund	$ 500,000
Debt Issuance Proceeds	$ 8,278,020
	$ 8,778,020

A total of $8,778,020 is hereby authorized to be expended from West Fork Eno Reservoir Phase II:

Design	$ 910,000
Construction	$ 7,198,200
Contingency	$ 669,820
	$ 8,778,020

SECTION IX. UTILITIES CAPITAL IMPROVEMENTS:
Revenues totaling $553,000 are hereby approved for the following line-items:

Transfer from Water & Sewer Fund	$ 553,000
	$ 553,000

A total of $553,000 is hereby authorized to be expended from Utilities Capital Improvements:

North Zone Loop	$ 50,000
EDD Water Line Extension	$ 250,000
Effluent Aeration Project	$ 253,000
	$ 553,000

SECTION X. SPECIAL ASSESSMENT DISTRICT:
Revenues totaling $609,700 are hereby approved for the following line-items:

Special Assessment Taxes Collected	$ 609,700
	$ 609,700

A total of $609,700 is hereby authorized to be expended from Special Assessment District:

Payments - Regions Bank	$ 609,700
	$ 609,700

SECTION XI. FEES, RATES AND CHARGES:
There is hereby maintained a Fees, Rates and Charges Schedule for the purpose of raising revenue listed in the General Fund, Water & Sewer Fund, and Stormwater Fund, Sections I, II & III of this ordinance. See the Fees, Rates and Charges Schedule for a detailed listing.

SECTION XII. RECYCLING:
Orange County is hereby authorized to collect and administer a fee established for the purpose of providing recycling services within the Town limits.

SECTION XIII. BUDGET ORDINANCE:
Copies of this Budget Ordinance shall be filed with

the finance officer, budget officer and the clerk of the governing board of this town.

Adopted this 13th day of June, 2016.

NORTH CAROLINA
ORANGE COUNTY

I, Katherine M. Cathey, Town Clerk, hereby certify that the foregoing is a true and accurate copy of the 2016-17 Budget Ordinance which will be recorded in the Town of Hillsborough Minute Book.

IN WITNESS WHEREOF, I have hereunto set my hand and have caused the official corporate seal of said Town to be affixed, this the 13th day of June, 2016.

Tom Stevens, Mayor

Katherine M. Cathey, Town Clerk

FEES, RATES & CHARGES SCHEDULE

(Effective July 1, 2016 unless otherwise noted; Fees subject to change by Board of Commissioners)

ADMINISTRATION

Photocopies	$	0.10	/ page
Laser Printer Copies	$	0.10	/ page
Town Clerk Certified Copies	$	1.00	/ page
Board of Commissioners Meeting Notification Listing	$	20.00	annually
Town Code:			
Bound Copy	$	40.00	
Unbound Copy	$	25.00	
Supplements	$	0.10	/ page
Motor Vehicle License Fee	$	10.00	/ vehicle
Franchise Fees (Cable)	5% of gross receipts		

BILLING & COLLECTIONS

Returned Check / Bank Draft Fee	$	25.00	/ occurrence
Disconnect/Reconnect for Returned Item	$	40.00	/ occurrence
Connection Fee	$	20.00	
Security Deposits:			
Water/Sewer Service			
Low Risk			
Inside Town	$	25.00	
Outside Town	$	50.00	
Medium Risk			
Inside Town	$	75.00	
Outside Town	$	150.00	
High Risk			
Inside Town	$	175.00	
Outside Town	$	225.00	
Fire Hydrant Meter	$	800.00	
Delinquent Fee	$	40.00	
Late Fee	15% (after 25th of month)		
Reconnection Fee:			
Business Hours	No Charge		
After Hours (Town Error)	No Charge		
After Hours (Customer Request)	$	50.00	
Account Servicing Fee for Payments Made with Unwrapped Coins			
A $1.00 fee for 100 coins or fraction thereof that the Town is required to count in excess of the first $10.00 of unwrapped coins submitted for payment of the utility bill	$	1.00	/ 100 coins
Water Use Reduction Rebate			
One time rebate per water and/or sewer customer for new or replacement installation of low-flow faucets, showerheads and toilets (receipt or billing invoice of work required)	$	10.00	
Credit Re-Evaluation Fee	$	5.00	

CEMETERY

Lot Fee:			
Resident	$	500.00	
Non-Resident	$	1,000.00	
Lot Transfer			
Transfer Between One Pair of Lots	No Charge		
Transfer Between 3 or More Lots	$	50.00	/ pair of lots

FINANCE

Special Event Permit Fee	$ 50.00	
Itinerant Merchant Permit Fee	$ 15.00	

FOOD & BEVERAGE

Food & Beverage Tax (failure to pay)	Fine not to exceed $500.00	
Single-Day Pre-Paid Food & Beverage Fee	$ 15.00	
Mobile Food Vendor Permit Application Fee	$ 50.00	

FIRE MARSHAL

There shall be two types of permits:

1) Operational Permits - Allows the applicant to conduct an operation or a business for which a permit is required by section 105.6 of the North Carolina Fire Prevention Code for either
   a) A prescribed period of time.
   b) Until renewed or revoked.

2) Construction Permits - Allows the applicant to install or modify systems and equipment for which a permit is required by section 105.7 of the North Carolina Fire Prevention Code.

OPERATIONAL PERMITS

Carnivals & Fairs	$100.00	
Battery Systems	$50.00	
Cellulose Nitrate Film	$50.00	
Combustible Dust Producing Operations	$50.00	
Combustible Fibers	$50.00	
Compressed Gases		
Inert and Simple Asphyxiate	$30.00	
Flammable	$50.00	
Corrosive	$50.00	
Oxidizing	$50.00	
Toxic	$75.00	
Highly Toxic	$100.00	
Covered Mall Buildings	$50.00	
Cryogenic Fluids	$50.00	
Cutting & Welding	$50.00	
Dry Cleaning Plants	$50.00	
Exhibits and Trade Shows	$50.00	
Explosives (blasting)		
Three Day or Single Shot	$75.00	
Two Week	$150.00	
Monthly	$225.00	
Fire Hydrants and Valves	$25.00	each
Flammable and Combustible Liquids		
Section 1	$ 50.00	
Section 2	$ 50.00	
Section 3	$ 50.00	
Section 4	$ 50.00	
Section 5	$ 50.00	+ $10.00 / each addl. tank/vehicle
Section 6	$ 100.00	+ $10.00 / each addl. tank/vehicle
Section 7	$ 50.00	
Section 8	$ 150.00	
Section 9	$ 50.00	
Section 10	$ 50.00	
Floor Finishing	$ 50.00	
Fruit and Crop Ripening	$ 50.00	
Fumigation and Thermal Insecticidal Fogging	$ 15.00	

Hazardous Materials	$	60.00	each class not reported under sara title III
Hazardous Production Material (Facility)	$	75.00	each class not reported under sara title III
High Pile Storage	$	60.00	
Hot Work Operations	$	50.00	
Industrial Ovens	$	50.00	
Lumber Yards and Wood Working Plants	$	50.00	
Liquid or Gas-Fueled Vehicles or Equipment in Assembly Buildings	$	60.00	
LP Gas	$	50.00	
Magnesium	$	50.00	
Miscellaneous Combustible Storage	$	50.00	
Open Burning	$	10.00	
Open Flames and Candles			
Section 1	$	50.00	
Section 2	$	50.00	
Organic Coatings	$	50.00	
Places of Assembly	$	100.00	
Private Fire Hydrants	$	25.00	
Pyrotechnic Special Effects Materials	$	100.00	
Pyroxylin Plastics	$	50.00	
Refrigeration Equipment	$	50.00	
Repair Garages and Service Stations	$	50.00	
Rooftop Heliports	$	50.00	
Spraying or Dipping Operation	$	50.00	
Storage of Scrap Tires and Tire Byproducts	$	50.00	
Temporary Membrane Structures, Tents and Canopies	$	40.00	
Tire Rebuilding Plants	$	50.00	
Waste Handling	$	50.00	
Wood Products	$	50.00	

CONSTRUCTION PERMITS

Building Plans Review	$	0.009	/ sq foot; $65.00 minimum
Site Plan Review	$	25.00	
Pre-Development Meetings and Site Consulations	$	25.00	each addl. meeting or visit
Automatic Fire-Extinguishing Systems			
Kitchen Hood System	$	65.00	
Paint Booth System	$	75.00	
Compressed Gases	$	50.00	
Fire Alarm and Sprinkler Plans Review Fee Schedule	Each building requires a seperate permit		
Square Feet	Rate per sqft		
0 - 5,000	$	0.01450	/ sq foot; $70.00 min; $72.50 max
5,001 - 10,000	$	0.01403	/ sq foot; $73.00 min; $140.00 max
10,001 - 15,000	$	0.0138	/ sq foot; $140.50 min; $207.00 max
15,001 - 20,000	$	0.0135	/ sq foot; $207.50 min; $270.00 max
20,001 - 25,000	$	0.0133	/ sq foot; $270.50 min; $332.50 max
25,001 - 30,000	$	0.0130	/ sq foot; $325.00 min; $382.50 max
30,001 - 35,000	$	0.0128	/ sq foot; $382.50 min; $448.00 max
35,001 - 40,000	$	0.0125	/ sq foot; $448.50 min; $500.00 max
40,001 - 45,000	$	0.0123	/ sq foot; $500.50 min; $543.50 max
45,001 - 50,000	$	0.0120	/ sq foot; $540.00 min; $600.00 max
50,001 - 55,000	$	0.0118	/ sq foot; $600.50 min; $649.00 max
55,001 - 60,000	$	0.0115	/ sq foot; $632.50 min; $690.00 max
60,001 - 65,000	$	0.0113	/ sq foot; $690.50 min; $734.50 max
65,001 - 70,000	$	0.0110	/ sq foot; $735.00 min; $770.00 max
70,001 - 75,000	$	0.0108	/ sq foot; $752.50 min; $810.00 max
75,001 - 80,000	$	0.0105	/ sq foot; $787.50 min; $820.00 max
80,001 - 85,000	$	0.0103	/ sq foot; $820.50 min; $875.50 max
85,001 - 90,000	$	0.0100	/ sq foot; $876.00 min; $900.00 max

90,001 - 95,000	$	0.0098	/ sq foot; $900.50 min; $931.00 max
95,001 - 100,000	$	0.0095	/ sq foot; $931.50 min; $950.00 max
100,001 - 105,000	$	0.0094	/ sq foot; $950.50 min; $987.00 max
105,001 - 110,000	$	0.0092	/ sq foot; $987.50 min; $1012.00 max
110,001 - 115,000	$	0.0091	/ sq foot; $1012.50 min; $1046.50 max
115,001 - 120,000	$	0.0090	/ sq foot; $1047.00 min; $1080.00 max
120,001 - 125,000	$	0.0090	/ sq foot; $1080.50 min; $1125.00 max
125,001 - 130,000	$	0.0090	/ sq foot; $1125.00 min; $1170.00 max
130,001 - 135,000	$	0.0090	/ sq foot; $1170.50 min; $1215.00 max
135,001 - 140,000	$	0.0090	/ sq foot; $1215.00 min; $1260.00 max
140,001 - 145,000	$	0.0090	/ sq foot; $1260.00 min; $1305.00 max
> 145,001	$	0.0088	/ sq foot; $1305.00 min; $1500.00 max
Sprinkler System Monitoring	$	70.00	
Fire Pumps	$	200.00	
Flammable and Combustible Liquids	$	100.00	/ tank or system
Hazardous Materials	$	100.00	/ tank or system
Industrial Ovens	$	75.00	
LP Gas	$	75.00	/tank
Private Fire Hydrants	$	50.00	/ hydrant
Spraying or Dipping	$	100.00	
Standpipe Systems	$	150.00	
Temporary Membrane Structures, Tents and Canopies	$	40.00	

FIRE INSPECTION FEES

Building Square Feet	Initial Inspection In-Compliance	Initial Inspection Non- Compliance	Re-Inspection In-Compliance	Re-Inspection Non-Compliance	3rd Inspection In-Compliance	3rd Inspection Non-Compliance
< 5,000	$ 35.00	$ 60.00	$ 45.00	$ 90.00	$ 60.00	$ 125.00
5,001 - 10,000	$ 40.00	$ 65.00	$ 45.00	$ 95.00	$ 60.00	$ 150.00
10,001 - 15,000	$ 45.00	$ 70.00	$ 45.00	$ 100.00	$ 60.00	$ 150.00
15,001 - 20,000	$ 50.00	$ 75.00	$ 50.00	$ 105.00	$ 60.00	$ 200.00
20,001 - 25,000	$ 55.00	$ 80.00	$ 50.00	$ 110.00	$ 65.00	$ 200.00
25,001 - 30,000	$ 60.00	$ 85.00	$ 50.00	$ 115.00	$ 65.00	$ 200.00
30,001 - 35,000	$ 65.00	$ 90.00	$ 55.00	$ 120.00	$ 65.00	$ 250.00
35,001 - 40,000	$ 70.00	$ 95.00	$ 55.00	$ 120.00	$ 65.00	$ 250.00
40,001 - 45,000	$ 75.00	$ 100.00	$ 55.00	$ 125.00	$ 70.00	$ 250.00
45,001 - 50,000	$ 80.00	$ 105.00	$ 60.00	$ 130.00	$ 70.00	$ 250.00
50,001 - 55,000	$ 85.00	$ 110.00	$ 60.00	$ 135.00	$ 70.00	$ 300.00
55,001 - 60,000	$ 90.00	$ 115.00	$ 60.00	$ 140.00	$ 70.00	$ 300.00
60,001 - 65,000	$ 95.00	$ 120.00	$ 65.00	$ 145.00	$ 75.00	$ 300.00
65,001 - 70,000	$ 100.00	$ 125.00	$ 65.00	$ 150.00	$ 75.00	$ 300.00
70,001 - 75,000	$ 105.00	$ 130.00	$ 65.00	$ 155.00	$ 75.00	$ 300.00
75,001 - 80,000	$ 110.00	$ 135.00	$ 65.00	$ 160.00	$ 80.00	$ 350.00
80,001 - 85,000	$ 115.00	$ 140.00	$ 65.00	$ 165.00	$ 80.00	$ 350.00
85,001 - 90,000	$ 120.00	$ 145.00	$ 65.00	$ 170.00	$ 80.00	$ 350.00
90,001 - 95,000	$ 125.00	$ 150.00	$ 70.00	$ 175.00	$ 85.00	$ 350.00
95,001 - 100,000	$ 130.00	$ 155.00	$ 70.00	$ 180.00	$ 85.00	$ 350.00
100,001 - 105,000	$ 135.00	$ 160.00	$ 70.00	$ 185.00	$ 85.00	$ 400.00
105,001 - 110,000	$ 140.00	$ 165.00	$ 70.00	$ 190.00	$ 90.00	$ 400.00
110,001 - 115,000	$ 145.00	$ 170.00	$ 70.00	$ 200.00	$ 90.00	$ 400.00
115,001 - 120,000	$ 150.00	$ 175.00	$ 70.00	$ 205.00	$ 90.00	$ 400.00
120,001 - 125,000	$ 155.00	$ 180.00	$ 75.00	$ 210.00	$ 95.00	$ 400.00
125,001 - 130,000	$ 160.00	$ 185.00	$ 75.00	$ 215.00	$ 95.00	$ 425.00
130,001 - 135,000	$ 165.00	$ 190.00	$ 75.00	$ 220.00	$ 95.00	$ 425.00
135,001 - 140,000	$ 170.00	$ 195.00	$ 80.00	$ 225.00	$ 100.00	$ 425.00
140,001 - 145,000	$ 175.00	$ 200.00	$ 80.00	$ 230.00	$ 100.00	$ 425.00

145,001 - 150,000	$ 180.00	$ 205.00	$ 80.00	$ 235.00	$ 100.00	$ 425.00
150,001 - 155,000	$ 185.00	$ 210.00	$ 85.00	$ 240.00	$ 110.00	$ 450.00
155,001 - 160,000	$ 190.00	$ 215.00	$ 85.00	$ 245.00	$ 110.00	$ 450.00
160,001 - 165,000	$ 195.00	$ 220.00	$ 85.00	$ 250.00	$ 110.00	$ 450.00
165,001 - 170,000	$ 200.00	$ 225.00	$ 90.00	$ 255.00	$ 120.00	$ 450.00
170,001 - 175,000	$ 205.00	$ 230.00	$ 90.00	$ 260.00	$ 120.00	$ 450.00
175,001 - 180,000	$ 210.00	$ 235.00	$ 90.00	$ 265.00	$ 120.00	$ 500.00
180,001 - 185,000	$ 215.00	$ 240.00	$ 95.00	$ 270.00	$ 130.00	$ 500.00
185,001 - 190,000	$ 220.00	$ 245.00	$ 95.00	$ 275.00	$ 130.00	$ 500.00
190,001 - 195,000	$ 225.00	$ 250.00	$ 95.00	$ 280.00	$ 130.00	$ 500.00
195,001 - 200,000	$ 230.00	$ 255.00	$ 100.00	$ 285.00	$ 135.00	$ 500.00

COMPLAINT FEES

Illegal Burning		
No Permit	$ 50.00	/day
Illegal Materials as defined by EPA / NC Air Quality	$ 100.00	/day
Burning of Structure or Vehicles	$ 500.00	/day
Work Without a Permit	Twice the cost of the required permit	
Class 1 Violation	$ 500.00	/violation written
Class 2 Violation	$ 250.00	/violation written
Class 3 Violation	$ 100.00	/violation written
Class 4 Violation	$ 50.00	/violation written

PARKS & RECREATION

Portions of town parks may be reserved for private events. Events expecting 100 or more people are reviewed as special events as defined in the town code. If a special event requires police or public works overtime, costs of those impacts may be passed to the applicant.

Large Picnic Shelter in Gold Park		
In-town resident	$ 20.00	/3 hours
Out-of-town resident	$ 30.00	/3 hours
Multi-Use Field in Gold Park or Cates Creek Park		
In-town resident	$ 10.00	/hour
Out-of-town resident	$ 20.00	/hour

PLANNING

APPLICATIONS FOR REVIEW

Future Land Use Plan or Comprehensive Plan Amendment	$ 300.00	
Unified Development Ordinance Text Amendment	$ 300.00	
Rezoning to a Special Use District with Special Use Permit[2]	$ 1,200.00	[1]
Rezoning to a Special Use District Master Plan[2]	$ 800.00	[1]
Rezoning to other than Special Use District[2]	$ 300.00	[1]
Special Use Permit without Rezoning	$ 1,000.00	[1]
Conditional Use Permit	$ 800.00	[1]
CUP, SUP, or Master Plan Modification Requiring Public Hearing	$ 500.00	
CUP, SUP, or Master Plan Modification not Requiring Public Hearing	$ 300.00	
Minor Subdivision Review (1-4 lots with or without streets)	$ 100.00	
Site Plan - Technical Review Committee or Staff	$ 600.00	[1]
Construction Plan Review[3]	$ 300.00	[1]
Variance	$ 150.00	
Street Closing Request	$ 150.00	
Certificate of Appropriateness	$ 1.00	/ $1,000 construction cost; $10 minimum
Historic District Minor Work	$ 10.00	

[1] Plus $10.00 per each acre for sites larger than 10 acres (example: 12 acre CUP = $920.00 fee)

[2] Rezoning and Special Use rezonings reviewed in conjunction with an annexation request should first calculate the standard fee and then double it to account for the fiscal impact report for annexation requests.

[3] This fee will apply to staff review of construction drawings - required for all projects approved by a board.

NOTE: For projects requiring board review and approval, if plans are deemed incomplete upon the third review by staff before reaching the permit-issuing board, the applicant will be required to file a new application and pay new filing fees to cover the significant staff time spent reviewing incomplete plans. This will also apply to construction drawings that do not fully respond to staff comments at the third review.

FEES in LIEU of CONSTRUCTION

Sidewalks 80% of written, sealed, engineer's estimate for the cost of required sidewalk installation

DOCUMENTS & MAPS [1]

Unified Development Ordinance	$	25.00	
Historic District Design Guidelines	$	25.00	
Community Connectivity Plan	$	15.00	
Administrative Manual	$	10.00	
Parks & Recreation Plan and Small Area/Corridor Plans	$	10.00	
Zoning Map or Other Color Plot/Map (larger than 11x17)	$	10.00	
Town Street Map with Street Grid (11x17 Black & White)	$	2.00	
Future Land Use Map & Other 11x17 Color Maps	$	2.00	
Photocopies	$	0.10	/ page

[1] All Town produced documents and maps can be provided in electronic form (pdf, jpeg, word, or excel) at no cost if we are provided with the media. If we provide the CD, $2 covers the CD and case.

Zoning Compliance Permits

Home Occupation	$	25.00	
Signs (New or Replacement):			
Wall Mounted	$	40.00	
Free-Standing	$	75.00	
Sandwich Board	$	10.00	
Event Sign Package (package of signs allowed by 6.18.6.2)	$	20.00	
Banner (allowed by 6.18.6.3 & without other temporary signage)	$	5.00	
Change of Use (one business use to another or change in ownership)	No Charge		
Construction			
Residential Zones	$	1.00	/$1,000 of construction cost; $5.00 min.
Multi-Family Zones	$	1.50	/$1,000 of construction cost; $10.00 min.
Non-Residential Zones	$	2.00	/$1,000 of construction cost; $10.00 min.

OTHER CHARGES

NOTE: The following items are all included in the "construction cost" used to determine the permit fee: grading, landscaping, site preparation, stormwater control, utilities, paving and structures. ZCPs will be issued for "grading only" and "paving only" projects consistent with the UDO.

Consultant Fee Reimbursement

Projects constructing new local roads will also reimburse the Town for consultant fees to review road construction plans and specifications.

Projects requiring a traffic impact statement will be reviewed by the traffic engineer of the Town's choice. The applicant shall reimburse the Town for the cost of the statement in lieu of submitting a statement by a consultant of their choice as part of the application.

No-Permit Penalty

Work begun without a necessary Zoning Compliance Permit will be charged a $100 ZCP fee or the standard fee will be doubled, whichever is greater. Work begun without a required Certificate of Appropriateness will be charged a $100 COA review fee for the standard fee will be doubled, whichever is greater. Work requiring both a COA and ZCP shall only pay the increased COA fee.

POLICE

Parking Citation	$	10.00	
Fire Lane Parking Violation	$	25.00	
Handicap Parking Violation	$	250.00	
Sidewalk Table Service Permit Violation	Fine up to $500.00		

SOLID WASTE

Roll-Out Refuse Container	$	60.00	/ container
Residential Refuse Collection			
1 Roll-Out Container	No Charge		
2 or More Roll-Out Containers	TBD		
Bulk Pick-Up / Oversized Load (fee at the discretion of the Public Works Supervisor and dependent on quantity, size and weight)	$	50.00	minimum
Special Brush/Vegetation Collection			
Standard Collection	$	70.00	
Large Collection (Require use of Knuckleboom)	$	130.00	

STORMWATER

PLAN REVIEW

Single Lot Residential[1]	$	100.00	/plan
Low-Density Projects	$	250.00	/plan
High-Density Projects	$	500.00	/plan

[1] Not part of a larger common plan for development or sale.

STORMWATER FEE

Residental Property	$	75.00	/year
Tier 1, Non-residential Property (0 to 10,000 sq. ft.)	$	150.00	/year
Tier 2, Non-residential Property (10,001 to 30,000 sq. ft.)	$	600.00	/year
Tier 3, Non-residential Property (30,001 to 100,000 sq. ft.)	$	1,800.00	/year
Tier 4, Non-residential Property (100,001 to 200,000 sq. ft.)	$	4,050.00	/year
Tier 5, Non-residential Property (200,001 sq. ft. and above)	$	12,900.00	/year

WATER / SEWER

WATER TREATMENT AND DISTRIBUTION USE FEES

Water Capital Facilities Fee[+]:			
Residential	$	2,993.00	/ residential unit
Commercial			
5/8" meter	$	2,993.00	
1" meter	$	7,482.00	
1.5" meter	$	14,965.00	
2" meter	$	23,944.00	
3" meter	$	47,888.00	
4" meter	$	74,825.00	
6" meter	$	149,650.00	
8" meter	$	269,370.00	
10" meter	$	433,985.00	

[1] In the event that a customer requests that an existing meter be replaced with a larger meter, credit will be given for the existing meter at the current rates. No rebates of capital facilities fees will be made for decreases in meter sizes.

Volume Charges:		
Residential Volume Charges - Inside Town		
Residential Service:		
Block 1 (0-2,500 gallons/month)	$ 20.18	
Block 2 (> 2,500 gallons/month)	$ 8.07	/ 1000 gallons
Residential Volume Charges - Outside Town		
Residential Service:		
Block 1 (0-2,500 gallons/month)	$ 39.35	
Block 2 (> 2,500 gallons/month)	$ 15.74	/ 1000 gallons
Orange - Alamance Water System	75% of Inside Town Rate + $0.6124 / 1000 gallons	

WATER CONNECTION CHARGE

Front Footage Fee[1]:		
0 - 50 Feet	$ 750.00	/ connection
> 50 Feet	$ 15.00	/ foot / connection

Lateral Fee:

Installed on a suitable stub-out for service that has been made at the expense of the applicant or previous property owner and is available for connection, there is no charge. In any other case, the water lateral fee is $750.00 for service to a 5/8" water meter and $1,250 for service to a 1" water meter. Service to a larger meter shall be installed by a licensed utilities contractor at the owner's/applicant's expense.

1 For a lot abutting two or more water lines, the front footage fee will be calculated on the average lengths of the sides of the lot abutting the lines.

WATER METER FEES

5/8"	$ 310.00
> 5/8"	Actual Cost of Meter to Town + $100 Installation Fee

WASTEWATER COLLECTION SYSTEM USE FEES

Wastewater Capital Facilities Fee:		
Residential	$ 3,488.00	/ residential unit
Commercial		
5/8" meter	$ 3,488.00	
1" meter	$ 8,721.00	
1.5" meter	$ 17,442.00	
2" meter	$ 27,907.00	
3" meter	$ 55,813.00	
4" meter	$ 87,209.00	
6" meter	$ 174,417.00	
8" meter	$ 313,951.00	
10" meter	$ 505,810.00	
Volume Charges:		
Inside Town		
Block 1 (0-2,500 gallons/month)	$ 30.33	
Block 2 (> 2,500 gallons/month)	$ 12.13	/ 1000 gallons
Outside Town		
Block 1 (0-2,500 gallons/month)	$ 59.13	
Block 2 (> 2,500 gallons/month)	$ 23.65	/ 1000 gallons
Efland-Cheek	70% of Outside Town Rate	

WASTEWATER CONNECTION CHARGE

Front Footage Fee[1]:

0 - 50 Feet	$	1,000.00	
> 50 Feet	$	20.00	/ foot / connection

Lateral Fee:

Installed on a suitable stub-out for service that has been made at the expense of the applicant or previous property owner and is available for connection, there is no charge. In any other case, the sewer lateral fee is $750.00 for a 4" service. Larger services shall be installed by a licensed utilities contractor at the owner's/applicant's expense.

[1] For a lot abutting two or more sewer lines, the front footage fee will be calculated on the average lengths of the sides of the lot abutting the lines.

ENGINEERING REVIEW

Residential Development

Water Line Review		
0 - 10 Units	$	100.00
> 10 Units	$	500.00
Wastewater Line Review		
0 - 10 Units	$	100.00
> 10 Units	$	500.00

Commercial Development

Fee shall be the same as the greater than 10 residential units fee except where the amount and complexity of proposed water and sewer line construction is equivalent to a residential development of ten or less units.

MISCELLANEOUS WATER/SEWER FEES

Meter Replacement Fee	$	50.00	
Meter Relocation Fee	$	100.00	
Special Meter Read	$	10.00	
Meter Test Charge	$	35.00	
Water Flow Test	$	150.00	original / $15.00 copy
Meter Pressure Test	$	25.00	
Meter Tampering Fee			
Water Meter	$	250.00	; subsequent events $1,000.00/occ.
Fire Hydrant	$	750.00	; subsequent events $3,000.00/occ.
Direct Connect	$	1,000.00	; subsequent events up to $5,000.00/occ.
Interruptible Water Meter Install - Return Trip	$	50.00	/ trip
Perpetual Maintenance (new sewage pump stations)	Per Formula in Town Code		
Water / Sewer Availability Review	Actual Cost to Town		

WATER & SEWER RATES

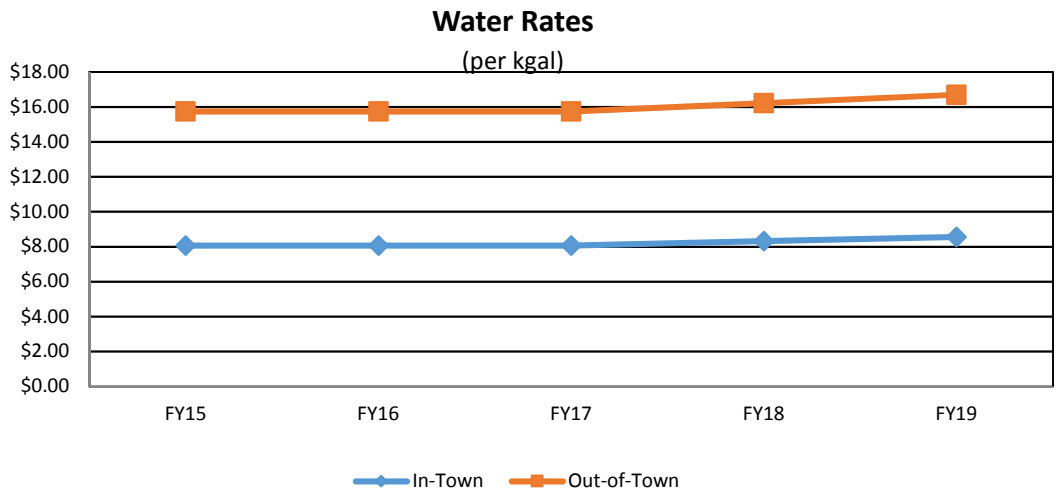
Water	FY16 Actual	FY17 Proposed	% Increase	$ Increase
Per 1,000 Gallons (In-Town)	8.07	8.07	0.0%	0.00
Per 1,000 Gallons (Out-of-Town)	15.74	15.74	0.0%	0.00
2,500 Gallon Minimum (In-Town)	20.18	20.18	0.0%	0.00
2,500 Gallon Minimum (Out-of Town)	39.35	39.35	0.0%	0.00
5,000 Gallons (In-Town)	40.35	40.35	0.0%	0.00
5,000 Gallons (Out-of-Town)	78.70	78.70	0.0%	0.00

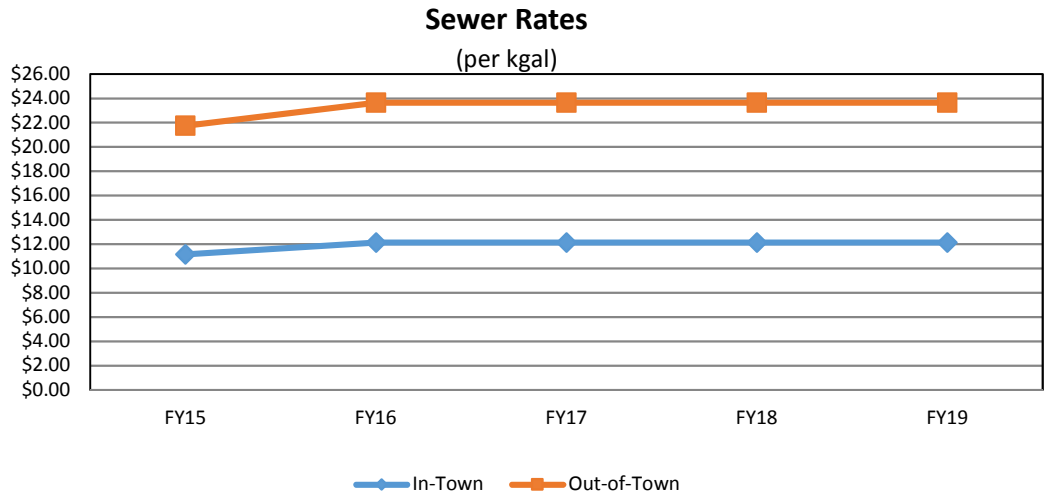
Sewer	FY16 Actual	FY17 Proposed	% Increase	$ Increase
Per 1,000 Gallons (In-Town)	12.13	12.13	0.0%	0.00
Per 1,000 Gallons (Out-of-Town)	23.65	23.65	0.0%	0.00
2,500 Gallon Minimum (In-Town)	30.33	30.33	0.0%	0.00
2,500 Gallon Minimum (Out-of Town)	59.13	59.13	0.0%	0.00
5,000 Gallons (In-Town)	60.65	60.65	0.0%	0.00
5,000 Gallons (Out-of-Town)	118.25	118.25	0.0%	0.00

Combined Water & Sewer	FY16 Actual	FY17 Proposed	% Increase	$ Increase
Per 1,000 Gallons (In-Town)	20.20	20.20	0.0%	0.00
Per 1,000 Gallons (Out-of-Town)	39.39	39.39	0.0%	0.00
2,500 Gallon Minimum (In-Town)	50.51	50.51	0.0%	0.00
2,500 Gallon Minimum (Out-of Town)	98.48	98.48	0.0%	0.00
5,000 Gallons (In-Town)	101.00	101.00	0.0%	0.00
5,000 Gallons (Out-of-Town)	196.95	196.95	0.0%	0.00

WATER & SEWER RATE SUMMARY

		FY15	FY16	FY17	FY18	FY19
Water Rate Summary						
In-Town Rates						
Water Minimum Charge (per account)		21.79	20.98	20.18	20.78	21.40
Water Volume Charge (per kgal)		8.07	8.07	8.07	8.31	8.56
	increase >	*0.0%*	*0.0%*	*0.0%*	*3.0%*	*3.0%*
Out-of-Town Rates						
Water Minimum Charge (per account)		42.50	40.92	39.35	40.53	41.75
Water Volume Charge (per kgal)		15.74	15.74	15.74	16.21	16.70
	increase >	*0.0%*	*0.0%*	*0.0%*	*3.0%*	*3.0%*
Sewer Rate Summary						
In-Town Rates						
Sewer Minimum Charge (per account)		30.11	31.54	30.325	30.325	30.325
Sewer Volume Charge (per kgal)		11.15	12.13	12.13	12.13	12.13
	increase >	*8.8%*	*8.8%*	*0.0%*	*0.0%*	*0.0%*
Out-of-Town Rates						
Sewer Minimum Charge (per account)		58.70	61.49	59.13	59.13	59.13
Sewer Volume Charge (per kgal)		21.74	23.65	23.65	23.65	23.65
	increase >	*8.8%*	*8.8%*	*0.0%*	*0.0%*	*0.0%*





WATER & SEWER REVENUES VS. EXPENDITURES SUMMARY

Revenue Source	Water Operations FY17	Water Operations FY18	Water Operations FY19	Sewer Operation FY17	Sewer Operation FY18	Sewer Operation FY19
Sales/Charges	$ 3,960,000	$ 4,450,000	$ 4,760,000	$ 4,560,000	$ 4,800,000	$ 4,990,000
Penalties/Delinquent Fees	$ 88,500	$ 88,500	$ 88,500	$ 61,500	$ 61,500	$ 61,500
Misc.	$ 8,850	$ 8,850	$ 8,850	$ 6,150	$ 6,150	$ 6,150
Water Connection Fee	$ 15,000	$ 15,000	$ 15,000	$ -	$ -	$ -
Lateral Fees	$ 4,500	$ 4,500	$ 4,500	$ 3,500	$ 3,500	$ 3,500
Water Meter Fee	$ 150,000	$ 150,000	$ 90,000	$ -	$ -	$ -
Engineering Review Fees	$ 295	$ 295	$ 295	$ 205	$ 205	$ 205
Interest	$ 590	$ 590	$ 590	$ 410	$ 410	$ 410
Perpetual Maint Fee	$ -	$ -	$ -	$ -	$ -	$ -
Perpetual Maint Fee Interest	$ 118	$ 118	$ 118	$ 82	$ 82	$ 82
Capital Facility Fees	$ 1,077,480	$ 1,212,165	$ 748,250	$ 1,255,680	$ 1,412,640	$ 872,000
Transfer from Capital Reserve	$ 851,500	$ 550,081	$ 319,776	$ 458,679	$ -	$ -
Loan Proceeds	$ 500,000	$ -	$ -	$ -	$ -	$ -
Total Revenues	**$ 6,656,833**	**$ 6,480,099**	**$ 6,035,879**	**$ 6,346,206**	**$ 6,284,487**	**$ 5,933,847**

Expenditures By Operation	Water Operations FY17	Water Operations FY18	Water Operations FY19	Sewer Operations FY17	Sewer Operations FY18	Sewer Operations FY19
Admin of Enterprise	$ 2,356,682.60	$ 2,222,009.22	$ 1,770,652.94	$ 2,039,707.40	$ 2,031,576.78	$ 1,498,634.06
Engineering	$ 309,954	$ 295,035	$ 298,803	$ 215,391	$ 205,024	$ 207,643
Billing & Collections	$ 517,131	$ 615,188	$ 617,473	$ 316,951	$ 377,051	$ 378,451
Water Treatment Plant	$ 1,281,456	$ 1,169,305	$ 1,157,412	$ -	$ -	$ -
West Fork Eno Reservoir	$ 1,204,792	$ 1,196,076	$ 950,637	$ -	$ -	$ -
Water Distributioin	$ 1,387,913	$ 1,094,049	$ 1,093,908	$ -	$ -	$ -
Wastewater Collection	$ -	$ -	$ -	$ 1,064,244	$ 1,017,093	$ 1,184,835
Wastewater Treatment Plant	$ -	$ -	$ -	$ 2,627,912	$ 2,292,179	$ 2,511,277
Contingency	$ 118,000	$ 147,500	$ 177,000	$ 82,000	$ 102,500	$ 123,000
Total Expenses	**$ 7,175,928**	**$ 6,739,162**	**$ 6,065,886**	**$ 6,346,206**	**$ 6,025,424**	**$ 5,903,840**
+/-	$ (519,095)	$ (259,063)	$ (30,007)	$ (0)	$ 259,063	$ 30,007

BUDGET SUMMARY & INFORMATION

READER'S GUIDE TO THE BUDGET DOCUMENT

The Budget & Financial Plan describes how the Town plans to achieve its goals, objectives, and meet the community's needs. The Town of Hillsborough's Budget & Financial Plan is not just a document full of numbers. It serves as an operations guide, financial plan, communications device, policy document, as well as a general resource for information about the Town.

This guide is provided to assist readers in locating information within the budget document. The Town of Hillsborough's FY17 Annual Budget & Financial Forecast is divided into six major sections: Budget Message/Ordinance, Budget Summary & Information, General Fund, Water & Sewer Fund, Capital Improvement Plan, and Supplemental Information. Each section is outlined below:

I. BUDGET MESSAGE/ORDINANCE

The Budget Message, a letter from the Town Manager to the Board of Commissioners, provides an overview of the upcoming fiscal year budget and financial plan. This section also contains the FY17 Budget Ordinance. The ordinance, a statute legally adopted by the Board of Commissioners, sets the spending limits for the FY17 budget period (July 1, 2016 to June 30, 2017).

II. BUDGET SUMMARY & INFORMATION

This section provides a summary of revenue, expenditure, and fund balance (savings) information for each of the Town's funds. Information provided in both numerical and narrative format helps the reader to easily determine how much money each fund/budget unit is spending and generating. The section also includes the Town's financial policies. Department responsibilities and an explanation of the process for developing and amending the Budget & Financial Plan provide additional information to help the reader understand the budget process.

III. GENERAL FUND

This section includes the following departmental budgets: Governing Body, Administration, Local Government Channel (PEG), Finance, Planning, Ruffin-Roulhac, Parks & Public Lands, Safety & Wellness, Information Services, Police-Administration, Police-Patrol, Police-Investigations & Community Services, Fire Marshal & Emergency Management, Fire Protection, Fleet Maintenance, Streets, Powell Bill, Solid Waste, Stormwater, Cemetery, Tourism, Special Appropriations, and Contingency. Each department's section contains actual expenses for FY15, projected FY16-FY19 expenses, a budget highlights narrative, balanced scorecard measures, and personnel counts.

IV. WATER & SEWER FUND

This section includes budgets for the following departments: Administration of Enterprise, Engineering, Billing & Collections, Water Treatment Plant, West Fork Eno Reservoir, Water Distribution, Wastewater Collection, Wastewater Treatment Plant, and Contingency. Each department's section contains actual expenses for FY15, projected FY16-FY19 expenses, a budget highlights narrative, balanced scorecard measures, and personnel counts.

V. STORMWATER FUND

This section includes budgets for the following department: Stormwater. This department's section contains actual expenses for FY15, projected FY16-FY19 expenses, a budget highlights narrative, balanced scorecard measures, and personnel counts.

VI. CAPITAL IMPROVEMENT PLAN

This section includes projects with a total cost of $100,000 or more and listed in the Town's 7-year Capital Improvement Plan. Included is a description of each project and a breakout of the associated costs.

VII. SUPPLEMENTAL INFORMATION

This section contains information about Hillsborough, the Authorized Personnel Listing, and a glossary of terms used throughout the document.

FUNCTION OF FINANCIAL PLAN

WHAT IS A FINANCIAL PLAN?

The Hillsborough FY17-19 Financial Plan is a combination budget, capital improvement plan (CIP), and financial forecast. The planning window for this financial plan is three years.

WHY DO A FINANCIAL PLAN?

Combining three traditionally separate documents (budget, CIP, & financial forecast) under one cover provides full and immediate disclosure of information to the Board of Commissioners. Having this variety of information at their fingertips during the budget process, improves the Board's decision-making ability by allowing them to see the impact of today's decisions on future fiscal years. In addition, the staff is better able to provide useful fiscal and operational analysis that is otherwise not possible by simply looking at an annual budget. Most successful businesses would never dream on only planning in one-year increments. To insure the continued financial strength and operational effectiveness of the Town, it is necessary to have a financial plan that is updated each year during the budget process.

The purpose of a financial plan is not to predict future revenues and expenditures down to the penny, but rather to anticipate and rationally plan for expected changes or problems. The real purpose of doing the "number crunching" in the forecast is to see what types of potential situations may be looming on the horizon. As is mentioned in the Budget Message, this creates a "fiscal radar" that gives the Town more time to anticipate different scenarios and develop possible actions to deal with those scenarios before them become problems.

HOW WAS IT DONE?

For the most part, the Town's annual budget is simply expanded to include two planning years in this document, FY18 - FY19. Sections that were expanded to accommodate the two out-years of the Financial Forecast include: expenditure and revenue summaries, departmental budgets, fund balance tables, and staffing/position information. In addition, supporting narratives and discussions on revenue trends & assumptions, fund balances, goals & objectives, debt, personnel, and the CIP all address the FY17 budget year plus FYs18-19. As the reader goes through each section, information is usually provided or discussed for FYs17-19. This helps to map a course of where the Town is and what it is planning to do.

WHAT WERE THE FORECASTING ASSUMPTIONS?

Revenue and expenditure projections are based on several sources: Consumer Price Index projections, historical trend analysis, price estimates from prospective vendors, and institutional knowledge. Keeping in tradition with the Town's budgeting philosophy, the Town Manager tended to be somewhat conservative with revenue estimates and slightly liberal with expenditures estimates. This is done to increase the probability of producing a safe and realistic forecast.

HOW WILL THE FINANCIAL PLANNING COMPONENT BE USED?

Each year the Town Manager will use the Budget Message to discuss future issues and potential concerns for the Town to monitor. This will help point out significant issues that may confront Hillsborough in the near or distant future. The multi-year forecasting component assists the Town each year by helping to show the impact of this year's budget decisions on the next several years. It is important to understand the effect that adding additional personnel, equipment, projects, or programs will have on Hillsborough's budget and financial condition in the future (e.g., will buying this piece of equipment lower our fund balance to the point where we'll need to raise taxes next year, etc.)! The ultimate purpose of the financial plan is to get the staff and Board in the regular habit of evaluating the multi-year impact of the policy and budget decisions we make today. Finally, continually reviewing finances and operations from a multi-year perspective can only help improve the Town's ability to regularly make well-informed decisions.

MAJOR UNITS OF THE BUDGET

Most budget documents focus primarily on revenue and expenditure appropriations. To simplify the financial system and to fairly distribute the resources of the Town, this budget is separated by function so all costs and incomes are grouped into common services, functions, and cost areas which are in turn placed into appropriate fund, budget unit, and line-item budgets. The various level of detail provided by the different budgets (fund, department, and line-item) help the Town to manage its operational and fiscal activities. The following definitions explain the primary units that compose the Hillsborough budget:

FUNDS

The fund is an independent fiscal and accounting entity. Funds make it easier to keep track of accounts that operate similar types of activity and share the same set of accounting records. Most funds are economically self-sufficient, having their own revenue sources to support their operational activities. Funds may operate one or more sub-groups, called budget units, which are responsible for delivering various types of services to the community. The Town of Hillsborough operates two funds: the General Fund and the Water & Sewer Fund. The *General Fund* handles the "general" operations of the Town, such as police protection, street maintenance, solid waste services, etc. The *Water & Sewer Fund*, an enterprise fund, operates like a business. Fees are paid for services provided – in this case customers pay for water and sewage usage.

BUDGET UNITS

Budget units are a sub-unit or division of a fund. For example, Fleet Maintenance is a part of the General Fund. Each budget unit provides specific governmental services depending on their area(s) of responsibility.

LINE-ITEMS

The budget for each fund and budget unit consists of individual line-items (detailed and condensed formats). Line-items represent specific expenditures and revenues. Examples of line-items include salaries and wages, maintenance and repair, capital outlay (i.e. automobiles), property tax revenues, sales tax revenues, etc. Line-items are the most detailed way to list budgeted expenditure and revenue information.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Hillsborough conform to the generally accepted accounting principles (GAAP) as applicable to governments. The following is a summary of the more significant accounting polices:

A. Reporting Entity

The Town of Hillsborough is a municipal corporation which is governed by an elected mayor and a five-member council. As required by generally accepted accounting principles, the financial statements present all funds and account groups which are controlled by or are financially dependent upon the Town. The Town provides financial support to certain boards, agencies and commissions. The Town has evaluated its relationship with each of these entities according to criteria established by GASB Statement 14 and has determined that none of these entities is includable in the reporting entity because the Town is not financially accountable for them.

B. Basis of Presentation – Fund Accounting

The accounts of the Town are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The account groups are not funds but are a reporting device used to account for certain assets and liabilities of the governmental funds that are not recorded directly in those funds.

The Town uses the following fund categories (further divided by type) and account groups:

Governmental Funds

Used to account for the Town's governmental functions. The Town of Hillsborough's Governmental funds include the following types:

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 grants and various other taxes and licenses. The primary expenditures are for general government, administration, public safety, street maintenance and construction, and solid waste services.

Proprietary Funds

Used to account for the Town's business-like activities. The Town of Hillsborough's Proprietary funds include the following:

Enterprise Fund

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Town of Hillsborough has one Enterprise Fund, that being the Water and Sewer Fund. The Enterprise Fund is comprised of the following sub-funds:

- Water/Sewer: which accounts for the general operation of the water and sewer departments.
- Stormwater: which accounts for the general operation of the stormwater department.

Fiduciary Funds

Used to account for the activities where the Town holds money in trust for a third party. The Town of Hillsborough's Fiduciary Funds include the following:

Trust and Agency Funds

Trust and Agency Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, other governments and/or other funds. These include Pension Trust Funds. Pension Trust Funds are accounted for essentially the same as the proprietary funds since capital maintenance is critical. The Town has one Fiduciary Fund, the Pension Trust Fund.

Account Groups

General Fixed Assets Account Group

This group of accounts is established to account for all fixed assets of the Town of Hillsborough, other than those accounted for in the proprietary funds or trust funds.

General Long-Term Debt Account Group

This group of accounts is established to account for all general long-term debt and certain other liabilities that are not specific liabilities of the proprietary funds of the Town.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities

generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

The proprietary funds and the pension trust fund are accounted for on the flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund type equity (i.e. net total assets) is segregated into contributed capital and retained earning components. Operating statements for these funds present increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

The basis of accounting determines when the revenues and expenditures or expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

In accordance with the North Carolina General Statues, all funds of the Town are maintained during the year using the modified accrual basis of accounting. The governmental fund types are presented in the financial statements on this same basis. Under the modified accrual basis, revenues are recognized in the accounting period when they become susceptible to accrual (i.e. when they are "measurable" and "available") to pay the liabilities of the current period. In addition, expenditures are recorded when the related fund liability is incurred, if measurable, except for unmatured principal and interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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 are materially past due and are not considered to be an available resource to finance the operations of the subsequent year.

Sales taxes and certain intergovernmental revenues, such as utilities franchise tax, collected and held by the state at year-end on behalf of the Town are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Grant revenues that are unearned at year-end are recorded as deferred revenues.

The proprietary funds are presented in the financial statements on the modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period when earned and expenses are recognized in the period they are incurred. As permitted by generally accepted accounting principles, the Town has elected to apply only applicable GASB Statements and Interpretations issued before November 30, 1989 in its accounting and reporting practices for its proprietary operations.

D. Budgetary Data

The governing board as required by the North Carolina General Statues adopts the Town's budgets. An annual budget is adopted for the General Fund and the Water and Sewer Fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Water and Sewer Capital Projects Fund and the Water and Sewer Capital Reserve Fund. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the department level for all annually budgeted funds and at the object level for the multi-year funds. The Town Manager is authorized by the budget ordinance to transfer appropriations between functional areas within a fund up to $2,500; however, any revisions that alter the total expenditures of any fund or that change functional appropriations by more than $2,500 must be approved by the governing board. (See Fiscal Policies section for more information.)

E. Budget Calendar

A budget calendar is included in the North Carolina General Statues which prescribes the last day on which certain steps of the budget procedure are to be performed. The following schedule lists the tasks to be performed and the date by which each is required to be completed. (For a more information on the process followed by the Town of Hillsborough see Budget Process section.)

April 30: Each department head will transmit to the budget officer the budget requests and the revenue estimates for their department for the budget year.

June 1: The budget and the budget message shall be submitted to the governing board. The public hearing on the budget shall be scheduled at this time.

July 1: the governing board shall adopt the budget ordinance.

F. Encumbrances

As permitted by G.S. 159-26(d), the Town maintains encumbrance accounts which are considered to be "budgetary accounts." Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result if unperformed contracts in process at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. These encumbrances outstanding are reported as "reserved for encumbrances" in the fund balance section of the balance sheet and will be charged against the subsequent year's budget. Encumbered appropriations are re-appropriated in the ensuring year's budget.

FISCAL POLICIES

These financial policies were developed by the Board of Commissioners, Finance Director, and Town Manager. These policies are general in nature and designed to act as a guide to assist in making sound fiscal management decisions for the Town of Hillsborough. By adhering to established financial policies, following the North Carolina Budget and Fiscal Control Act, accepting guidance from the Town's independent auditors, Local Government Commission, and the UNC-Chapel Hill School of Government, the Town of Hillsborough can continue to strengthen its solid foundation, which is built on responsible fiscal and budgetary practices.

ACCOUNTING POLICY

The Town will establish and maintain its accounting systems in compliance with the North Carolina Local Government Budget and Fiscal Control Act. Financial systems will be maintained to monitor revenues and expenditures on a monthly basis. All revenue collections will be consolidated under the Finance Director and audited annually. An annual audit will be performed by an independent certified public accounting firm which will issue an official opinion on the annual financial statements, with a management letter explaining recommended improvements, if required. Town staff will attempt to address any such recommendations. The auditors will also prepare the Town's Comprehensive Annual Financial Report (CAFR) in compliance with Generally Accepted Accounting Principles (GAAP). The CAFR will be submitted each year to the Government Finance Officer's Association for recognition under the Certificate of Achievement for Excellence in Financial Reporting program. Internal accounting control procedures/operations will be maintained and upgraded as needed to maximize the security and efficiency of the accounting system and Town assets.

BUDGET AMENDMENT POLICY

General Statue (G.S.) 159-15 authorizes the governing board to amend the budget ordinance at any time after the ordinance is adopted, so long as the amended ordinance continues to meet the requirements of G.S. 159-8, which states that the budget must be balanced and 159-13, which describes the form, adoption, limitations, tax levy and filing of the budget ordinance. Budget amendments cannot increase or decrease the tax levy or alter a taxpayer's liability unless the Board is ordered to do so by the courts or an authorized State agency.

Budget amendments must be made prior to obligating funds in excess of adopted budget appropriations. North Carolina state law, G.S. 159-8, requires that each fund in the budget remain balanced. Therefore, whenever a change in an estimated revenue or appropriation occurs throughout the year, an offsetting adjustment to some other revenue or appropriation account(s) must be made in order to keep the fund balanced. Budget amendments provide a way for local governments to accomplish this.

G.S. 159-13(a) allows the budget ordinance to be in any form that the Board considers most efficient for making fiscal policy decisions, but the Board must make appropriations by department, function or project and show revenues by major source.

A budget amendment must contain certain information, depending on its purpose. If the amendments increases an appropriation based on an increase in revenue, the amendment will specify the appropriation and its increase, as well as the revenue and its increase. Likewise, if the amendment reduces one appropriation and increases another, with no new revenue source, each appropriation will be listed along with the amount of increase or decrease. Each amendment must balance. Total increases in appropriations should equal total increases in revenues if new revenues are involved. In all situations, a brief description of the circumstances surrounding the amendment will be included on the face of the amendment or in the minutes where the amendment was approved.

Board approval or review is indicated on each amendment, either by signature of the Town Clerk to the Board attesting to Board approval or by including the actual amendment itself in the Board meeting minutes.

The Finance Director may make minor changes to the budget without obtaining prior Board approval by formal budget amendment. Such changes must be within a fund and not between two or more funds. (Note: These changes cannot result in recurring obligations such as salaries.) Wherever the Finance Director makes this type of adjustment, he is required

to inform the Board at the next meeting after the budget adjustment is made. In this way, the Board does not have to consider and vote on immaterial changes to the budget, but it is kept abreast of changes so they can be monitored.

The most important thing about budget amendments affecting expenditure accounts is that they are to be made prior to funds being obligated. The Finance Director can be held personally liable for any obligations made that are not in accordance with the current budget ordinance. Therefore, if an obligation is made in excess of the budgeted appropriation, a violation of G.S. 159-181(a) has occurred, even if the ordinance is later amended to authorize the obligation and the resulting expenditure.

Budget amendments may be made after June 30 to the budget ordinance for the prior year to cover obligations or expenditures in excess of appropriations that the Town must legally pay. However, such items are still a statutory violation, and the budget must be presented in the audited financial statements as it stood on June 30. If these amounts are material, a note disclosure is the audited financial statements must be needed to indicate statutory noncompliance.

CAPITAL IMPROVEMENT POLICY:

The Town will update and adopt and re-adopt annually a seven-year Capital Improvement Plan (CIP) which details each capital project, the estimated cost, project description and anticipated funding source. Current operating budget expenditures will be used to maintain the CIP projects and provide all salaries, operating costs, and small capital outlay required.

DEBT POLICY

In accordance with North Carolina General Statute 159-55, the Town's bounded indebtedness will not exceed eight (8) percent of the assessed valuation of the taxable property of the Town. Capital items and capital projects will be financed for a period that should not exceed the anticipated useful life of the asset.

INVESTMENT POLICY

The Town will attempt to maximize the investment of idle moneys, thus generating greater amounts of non-tax revenue through increased investment earnings. The following factors will be of paramount importance and in order of priority whenever Town funds are invested: 1) security, 2) liquidity, 3) diversity, and 4) yield. The Town of Hillsborough will only invest in those instruments that comply with North Carolina General Statute 159-30, which is part of the Local Government Fiscal Control Act.

RESERVE POLICY

General Fund: To insure the Town's fiscal stability, it is necessary to maintain a healthy operating fund balance (reserve or savings) in the Town's General Fund. Since Hillsborough has experienced disasters in the past, the Town must be prepared to deal with the financial hardships that can be dealt by unpredictable storms, tornados, and hurricanes. In addition to the need for emergency funds, the fund balance allows the Town to maintain adequate cash flow levels, provides steady investment income, helps absorb revenue shortfalls, allows the Town to take advantage of unexpected opportunities, and occasionally aids in making non-recurring capital purchases if the reserves are large enough.

Each year during annual budget preparation, the Board of Commissioners will re-evaluate the fund balance level needed for the upcoming year. The Board will take into account the needs of the community, as well as the fiscal strength of the governmental unit, in making its decision to set an appropriate fund balance level. The Local Government Commission recommends that municipalities retain a fund balance level of at least eight (8) percent in the General Fund. The Town will maintain an undesignated fund balance level between 20%-60% (compared to annual General Fund expenditures) and strive to keep a minimum of 33% as its "target" or the equivalent of four months of operating expenditures for its fund balance. This benchmark figure will serve as a goal that the governing body will strive to meet each fiscal year in order to preserve the Town of Hillsborough's financial integrity.

Water / Sewer Fund: The retained earnings "target" in the Water/Sewer Fund is 25% (3 months) of operating expenditures.

Stormwater Fund: The retained earnings "target" in the Stormwater Fund is 25% (3 months) of operating expenditures.

REVENUE POLICY

As provided by the North Carolina Local Government Budget and Fiscal Control Act, estimated revenue from the ad valorem tax levy will be budgeted as follows:

A) Assessed valuation shall be estimated based on historical trends and growth patterns in a conservative manner.

B) The estimated percentage rate of collection of the tax levy shall not exceed the rate of the preceding fiscal year.
C) The tax rate shall be set each year based on the cost of providing general government services.
D) The Town shall operate under an annual balanced budget ordinance adopted and administered in accordance with N.C.G.S. 159-8(a). A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balance is equal to appropriations.

The Town will set fees for services to maximize user charges for identifiable services.

A) Assessed valuation shall be estimated based on historical trends and growth patterns in a conservative manner.
B) To the extent possible, the rate structure established for water and sewer customers will be sufficient to finance all operating, capital, and debt service costs providing said services.
C) To the extent practical, any general Town service which is of a higher level to benefit recipients shall be supported by user fees designed to recover costs from those recipients. Examples include zoning and code enforcement activities funded through zoning permit fees and demolition charges.
D) Where user fees are based on cost recovery, costs should be reviewed annually during the budget process and user fees adjusted as practicable.

BUDGET PROCESS

The budget is the single most important document presented to the Mayor and Board of Commissioners. The budget document outlines policy direction, but it also serves the citizens by providing an understanding of the Town's operating fiscal programs. It reflects the Town's commitment to maintaining necessary services, improving the quality of service, and keeping the impact of taxes to citizens at a minimum.

The Town operates under an annual budget ordinance adopted by the Board of Commissioners in accordance with the provisions of the N.C.G.S. 159 – known as the Local Government Budget and Fiscal Control Act. The Town Manager is required to submit a balanced budget by June 1 and the Council must adopt the budget by July 1. A budget is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. The fiscal year encompasses the period between July 1 and June 30.

PROCEDURES

The Town's budget process begins in February, at which time the Board of Commissioners set goals for the upcoming fiscal year. Departments then receive their operating budget and capital improvement plan forms and instructions.

Department Heads are responsible for estimating departmental expenditures. The Budget Director in conjunction with appropriate Department Heads determines revenues. When budgeting expenditures, the basic requirements are to request sufficient funding to adequately operate the department and to request funding at the lowest reasonable level in order to achieve departmental goals and objectives. The departmental requests are submitted to the Budget Director, then organized and analyzed.

The budget reflects the service priorities of the Governing Body and Citizens of Hillsborough. The service needs of the community are determined by public hearings and feedback from the Board of Commissioners. The Town Manager and Budget Staff then conduct a comprehensive review of service needs in light of departmental budget requests. After final service priorities are established and decided upon, a balanced funding plan is formulated. Through careful assessment of funding requirements and financing methods, a proposed budget document is organized into final format and submitted to the Mayor and Board of Commissioners for their consideration and adoption. The Mayor and Board of Commissioners review the recommended budget packet, including departmental performance objectives, thoroughly with the Town Manager and Budget Staff during special work sessions. A copy of the proposed budget packet with recommended changes is also filed with the Town Clerk for public inspection and a public hearing is scheduled prior to the formal adoption of the budget. Adoption of the budget by the Board of Commissioners establishes the legal authority to incur expenditures in the ensuing fiscal year. All annual appropriations lapse at fiscal year end.

The adopted budget document acts as a "work plan" and provides the Governing Body and management staff with a mechanism for evaluating budgetary and organizational performance.

BUDGET TRANSFERS AND AMENDMENTS

Even though the budget begins July 1, changes to revenues and expenditures can occur throughout the fiscal year. Under a budget transfer, monies are transferred, within the departmental budget, from one line-item revenue or expenditure to another line-item. This process requires the approval of the Town Manager, and the Town Manager may allow any amount of money to be shifted within a cost center. The Town Manager is also authorized to effect interdepartmental transfers within the same fund, not to exceed 10 percent of the appropriated monies for the department whose allocation is reduced. A budget amendment usually involves larger sums of money and results in a significant change to the department's overall revenue and/or expenditure level. Budget amendments require Board of Commissioner approval. Budget transfers and amendments must adhere to the balanced budget requirements and impose no additional tax levy liability on citizens.

The Town will not make inter-fund transfers to supplement revenue shortfalls for the purpose of funding standard operating expenditures / services, except in disaster or crisis situations. The Town operates each fund like a self-sufficient business. Operating revenues and reserves should be sufficient to cover each fiscal year's expenditures and still provide a healthy reserve in each fund. Payment for services

rendered and shared between funds is an acceptable and preferred practice of cost accounting.

ENCUMBRANCES

All monies at fiscal year end lapse and spending authority ceases, unless specific services or goods are encumbered. Encumbrances are a financial commitment or earmark for services, contracts, or goods that have not been delivered by June 30 – the end of the fiscal year. Encumbered monies are carried over into the new fiscal year's budget. Outstanding encumbrances at fiscal year end do not constitute expenditures or liabilities.

BASIS OF BUDGETING / ACCOUNTING

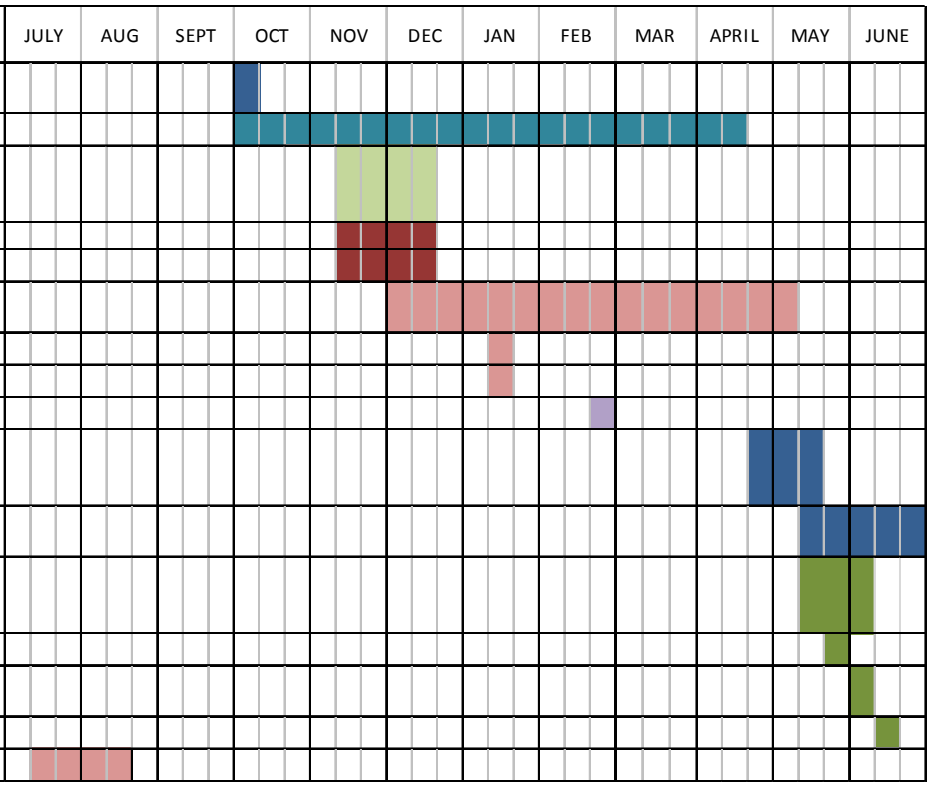
In accordance with the North Carolina Budget and Fiscal Control Act, the budget is developed and adopted under the modified accrual basis of accounting. Under this format, revenues are recognized when measurable and available and obligations of the Town are budgeted as expenditures. During the fiscal year, budgets are monitored and accounted for using the modified accrual basis. At fiscal year end, the Town's Comprehensive Annual Financial Report (CAFR) is prepared using Generally Accepted Accounting Principles, or GAAP. All governmental funds are reported using the modified accrual basis of accounting. Although the CAFR reports all proprietary funds using the full accrual basis of accounting, whereby revenues are recognized when earned and expenses recognized in the period incurred, for simplicity, the budget document reports all propriety funds' prior year actuals using the modified accrual method.

FINANCIAL PLANNING

The Town will incorporate a ten-year financial forecast and capital improvement plan into its annual budget document. Town officials will use this Financial Plan to anticipate potential problems, to increase the probability that action can be taken well in advance to address issues while they are relatively small and manageable problems. In addition, the Financial Plan will allow Town officials to see the impact of today's budgetary decisions on the future.

FY 2016-2017 OPERATING/CIP BUDGET & BALANCED SCORECARD DEVELOPMENT CALENDAR

TASK	START DATE	DUE DATE(S)
Mgt. & Budget Team discuss process and calendar	10/1/15	10/1/15
Budget Staff estimates revenues	10/1/15	4/15/16
Budget Packets distributed to Mgmt Team; BSC due TBD; budget $$ request due 12/12/14	11/9/15	TBD 12/18/15
CIP forms distributed	11/9/15	12/18/15
Fees & Charges Schedule distributed	11/9/15	12/18/15
Budget requests analyzed and reviewed with Dept Directors	12/1/15	5/6/16
General Fund budget review	1/13/16	1/14/16
Water & Sewer Fund budget review	1/14/16	1/14/16
Budgetary & Strategic Planning Retreat	2/27/16	2/27/16
Town Manager's recommended budget compiled and presented to Mayor & Board of Commissioners	4/20/16	5/13/16
Budget available for public viewing at Town Clerk's Office	5/13/16	5/13/16
Mayor & Board of Commissioners review budget and performance objectives	5/13/16	6/13/16
Budge Workshop & Public Hearing	5/23/16	5/23/16
Budget Workshop - 2nd workshop if needed	6/6/16	6/6/16
Budget Adopted	6/13/16	6/13/16
Evaluation of budget process	7/15	8/15



Legend:
- Town Mgmt., Budget Staff, Mgmt. Team & Staff
- Budget Staff, Department Directors
- Mayor, Board of Commissioners, Town Mgmt., Dept. Directors, Budget Staff
- External Agencies, Budget Staff, Town Manager, Mayor & Board
- City Mgt. & Budget Staff
- Budget Staff
- Mayor & Board
- Department Directors

Town of Hillsborough

Since 1754

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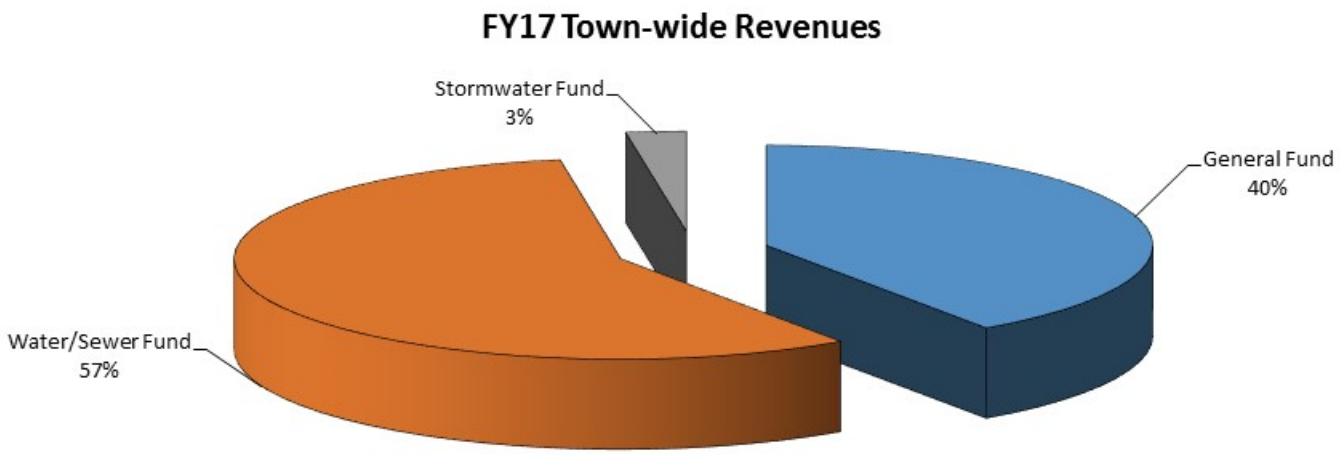
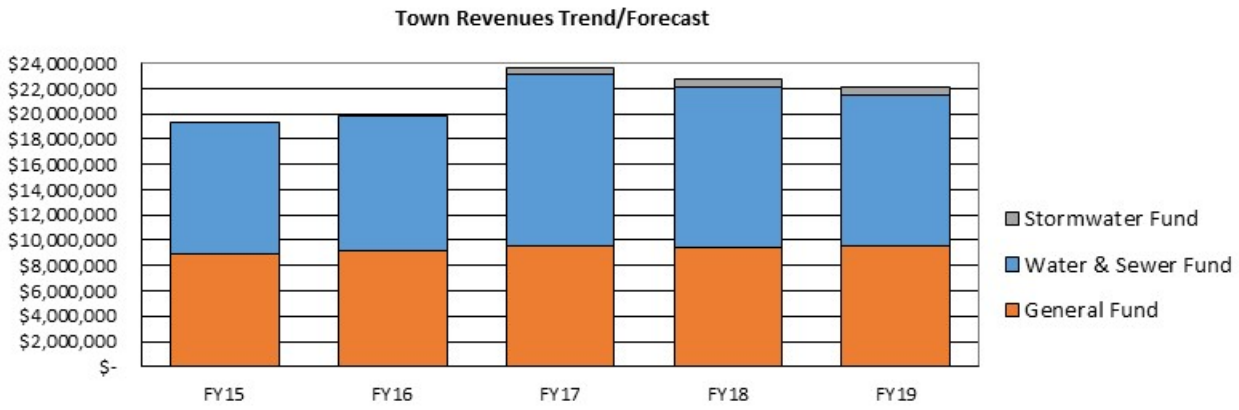
FINANCIAL SUMMARIES

TOWN REVENUES

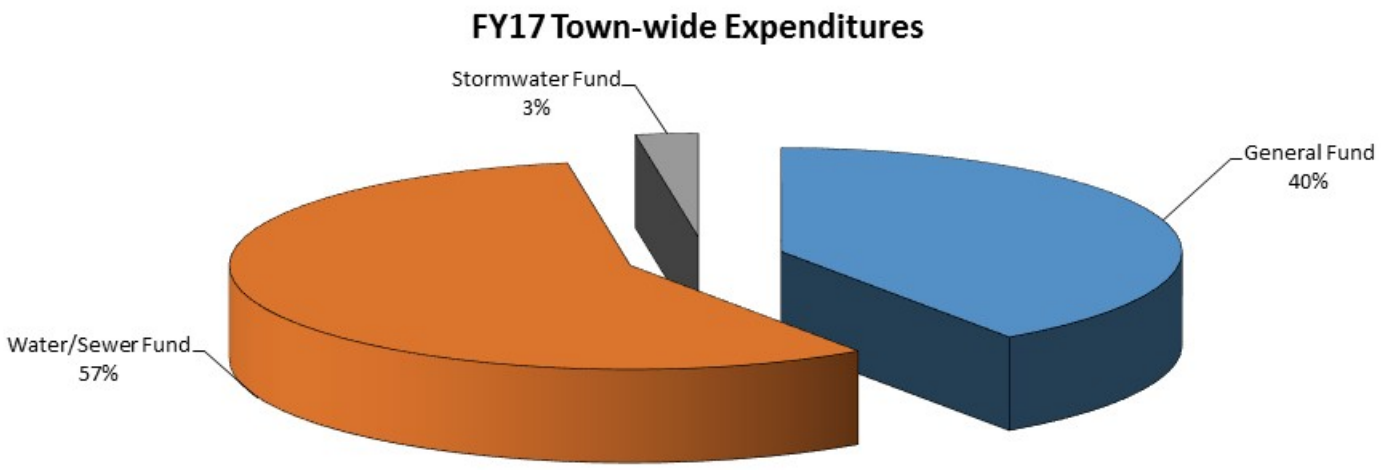
By Fund	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
General Fund	$ 8,900,506	$ 9,148,806	$ 9,565,695	$ 9,396,780	$ 9,540,427	*$ 416,889*	*4.6%*
Water/Sewer Fund	$10,391,060	$10,654,635	$13,522,134	$12,764,586	$11,969,726	*$ 2,867,499*	*26.9%*
Stormwater Fund	$ -	$ -	$ 595,804	$ 631,161	$ 642,801	*$ 595,804*	*0.0%*
Total Town Revenues	**$19,291,566**	**$19,803,441**	**$23,683,633**	**$22,792,527**	**$22,152,954**	***$ 3,880,192***	***19.59%***
% Change	*21.68%*	*2.65%*	*19.59%*	*-3.76%*	*-2.81%*		

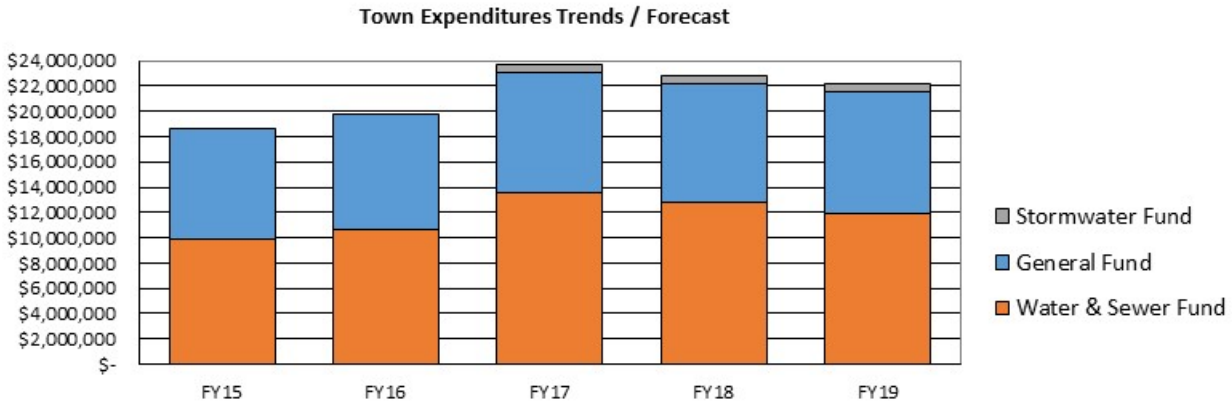




TOWN EXPENDITURES

By Fund	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
General Fund	$ 8,740,813	$ 9,148,806	$ 9,565,695	$ 9,396,780	$ 9,540,427	$ 416,889	4.6%
Water/Sewer Fund	$ 9,907,729	$10,654,635	$13,522,134	$12,764,586	$11,969,726	$ 2,867,499	26.9%
Stormwater Fund	$ -	$ -	$ 595,804	$ 631,161	$ 642,801	$ 595,804	0.0%
Total Town Expenditures	**$18,648,542**	**$19,803,441**	**$23,683,633**	**$22,792,527**	**$22,152,954**	**$ 3,880,192**	**19.6%**
% Change	*9.56%*	*6.19%*	*19.59%*	*-3.76%*	*-2.81%*		



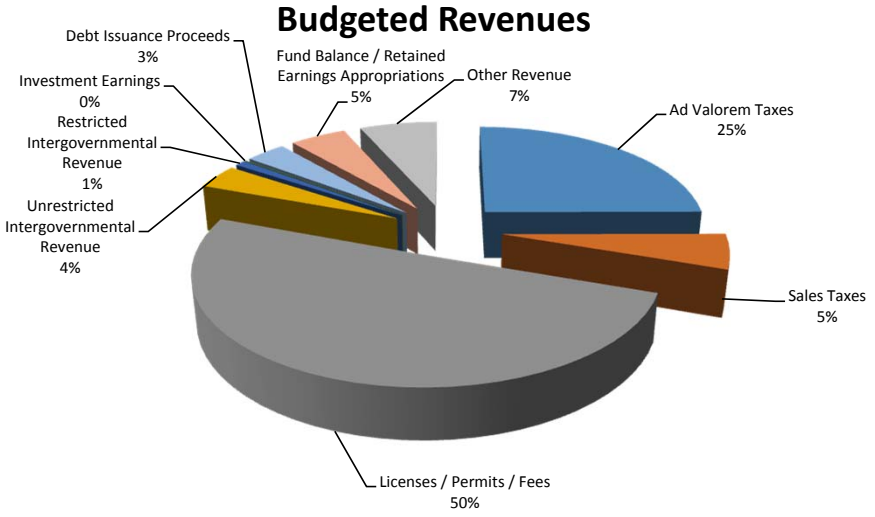


Town Revenues & Expenditures Summary

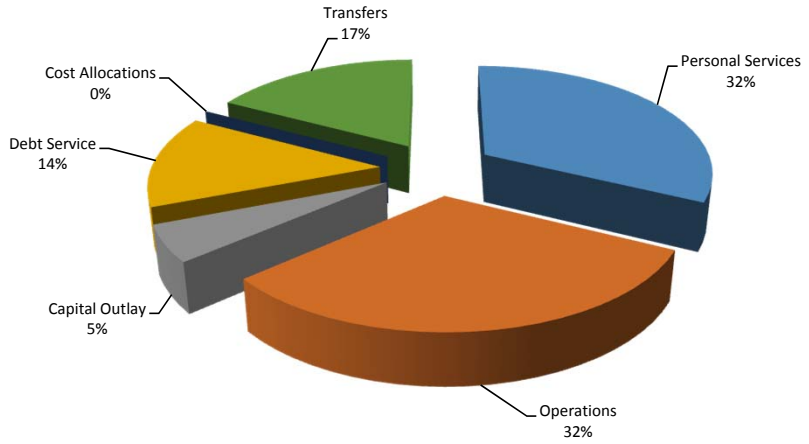
	Governmental Fund	Enterprise Funds		
FY17 Revenues	General Fund	Water & Sewer Fund	Stormwater Fund	All Funds
Ad Valorem Taxes	$ 5,904,500	$ -	$ -	**$ 5,904,500**
Sales Taxes	$ 1,249,500	$ -	$ -	**$ 1,249,500**
Licenses / Permits / Fees	$ 157,000	$ 11,176,660	$ 595,804	**$ 11,929,464**
Unrestricted Intergovernmental Revenue	$ 883,915	$ -	$ -	**$ 883,915**
Restricted Intergovernmental Revenue	$ 207,000	$ -	$ -	**$ 207,000**
Investment Earnings	$ 11,500	$ 1,200	$ -	**$ 12,700**
Debt Issuance Proceeds	$ 307,000	$ 500,000	$ -	**$ 807,000**
Fund Balance / Retained Earnings Appropriations	$ 612,096	$ 519,095	$ -	**$ 1,131,191**
Other Revenue	$ 233,184	$ 1,325,179	$ -	**$ 1,558,363**
Total Revenue	**$ 9,565,695**	**$ 13,522,134**	**$ 595,804**	**$ 23,683,633**

FY17 Expenditures	General Fund	Water & Sewer Fund	Stormwater Fund	All Funds
Personal Services	$ 4,879,947	$ 2,591,925	$ 162,036	**$ 7,633,908**
Operations	$ 4,534,788	$ 2,733,457	$ 197,198	**$ 7,465,443**
Capital Outlay	$ 621,033	$ 477,666	$ 172,500	**$ 1,271,199**
Debt Service	$ 900,074	$ 2,338,696	$ -	**$ 3,238,770**
Cost Allocations	$ (1,558,300)	$ 1,494,230	$ 64,070	**$ -**
Transfers	$ 188,153	$ 3,886,160	$ -	**$ 4,074,313**
Total Expenditures	**$ 9,565,695**	**$ 13,522,134**	**$ 595,804**	**$ 23,683,633**

Budgeted Revenues



Budgeted Expenditures



REVENUE ASSUMPTIONS

AD VALOREM TAXES

FY17: Ad Valorem or property tax income is based on a $0.68 tax rate per $100 of assessed valuation (estimated at $5,550,000 with a 97% collection rate.) Ad Valorem taxes include the following categories:

- Real property – is considered land and anything attached to land. This type of property is immovable.
- Personal Property – any property that is moveable and not considered real property.
- Public Service Companies

Motor vehicle taxes are billed and collected separately from other forms of property taxes. Orange County bills and collects taxes on registered motor vehicles on behalf of the Town of Hillsborough.

INTEREST ON INVESTMENTS

The Town generates this income by investing its idle cash with several types of investment instruments (certificates of deposit, money market accounts, and through the North Carolina Capital Management Trust, offered exclusively to local government units in North Carolina). The estimate for FY16 is $11,500 and FY17 is also $11,500. The flat revenue is attributed to flat interest rates and flat or declining fund balance.

STATE SHARED REVENUES

Hillsborough received the following State-shared revenues: Franchise Tax and Beer & Wine Tax. The Franchise tax includes part of the proceeds from a state tax on electric, gas and telephone companies. The Beer & Wine Tax includes an excise tax on beer and wine that is distributed based on a per capita basis. Franchise Tax revenues are projected to decrease 7 percent due higher than normal collections in FY16. The Beer & Wine Tax is projected to be flat due to limited growth.

LOCAL OPTION SALES TAX

The State collects and distributes the proceeds from the locally levied tax on retail sales. The tax consists of a one-cent (Article 39) and two half-cent taxes (Article 40 & 42) and a hold harmless payment of which each local government receives a portion, based on either a per capita (population) or ad valorem (property value) basis. Projections are based on a per capita distribution. Conservative projections anticipate a 1 percent increase due to limited growth.

POWELL BILL FUNDS

Powell Bill funds are generated from the State's Gasoline Tax. A certain percentage of this tax is returned to municipalities through a formula based on a Town's population and street mileage. Powell Bill money can only be used for street maintenance, construction, traffic signs, sidewalks, curbs and gutters, drainage, and other related needs. Funding in FY17 is projected to remain flat due to limited change in the Town's certified population by the State.

WATER/SEWER CHARGES

The Town sells water and sewer services to residences and commercial establishments within the Hillsborough town limits and outlying areas. Staff estimates that water usage charges will increase 3.8%, with the dropping the minimum usage charge from 2,600 to 2,500 gallons being balanced out by system growth. Sewer usage charges are forecast to have a smaller increase of 1.4% due to the loss of the Efland-Cheeks customers mid-year. The minimum sewer usage charge is also dropping from 2,600 to 2,500 gallons.

FUND BALANCE/RETAINED EARNINGS

This revenue source comes from the Town's surplus in either General, Water & Sewer or Stormwater Funds. A fund balance also exists from Powell Bill Funds (State of N.C. street revenues). The appropriation of fund balance has at times been necessary to balance projected revenues and expenditures. A $570,293 General Fund fund balance appropriation and a $30,000 Powell Bill fund balance appropriation will be needed to balance the budget in FY17. A $519,095 retained earnings appropriation will be needed from the Water & Sewer Fund to balance the budget in FY17. The level of appropriation is determined by the difference between estimated expenditures and estimated revenues for the upcoming fiscal year. A further discussion of fund balances is provided in the section titled "Fund Balance."

OTHER

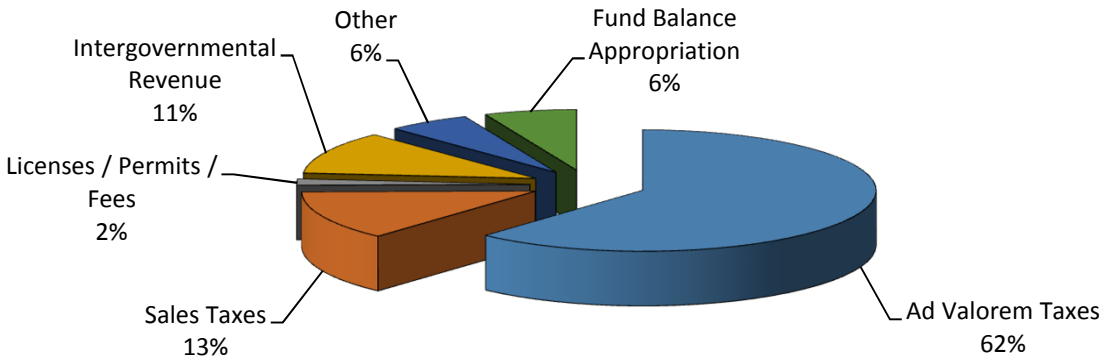
All other revenue projections were made by using one or a combination of the following forecasting methods: historical trend analysis, projections from the NC League of Municipalities, and institutional knowledge.

REVENUES BY TYPE

GENERAL FUND Revenues	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
Ad Valorem Taxes	$ 5,437,265	$ 5,639,000	$ 5,904,500	$ 6,301,500	$ 6,659,550	$ 265,500	4.7%
Sales Taxes	$ 1,215,818	$ 1,225,100	$ 1,249,500	$ 1,274,490	$ 1,299,979	$ 24,400	2.0%
Licenses / Permits / Fees	$ 231,189	$ 165,315	$ 157,000	$ 157,000	$ 157,000	$ (8,315)	-5.0%
Intergovernmental Revenue	$ 1,223,488	$ 1,129,113	$ 1,090,915	$ 1,090,915	$ 1,090,915	$ (38,198)	-3.4%
Other	$ 792,745	$ 183,492	$ 551,684	$ 222,359	$ 118,630	$ 368,192	200.7%
Fund Balance Appropriation	$ -	$ 806,786	$ 612,096	$ 350,516	$ 214,353	$ (194,690)	-24.1%
Total	**$ 8,900,506**	**$ 9,148,806**	**$ 9,565,695**	**$ 9,396,780**	**$ 9,540,427**	***$ 416,889***	***4.6%***
% Change	*-4.8%*	*2.8%*	*4.6%*	*-1.8%*	*1.5%*		

FY17 General Fund Revenues

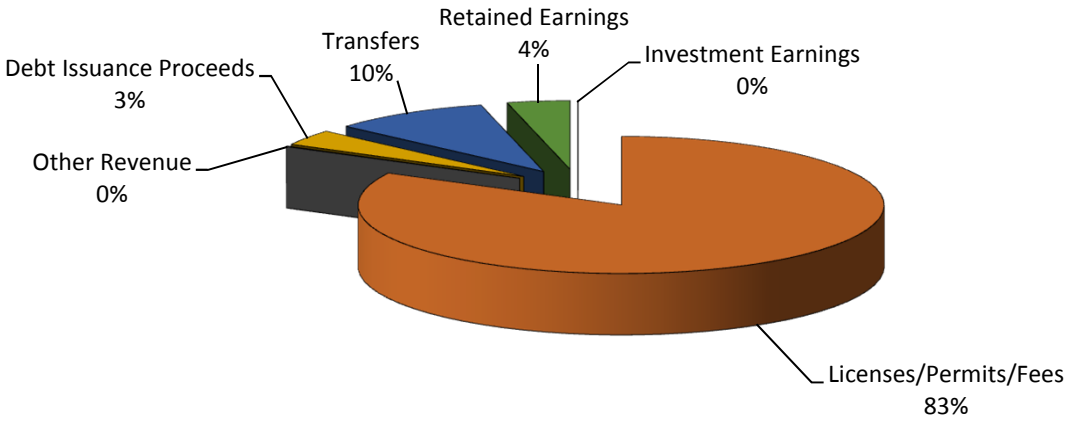
(by type)



WATER & SEWER FUND Revenues	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
Investment Earnings	$ 605	$ 1,920	$ 1,200	$ 1,200	$ 1,200	$ (720)	-37.5%
Licenses/Permits/Fees	$ 8,967,794	$ 9,396,313	$ 11,176,660	$ 12,198,305	$ 11,633,750	$ 1,780,347	18.9%
Other Revenue	$ (28,802)	$ 50,000	$ 15,000	$ 15,000	$ 15,000	$ (35,000)	-70.0%
Debt Issuance Proceeds	$ -	$ -	$ 500,000	$ -	$ -	$ 500,000	0.0%
Transfers	$ 1,451,462	$ 1,385,340	$ 1,310,179	$ 550,081	$ 319,776	$ (75,161)	-5.4%
Retained Earnings	$ -	$ (178,938)	$ 519,095	$ -	$ -	$ 698,033	-390.1%
Total	**$ 10,391,060**	**$ 10,654,635**	**$ 13,522,134**	**$ 12,764,586**	**$ 11,969,726**	***$ 2,867,499***	***26.9%***
% Change	*14.6%*	*2.5%*	*26.9%*	*-5.6%*	*-6.2%*		

FY17 Water & Sewer Fund Revenues

(by type)

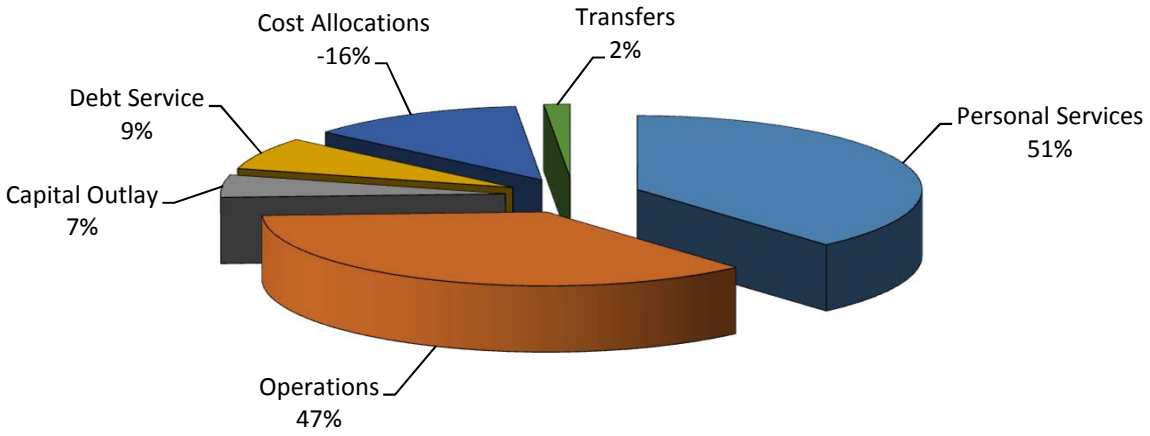


EXPENDITURES BY COST AREA

GENERAL FUND

Cost Area	FY15	FY16	FY17	FY18	FY19	$ Change	% Change
Personal Services	4,369,485	4,852,865	4,879,947	4,949,523	5,034,680	$ 27,082	0.6%
Operations	3,456,533	4,051,693	4,534,788	4,505,873	4,556,843	$ 483,095	11.9%
Capital Outlay	1,391,763	747,790	621,033	323,500	339,000	$ (126,757)	-17.0%
Debt Service	780,493	859,300	900,074	1,100,699	1,091,590	$ 40,774	4.7%
Cost Allocations	(1,284,820)	(1,496,842)	(1,558,300)	(1,587,295)	(1,570,166)	$ (61,458)	4.1%
Transfers	27,359	134,000	188,153	104,480	88,480	$ 54,153	40.4%
Total	**$ 8,740,813**	**$ 9,148,806**	**$ 9,565,695**	**$ 9,396,780**	**$ 9,540,427**	**$ 416,889**	**4.6%**
	-1.8%	4.7%	4.6%	-1.8%	1.5%		

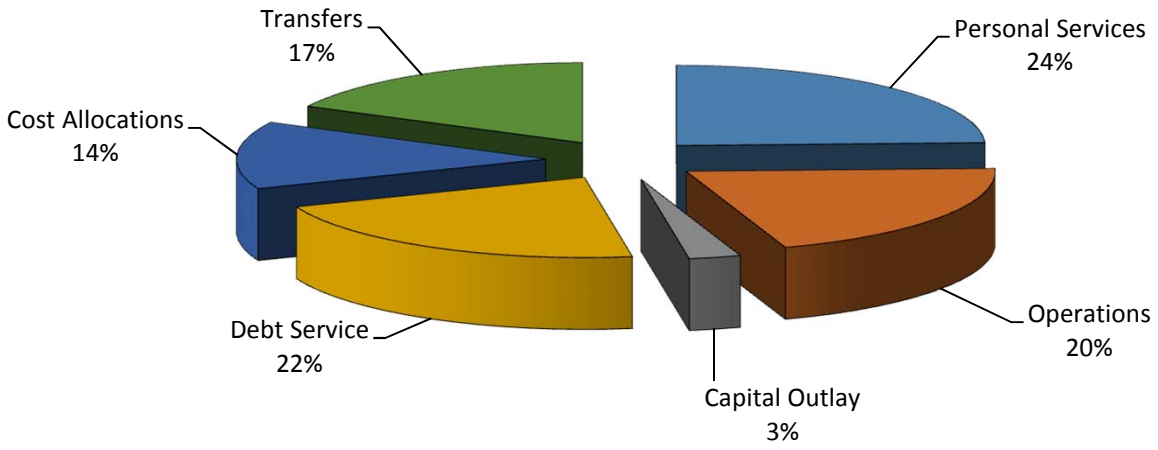
General Fund Expenditures by Cost Area



WATER & SEWER FUND

Cost Area	FY15	FY16	FY17	FY18	FY19	$ Change	% Change
Personal Services	2,486,675	2,602,146	2,591,925	2,607,357	2,640,475	$ (10,221)	-0.4%
Operations	1,462,650	2,174,169	2,733,457	2,760,814	3,019,861	$ 559,288	25.7%
Capital Outlay	328,951	287,000	477,666	185,000	110,000	$ 190,666	66.4%
Debt Service	2,529,513	2,287,015	2,338,696	2,892,804	2,591,085	$ 51,681	2.3%
Cost Allocations	1,284,820	1,444,842	1,494,230	1,523,806	1,508,055	$ 49,388	3.4%
Transfers	1,815,120	1,859,463	3,886,160	2,794,805	2,100,250	$ 2,026,697	109.0%
Total	**$ 9,907,729**	**$ 10,654,635**	**$ 13,522,134**	**$ 12,764,586**	**$ 11,969,726**	**$ 2,867,499**	**26.9%**
	12.6%	7.5%	26.9%	-5.6%	-6.2%		

Water & Sewer Fund Expenditures by Cost Area



GENERAL FUND REVENUES

General Fund Revenues	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Ad Valorem Taxes								
Current Tax Levy	4,973,708	5,135,000	5,384,000	5,760,000	6,096,000	*249,000*	*4.8%*	FY16-19 growth based on anticiapted
Prior Year Tax Levy	51,949	65,000	65,000	65,000	65,000	*0*	*0.0%*	completion of approved dev.
Current Motor Vehicle Levy	372,484	400,000	420,000	441,000	463,050	*20,000*	*5.0%*	FY17-19-5% growth
Prior Motor Vehicle Levy	15,269	4,000	500	500	500	*(3,500)*	*-87.5%*	FY16-Decrease due to Tax & Tag
Penalties & Interest	23,855	35,000	35,000	35,000	35,000	*0*	*0.0%*	Program
Ad Valorem Taxes Total	5,437,265	5,639,000	5,904,500	6,301,500	6,659,550	*265,500*	*4.7%*	
Loal Government Sales Taxes								
1% Local Gov't Opt. Sales Tax (Art. 39)	410,197	415,000	423,300	431,766	440,401	*8,300*	*2.0%*	2% growth FY16-19
1/2% Local Gov't Opt. Sales Tax (Art. 40)	295,790	300,000	306,000	312,120	318,362	*6,000*	*2.0%*	2% growth FY16-19
1/2% Local Gov't Opt. Sales Tax (Art. 42)	205,977	205,000	209,100	213,282	217,548	*4,100*	*2.0%*	2% growth FY16-19
1/4% Local Gov't Opt. Sales Tax (Art. 44)	109	100	0	0	0	*(100)*	*-100.0%*	Revenue replaced by Hold Harmless
Local Option Sales Tax - Hold Harmless	303,746	305,000	311,100	317,322	323,668	*6,100*	*2.0%*	Still have Art 44 activity due to
Sales Tax Total	1,215,818	1,225,100	1,249,500	1,274,490	1,299,979	*24,400*	*2.0%*	delinquent returns, audits & refunds
Licenses/Permits/Fees								
Permit License Fees	30,902	2,305	1,000	1,000	1,000	*(1,305)*	*-56.6%*	FY16 - Privilege License Tax
Gross Receipts Tax/Vehicle	9,163	7,000	7,000	7,000	7,000	*0*	*0.0%*	eliminated by the State
Motor Vehicle License Fee	130	10	0	0	0	*(10)*	*-100.0%*	W/Tax & Tag, captured in MV Levy
Prior Motor Vehicle License Fee	3,347	500	0	0	0	*(500)*	*-100.0%*	W/Tax & Tag, captured in MV Levy
Cable Franchise Fee	56,143	50,000	50,000	50,000	50,000	*0*	*0.0%*	Expect decrease over next 5-10yrs
Business License Fee	0	0	0	0	0	*0*	*0.0%*	New fee to identify businesses
Planning Fees	113,081	55,000	50,000	50,000	50,000	*(5,000)*	*-9.1%*	operating in the town
Developer Reimbursement	0	30,000	30,000	30,000	30,000	*0*	*0.0%*	Reimb. For studies contracted
Park Usage Fees	5,155	5,000	5,000	5,000	5,000	*0*	*0.0%*	by Planning Dept.
Fire Inspection Fees	12,068	14,000	14,000	14,000	14,000	*0*	*0.0%*	
Stormwater Plan Review Fees	1,200	1,500	0	0	0	*(1,500)*	*-100.0%*	FY17-Stormwater Utility Fee
Licenses/Permits/Fees Total	231,189	165,315	157,000	157,000	157,000	*(8,315)*	*-5.0%*	
Unrestricted Intergovt. Revenue								
Franchise Tax	567,970	485,000	450,000	450,000	450,000	*(35,000)*	*-7.2%*	
Beer & Wine Tax	30,514	27,000	27,000	27,000	27,000	*0*	*0.0%*	
Food & Beverage Tax	327,428	325,000	331,915	331,915	331,915	*6,915*	*2.1%*	
Occupancy Tax	72,717	75,000	75,000	75,000	75,000	*0*	*0.0%*	
Unrestr. Intergovt. Rev.Total	998,630	912,000	883,915	883,915	883,915	*(28,085)*	*-3.1%*	
Restricted Intergovt Revenue								
Cable Access Fee (PEG)	27,766	27,000	27,000	27,000	27,000	*0*	*0.0%*	
Powell Bill	187,682	184,863	180,000	180,000	180,000	*(4,863)*	*-2.6%*	
O.C. ABC Board	9,410	5,250	0	0	0	*(5,250)*	*-100.0%*	To cover overtime for alcohol
Restr. Intergovt Revenue Total	224,858	217,113	207,000	207,000	207,000	*(10,113)*	*-4.7%*	enforcement operations
Other Revenue / Non-Operating								
Solid Waste Disposal Tax	4,064	3,500	3,500	3,500	3,500	*0*	*0.0%*	
Miscellaneous	26,083	25,000	25,000	25,000	25,000	*0*	*0.0%*	
Misc. - Confiscation Percentage	1,329	4,145	150	150	150	*(3,995)*	*-96.4%*	
FEMA Reimbursements	100,708	0	0	0	0	*0*	*0.0%*	FY15-FEMA Ice Storm Reimbur.
Other Rev. / Non-Op. Total	132,184	32,645	28,650	28,650	28,650	*(3,995)*	*-12.2%*	
Investment Earnings								
Interest Earned	1,048	11,500	11,500	11,500	11,500	*0*	*0.0%*	
Investment Earnings Total	1,048	11,500	11,500	11,500	11,500	*0*	*0.0%*	
Transfers								
Transfer from Capital Reserve - Fire	126,054	126,054	126,054	103,729	0	*0*	*0.0%*	To offset ladder truck debt service
Transfer from Gen. Capital Imrov. Fund	7,070	0	0	0	0	*0*	*0.0%*	Close out completed projects
Transfer from Capital Reserve-Pub. Safety	0	0	78,480	78,480	78,480	*78,480*	*0.0%*	To offset design
Transfers Total	133,124	126,054	204,534	182,209	78,480	*78,480*	*62.3%*	
Debt Issuance								
Debt Issuance	526,389	13,293	307,000	0	0	*293,707*	*2209.5%*	
Police Records Mgmt System		*13,293*	*0*	*0*	*0*			
Knuckleboom Truck		*0*	*145,000*	*0*	*0*			
Spare Single Axle Dump Truck		*0*	*110,000*	*0*	*0*			
Vibratory Asphalt Roller		*0*	*52,000*	*0*	*0*			
Debt Issuance Total	526,389	13,293	307,000	0	0	*293,707*	*2209.5%*	

Fund Balance Appropriated								
Fund Balance Appropriated	0	776,097	570,293	346,483	212,343	*(205,804)*	*-26.5%*	
Powell Bill Fund Balanced Appropriated	0	25,137	30,000	0	0	*4,863*	*19.3%*	FY16&17-Resurfacing; $99,406 avail.
PEG Fund Balance Appropriated	0	5,552	11,803	4,033	2,010	*6,251*	*112.6%*	as of June 30, 2015
Fund Balance Appropriated	0	806,786	612,096	350,516	214,353	*(194,690)*	*-24.1%*	
General Fund Total	**$8,900,506**	**$9,148,806**	**$9,565,695**	**$9,396,780**	**$9,540,427**	***416,889***	***4.6%***	
% Change	*-5.8%*	*2.8%*	*4.6%*	*-1.8%*	*1.5%*			

WATER & SEWER FUND REVENUES

By Account	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Licenses/Permits/Fees								FY15-17-0.0%; FY18-19-3.0%; FY15 reduce min from 2800 to 2700, FY16-2600, FY17-2500
Water Charges	3,812,455	3,815,000	3,960,000	4,450,000	4,760,000	*145,000*	*3.8%*	
Sewer Charges	4,091,678	4,495,000	4,560,000	4,800,000	4,990,000	*65,000*	*1.4%*	FY17 loss of Efland-Cheeks sewer customer mid-yr ($240k/yr); FY14-17-reduce min usage same as water fund; FY15-16-8.8%; FY17-19-0.0%
Water Lateral Fees	9,000	4,750	4,500	4,500	4,500	*(250)*	*-5.3%*	
Sewer Lateral Fees	8,250	3,500	3,500	3,500	3,500	*0*	*0.0%*	
Water Meter Fee	57,953	80,000	150,000	150,000	90,000	*70,000*	*87.5%*	
Water Capital Facility Fees	358,710	381,240	1,077,480	1,212,165	748,250	*696,240*	*182.6%*	
Sewer Capital Facility Fees	452,640	446,223	1,255,680	1,412,640	872,000	*809,457*	*181.4%*	
Perpetual Maintenance Fee	0	0	0	0	0	*0*	*0.0%*	
Penalties / Delinquent Fee	156,921	150,000	150,000	150,000	150,000	*0*	*0.0%*	
Water Connection Fee	18,187	20,000	15,000	15,000	15,000	*(5,000)*	*-25.0%*	
Engineering Review Fees	2,000	600	500	500	500	*(100)*	*-16.7%*	
Licenses/Permits/Fees Total	8,967,794	9,396,313	11,176,660	12,198,305	11,633,750	*1,780,347*	*18.9%*	
Other Revenue/Non-Operating								
Miscellaneous	15,508	50,000	15,000	15,000	15,000	*(35,000)*	*-70.0%*	
Dormant Write-Offs	(44,310)	0	0	0	0	*0*	*0.0%*	
Other Rev. / Non-Op. Total	(28,802)	50,000	15,000	15,000	15,000	*(35,000)*	*-70.0%*	
Investment Earnings								
Interest Earned	356	1,720	1,000	1,000	1,000	*(720)*	*-41.9%*	
Perpetual Maint. Fee Interest	249	200	200	200	200	*0*	*0.0%*	
Investment Earnings Total	605	1,920	1,200	1,200	1,200	*(720)*	*-37.5%*	
Transfers								
Transfer from WWTP Upgrade	2,256	0	0	0	0	*0*	*0.0%*	Close out project fund
Transfer from Utility Cap Imprv Fun	0	0	0	0	0	*0*	*0.0%*	To refund W&S Fund for unused monies
Transfer from Sewer Outfall Proj	1,631	0	0	0	0	*0*	*0.0%*	Close out project fund
Transfer from Cap Reserve - Water	600,000	700,000	750,000	448,581	218,276	*50,000*	*7.1%*	$604,383 available as of June 30, 2015
WFER Ph II		*700,000*	*500,000*	*0*	*0*			FY16-$700k Design, FY17-$500k Rd Improv
EDD Water Line Extension		*0*	*250,000*	*0*	*0*			
WFER PH II Debt Pymts		*0*	*0*	*448,581*	*218,276*			FY18 - Offset debt payments
WTP Expansion Design		*0*	*0*	*0*	*0*			FY20 - Preliminary Design ($50k)
Transfer from Cap Res - Water Tank	0	50,750	101,500	101,500	101,500	*50,750*	*100.0%*	
S. Zone Water Tank Debt Pymts		*50,750*	*101,500*	*101,500*	*101,500*			$503,372 available as of June 30, 2015
Transfer from Cap Reserve - Sewer	847,575	634,590	458,679	0	0	*(175,911)*	*-27.7%*	$1,587,939 available as of June 30, 2015
WWTP Expansion/Upgrade		*634,590*	*458,679*	*0*	*0*			FY15 - 1st debt pymt; use reserves to
Transfers Total	1,451,462	1,385,340	1,310,179	550,081	319,776	*(75,161)*	*-5.4%*	smooth rate increases & until rates are sufficienet to cover debt pymts
Debt Issuance								
Debt Issuance Proceeds	0	0	500,000	0	0	*500,000*	*0.0%*	
WFER Ph II		*0*	*500,000*	*0*	*0*			Reimbursement for Cap Fees used to
Debt Issuance Total	0	0	500,000	0	0	*500,000*	*0.0%*	pay for road improvements
Retained Earnings								
Retained Earnings Appropriated	0	(178,938)	519,095	0	0	*698,033*	*-390.1%*	
Retained Earnings Total	0	(178,938)	519,095	0	0	*698,033*	*-390.1%*	
Water/Sewer Fund Total	**10,391,060**	**10,654,635**	**13,522,134**	**12,764,586**	**11,969,726**	***$ 2,867,499***	***26.9%***	
% Change	*14.7%*	*2.5%*	*26.9%*	*-5.6%*	*-6.2%*			

STORMWATER FUND REVENUES

By Account	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Investment Earnings								
Interest Earned	0	0	0	0	0	*0*	*0.0%*	
Investment Earnings Total	0	0	0	0	0	*0*	*0.0%*	
Operating Revenue								
Stormwater Charge	0	0	594,804	630,161	641,801	*594,804*	*0.0%*	FY17-Started charging Stormwater Fee
Stormwater Plan Review Fee	0	0	1,000	1,000	1,000	*1,000*	*0.0%*	FY19-10% rate increase; assume
Operating Revenue Total	0	0	595,804	631,161	642,801	*595,804*	*0.0%*	97% collection rate
Transfers								
Transfer from Cap Reserve - Stormwa	0	0	0	0	0	*0*	*0.0%*	$0 available as of June 30, 2015
Transfers Total	0	0	0	0	0	*0*	*0.0%*	
Retained Earnings								
Retained Earnings Appropriated	0	0	0	0	0	*0*	*0.0%*	
Retained Earnings Total	0	0	0	0	0	*0*	*0.0%*	
Stormwater Fund Total	**$ -**	**$ -**	**$ 595,804**	**$ 631,161**	**$ 642,801**	***$ 595,804***	***0.0%***	
% Change	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*1.8%*			

FINANCIAL SUMMARY - GENERAL FUND

Budget Unit	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projected	FY19 Projected
Contingency	**0**	**0**	**150,000**	**150,000**	**150,000**
% Change	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Governing Body	**89,498**	**122,955**	**130,796**	**138,716**	**133,196**
% Change	*-0.8%*	*37.4%*	*6.4%*	*6.1%*	*-4.0%*
Administration	**417,005**	**549,594**	**538,973**	**544,646**	**546,546**
% Change	*2.2%*	*31.8%*	*-1.9%*	*1.1%*	*0.3%*
Local Government Channel (PEG)	**18,602**	**32,552**	**38,803**	**31,033**	**29,010**
% Change	*0.0%*	*75.0%*	*19.2%*	*-20.0%*	*-6.5%*
Finance	**238,382**	**258,793**	**267,417**	**267,297**	**268,474**
% Change	*-10.3%*	*8.6%*	*3.3%*	*0.0%*	*0.4%*
Planning	**440,456**	**634,686**	**461,503**	**405,979**	**410,362**
% Change	*14.3%*	*44.1%*	*-27.3%*	*-12.0%*	*1.1%*
Ruffin-Roulhac	**41,282**	**21,187**	**35,840**	**26,600**	**22,736**
% Change	*10.2%*	*-48.7%*	*69.2%*	*-25.8%*	*-14.5%*
Public Space	**350,126**	**378,756**	**518,166**	**574,988**	**559,664**
% Change	*20.2%*	*8.2%*	*36.8%*	*11.0%*	*-2.7%*
Safety & Wellness	**62,111**	**83,967**	**77,426**	**71,460**	**72,794**
% Change	*-37.9%*	*35.2%*	*-7.8%*	*-7.7%*	*1.9%*
Information Services	**26,087**	**120,303**	**164,320**	**193,483**	**182,515**
% Change	*-23.7%*	*361.2%*	*36.6%*	*17.7%*	*-5.7%*
Police - Administration	**601,282**	**596,007**	**594,742**	**603,399**	**598,840**
% Change	*53.9%*	*-0.9%*	*-0.2%*	*1.5%*	*-0.8%*
Police - Patrol	**1,444,494**	**1,628,085**	**1,531,201**	**1,526,800**	**1,558,460**
% Change	*-2.4%*	*12.7%*	*-6.0%*	*-0.3%*	*2.1%*
Police - Investigations & Community Services	**609,622**	**579,289**	**661,062**	**631,521**	**636,439**
% Change	*8.1%*	*-5.0%*	*14.1%*	*-4.5%*	*0.8%*
Fire Marshal & Emergency Mgmt	**126,867**	**142,844**	**145,694**	**142,519**	**181,755**
% Change	*-5.9%*	*12.6%*	*2.0%*	*-2.2%*	*27.5%*
Fire Protection	**988,092**	**1,068,237**	**1,234,369**	**1,290,396**	**1,320,597**
% Change	*11.0%*	*8.1%*	*15.6%*	*4.5%*	*2.3%*
Fleet Maintenance	**253,019**	**312,226**	**292,757**	**290,371**	**290,567**
% Change	*-77.1%*	*23.4%*	*-6.2%*	*-0.8%*	*0.1%*
Streets	**920,913**	**834,122**	**894,703**	**862,300**	**866,076**
% Change	*43.3%*	*-9.4%*	*7.3%*	*-3.6%*	*0.4%*
Powell Bill	**278,790**	**210,000**	**210,000**	**180,000**	**180,000**
% Change	*62.4%*	*-24.7%*	*0.0%*	*-14.3%*	*0.0%*
Solid Waste	**950,714**	**543,706**	**701,737**	**551,838**	**568,046**
% Change	*42.3%*	*-42.8%*	*29.1%*	*-21.4%*	*2.9%*
Stormwater	**119,037**	**159,281**	**0**	**0**	**0**
% Change	*-18.3%*	*33.8%*	*-100.0%*	*0.0%*	*0.0%*
Cemetery	**24,224**	**58,326**	**44,175**	**36,775**	**37,775**
% Change	*-73.8%*	*140.8%*	*-24.3%*	*-16.8%*	*2.7%*
Economic Development	**388,611**	**375,824**	**414,295**	**415,028**	**416,151**
% Change	*5.8%*	*0.0%*	*0.0%*	*0.0%*	*0.3%*
Special Appropriations	**351,599**	**438,066**	**457,716**	**461,631**	**510,424**
% Change	*-44.8%*	*24.6%*	*4.5%*	*0.9%*	*10.6%*
TOTAL EXPENDITURES	**$ 8,740,813**	**$ 9,148,806**	**$ 9,565,695**	**$ 9,396,780**	**$ 9,540,427**
% Change	*-1.8%*	*4.7%*	*4.6%*	*-1.8%*	*1.5%*
Surplus / (Deficit) at Current Tax Rate	**$ 159,692.77**	**$ (776,097)**	**$ (570,293)**	**$ (346,483)**	**$ (212,343)**
Surplus / (Deficit) w/Tax Rate Increase	**$ 159,693**	**$ (776,097)**	**$ (570,293)**	**$ (346,483)**	**$ (212,343)**
Tax Rate [1]	*0.6800*	*0.6800*	*0.6800*	*0.6800*	*0.6800*
Fund Balance Appropriation needed to Balance Budget	**$ 159,693**	**$ 776,097**	**$ 570,293**	**$ 346,483**	**$ 212,343**
Available Fund Balance Remaining	**$ 5,087,401**	**$ 4,311,304**	**$ 3,741,011**	**$ 3,394,528**	**$ 3,182,185**
Fund Balance as % of Operating Expenditures	*58%*	*47%*	*39%*	*36%*	*33%*

** The Town's Fund Balance Policy recommends maintaining an undesignated fund balance of between 20-60% of annual operating expenditures and a "target" of 33%*

[1] Property Tax revaluations are scheduled for FYs 2017 and 2021, which will likely result in a downward adjustment of the tax rate.

FINANCIAL SUMMARY - WATER & SEWER FUND

Budget Unit	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projected	FY19 Projected
Administration of Enterprise	**2,112,470**	**2,276,305**	**4,396,390**	**4,253,586**	**3,269,287**
% Change	*-9.2%*	*7.8%*	*93.1%*	*-3.2%*	*-23.1%*
Engineering	**463,608**	**499,152**	**525,345**	**500,059**	**506,446**
% Change	*2.9%*	*7.7%*	*5.2%*	*-4.8%*	*1.3%*
Billing & Collections	**660,586**	**674,591**	**834,082**	**992,239**	**995,924**
% Change	*8.9%*	*2.1%*	*23.6%*	*19.0%*	*0.4%*
Water Treatment Plant	**1,044,210**	**1,198,800**	**1,281,456**	**1,169,305**	**1,157,412**
% Change	*1.0%*	*14.8%*	*6.9%*	*-8.8%*	*-1.0%*
West Fork Eno Reservoir	**1,311,911**	**1,413,501**	**1,204,792**	**1,196,076**	**950,637**
% Change	*40.6%*	*7.7%*	*-14.8%*	*-0.7%*	*-20.5%*
Water Distribution	**885,011**	**880,242**	**1,387,913**	**1,094,049**	**1,093,908**
% Change	*10.2%*	*-0.5%*	*57.7%*	*-21.2%*	*0.0%*
Wastewater Collection	**1,128,457**	**1,256,225**	**1,064,244**	**1,017,093**	**1,184,835**
% Change	*21.2%*	*11.3%*	*-15.3%*	*-4.4%*	*16.5%*
Wastewater Treatment Plant	**2,301,476**	**2,455,819**	**2,627,912**	**2,292,179**	**2,511,277**
% Change	*34.3%*	*6.7%*	*7.0%*	*-12.8%*	*9.6%*
Contingency	**0**	**0**	**200,000**	**250,000**	**300,000**
% Change	*0.0%*	*0.0%*	*0.0%*	*25.0%*	*20.0%*
TOTAL EXPENDITURES	**$ 9,907,729**	**$ 10,654,635**	**$ 13,522,134**	**$ 12,764,586**	**$ 11,969,726**
% Change	*12.6%*	*7.5%*	*26.9%*	*-5.6%*	*-6.2%*
Surplus / (Deficit) at Current Rate	**$ 483,331**	**$ 178,938**	**$ (519,095)**	**$ 0**	**$ 0**
Surplus / (Deficit) w/ Rate Increase	**$ 483,331**	**$ 178,938**	**$ (519,095)**	**$ 0**	**$ 0**
Retained Earnings Appropriation needed to Balance Budget	**$ 483,331**	**$ 178,938**	**$ 519,095**	**$ 0**	**$ 0**
Available Retained Earnings Remaining	**$ 5,023,119**	**$ 5,202,057**	**$ 4,682,962**	**$ 4,682,962**	**$ 4,682,962**
*Retained Earnings as % of Op. Expenditures**	*51%*	*49%*	*35%*	*37%*	*39%*

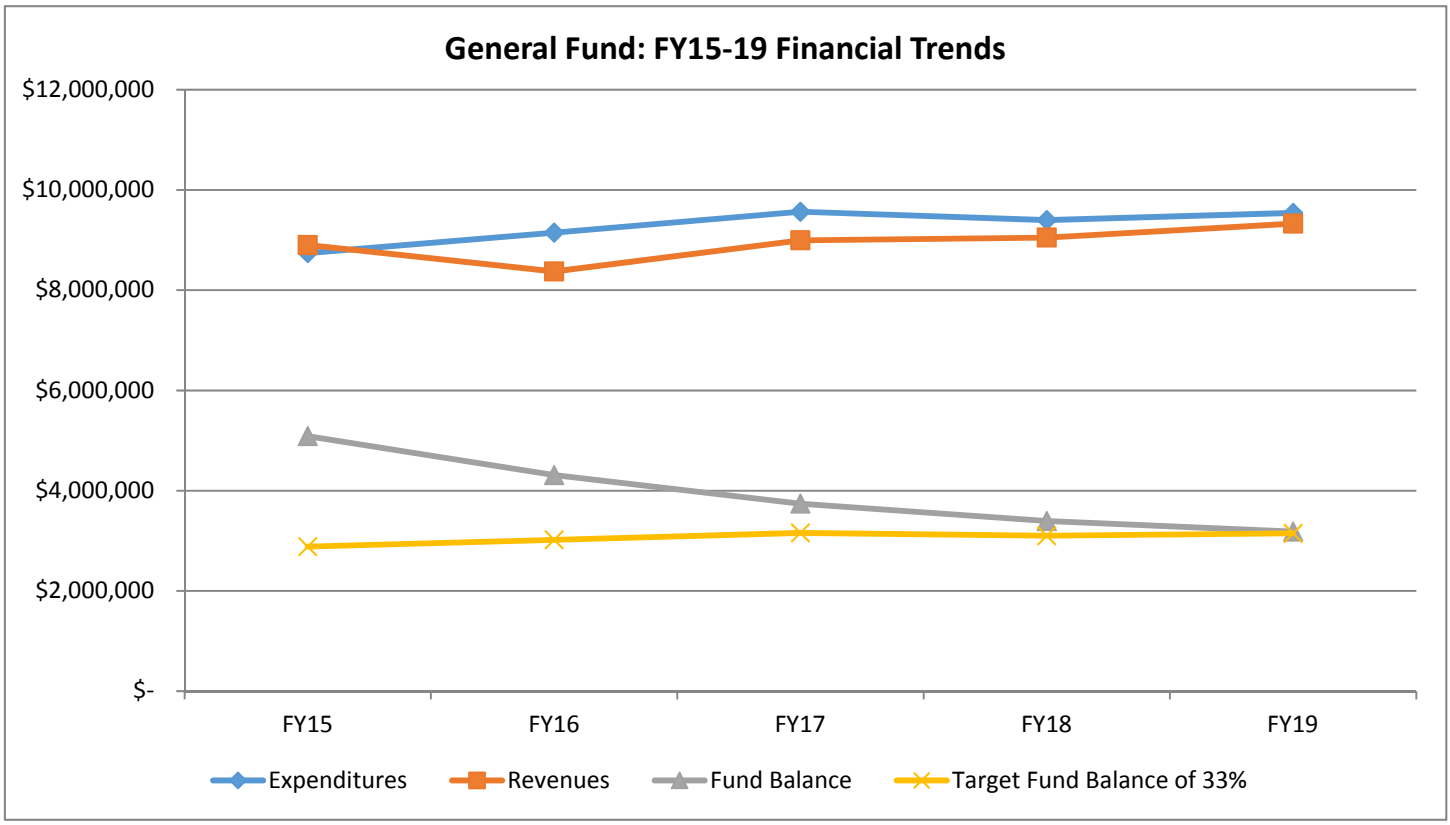
** The Town's Water & Sewer Retained Earnings Policy recommends maintaining an undesignated fund balance of between 20-60% of annual operating expenditures and a "target" of 25%.*

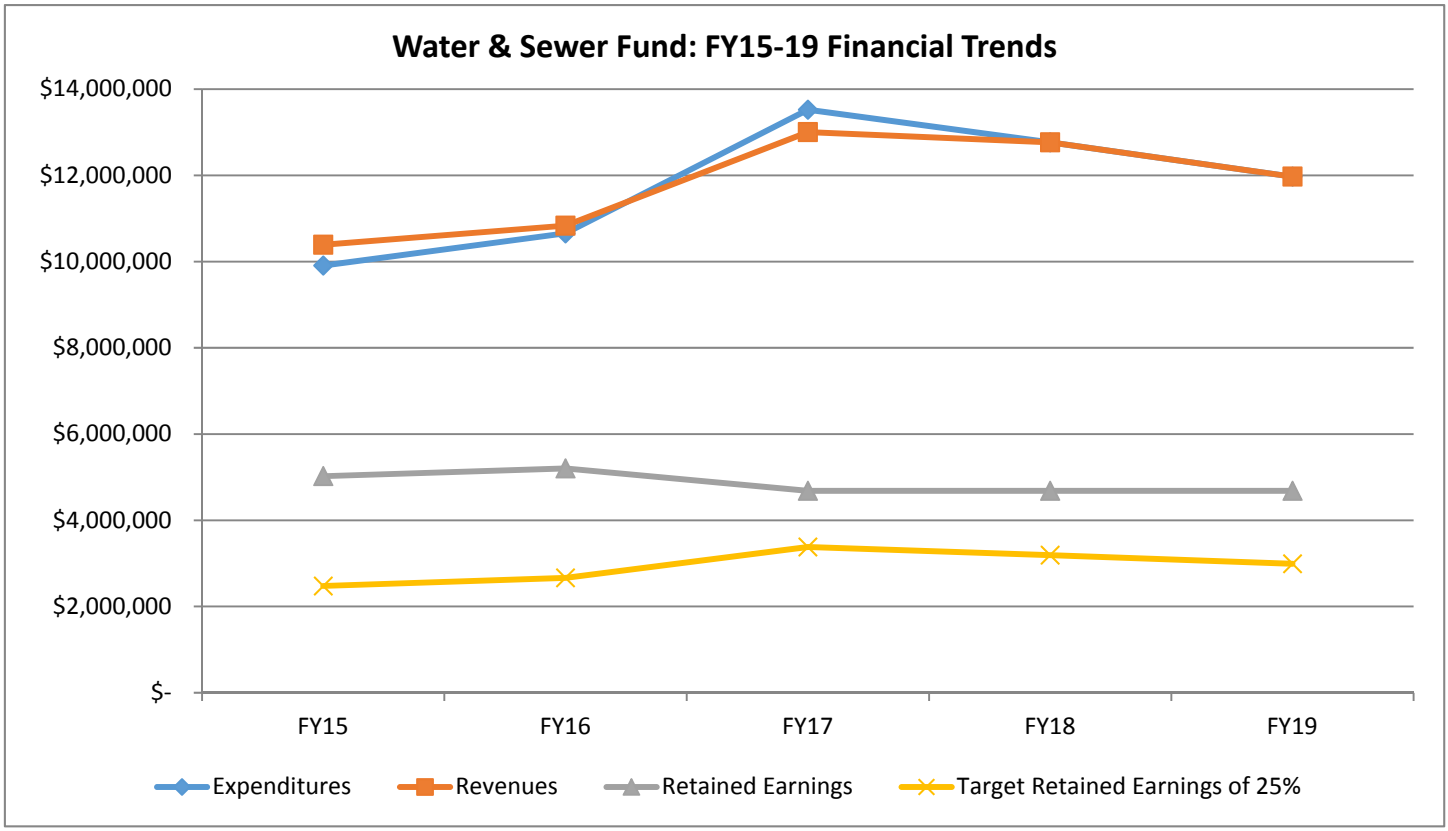
FINANCIAL SUMMARY - STORMWATER FUND

Budget Unit	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projected	FY19 Projected
Stormwater	**0**	**0**	**595,804**	**631,161**	**642,801**
% Change	*0.0%*	*0.0%*	*0.0%*	*5.9%*	*1.8%*
TOTAL EXPENDITURES	**$ -**	**$ -**	**$ 595,804**	**$ 631,161**	**$ 642,801**
% Change	*0.0%*	*0.0%*	*0.0%*	*5.9%*	*1.8%*
Surplus / (Deficit) at Current Rate	$ -	$ -	$ -	$ -	$ -
Surplus / (Deficit) w/ Rate Increase	$ -	$ -	$ -	$ -	$ -
Retained Earnings Appropriation needed to Balance Budget	$ -	$ -	$ -	$ -	$ -
Available Retained Earnings Remaining	$ -	$ -	$ -	$ -	$ -
*Retained Earnings as % of Op. Expenditures**	*0%*	*0%*	*0%*	*0%*	*0%*

** The Town's Stormwater Retained Earnings Policy recommends maintaining an undesignated fund balance of between 17-33% of annual operating expenditures and a "target" of 25%.*

FINANCIAL TRENDS





FUND BALANCE

WHAT IS FUND BALANCE?

Fund balance acts like a "savings account." The budget estimates revenues and appropriations for the current fiscal year. Often revenues and appropriations do not match exactly at the end of the fiscal year. When a fund ends the fiscal year with a surplus, that money gets added to the fund balance. If the year ends with a deficit then that amount of money gets taken away from the fund balance in order to help balance the budget. The Town has fund balances for three (3) different funds: General Fund, Water/Sewer Fund, and Powell Bill Fund.

WHY DOES THE TOWN NEED FUND BALANCE?

Fund Balance is available to help balance the Town's budget ordinance. It can be combined with estimated revenues to match appropriations. However, this is not its only purpose. There are many important reasons why the Town needs to maintain solid fund balances:

- To pay for unexpected expenses or to make up for revenue shortfalls.
- Balance the budget without increasing taxes or rates.
- Respond to emergencies: A limited fund balance can severely hamper a municipality's ability to respond quickly to a disaster.
- Cash flow.
- Interest income.
- To take advantage of unexpected opportunities (e.g., grants, land, building, or equipment acquisitions).
- If fund balance is large enough it can be used to pay for capital projects or needs, thus avoiding the need to borrow money.
- Fund balance is the primary "yardstick" by which an organization's fiscal health is gauged. This is especially true in regards to bond rating agencies or banks who evaluate a government's credit risk before bonds can be sold or money is loaned to the Town.

FUND BALANCE DANGERS AND TRAPS TO AVOID

A well-managed fund balance can be a strong asset that gives the Town a great deal of financial and operational flexibility. A mismanaged fund balance creates a vast array of problems that negatively affect the Town's service delivery, limits its ability to respond to community needs, erodes the public's trust in its local government, and results in severe financial hardship. The following list cautions against several types of fund balance uses:

- Regularly spending fund balance to avoid tax or rate increases. This practice ultimately depletes the fund balance and results in two serious problems: 1) Rebuilding the fund balance; and 2) Eliminating the deficit created by previous fund balance dependency, this is done via tax/rate increases and/or significant expenditure cuts. This two-pronged problem usually takes years to overcome while also creating a myriad of financial and operational problems.
- Fund balance can be spent quickly, but usually takes a long time to rebuild. Therefore, careful thought must be placed anytime significant fund balance appropriations are considered.
- Hording or maintaining too large a fund balance. Excessive fund balances, if not being saved for specific capital expenses, can be an indication that the taxes/rates may be too high.

HOW MUCH FUND BALANCE SHOULD YOU HAVE?

The Local Government Commission requires a minimum of eight (8) percent when compared to operating expenditures for the fiscal year – this is equal to about one month of operating expenses. In reality, this is the bare minimum needed to avoid cash flow problems, especially in the General Fund where most of the revenue is received when property taxes are due in early January. The average fund balance for North Carolina municipalities that are in Hillsborough's population range, not operating an electric system, is 68.00%. Hillsborough's policy for the General Fund is to maintain the level between 20% to 60%, with a target of 33% or the equivalent of four (4) months of operating expenses. The reason for having a target that is much lower than the state average is due to Hillsborough's historically low fund balances. In short, the 33% seemed to be a more obtainable goal for the Town that also represented a reasonable fund balance amount.

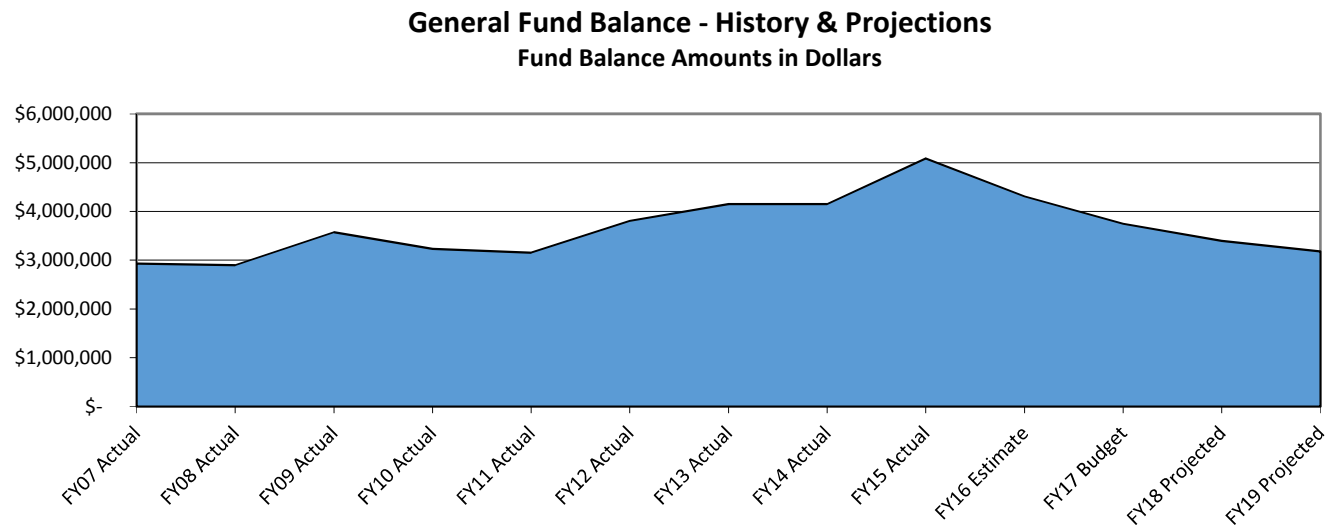
There are no generally accepted guidelines for fund balance levels in enterprise funds, such as with the Water/Sewer Fund. The Town has adopted a 25% target (3 months equivalent) in this fund, with the same 20% to 60% policy range as is used in the General Fund. There are no policy guidelines for the Powell Bill fund balance. A policy is likely not needed since the Powell Bill funding operates within the General Fund.

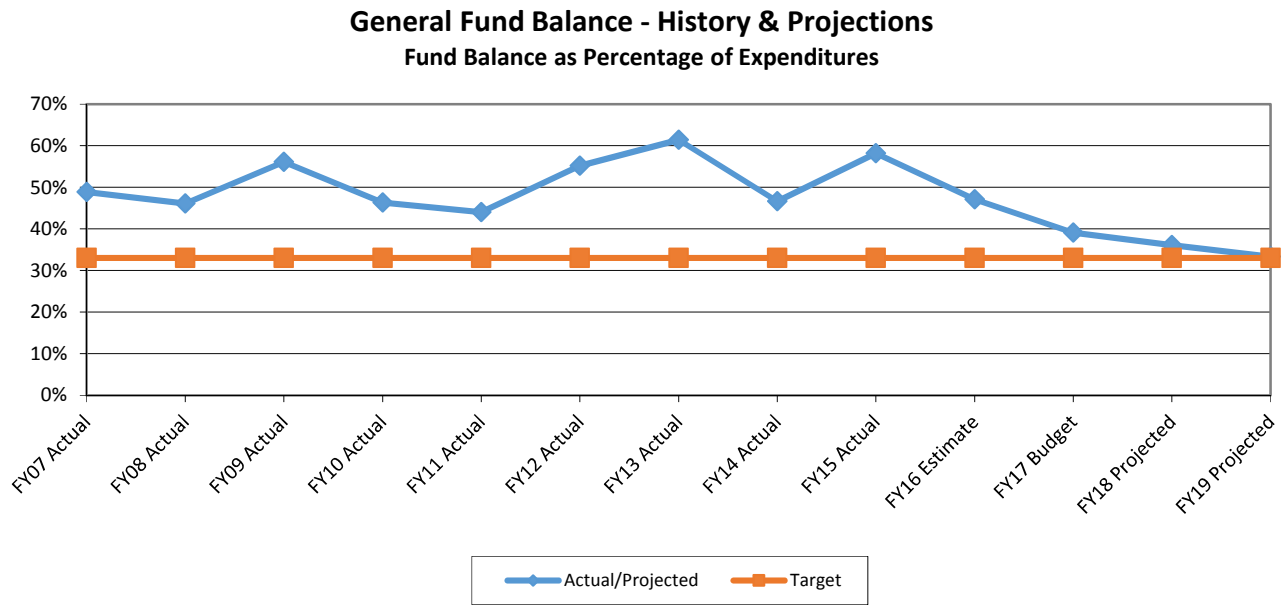
FUND BALANCE - GENERAL FUND

Fiscal Year	Beginning Fund Balance	Ending Fund Balance[1]	Change in Fund Balance	% of Annual Expenditures	Months Equivalent
FY07 Actual	$ 2,708,293	$ 2,933,053	$ 224,760	49%	5.86
FY08 Actual	$ 2,933,053	$ 2,895,103	$ (37,950)	46%	5.53
FY09 Actual	$ 2,895,103	$ 3,570,168	$ 675,065	56%	6.73
FY10 Actual	$ 3,570,168	$ 3,233,955	$ (336,213)	46%	5.56
FY11 Actual	$ 3,233,955	$ 3,153,904	$ (80,051)	44%	5.28
FY12 Actual	$ 3,153,904	$ 3,803,076	$ 649,172	55%	6.62
FY13 Actual	$ 3,803,076	$ 4,151,725	$ 348,649	61%	7.37
FY14 Actual	$ 4,151,725	$ 4,151,581	$ (144)	47%	5.60
FY15 Actual	$ 4,151,581	$ 5,087,401	$ 935,820	58%	6.98
FY16 Estimate	$ 5,087,401	$ 4,311,304	$ (776,097)	47%	5.65
FY17 Budget	*$ 4,311,304*	*$ 3,741,011*	*$ (570,293)*	*39%*	*4.69*
FY18 Projected	$ 3,741,011	$ 3,394,528	$ (346,483)	36%	4.33
FY19 Projected	$ 3,394,528	$ 3,182,185	$ (212,343)	33%	4.00

[1] *Undesignated Fund Balance*

Recommended Fund Balance Level: The Town Board's policy is use 33% (4-month operating equivalent) as a "target" level and to maintain a range of no less than 20% and not more than 60%.





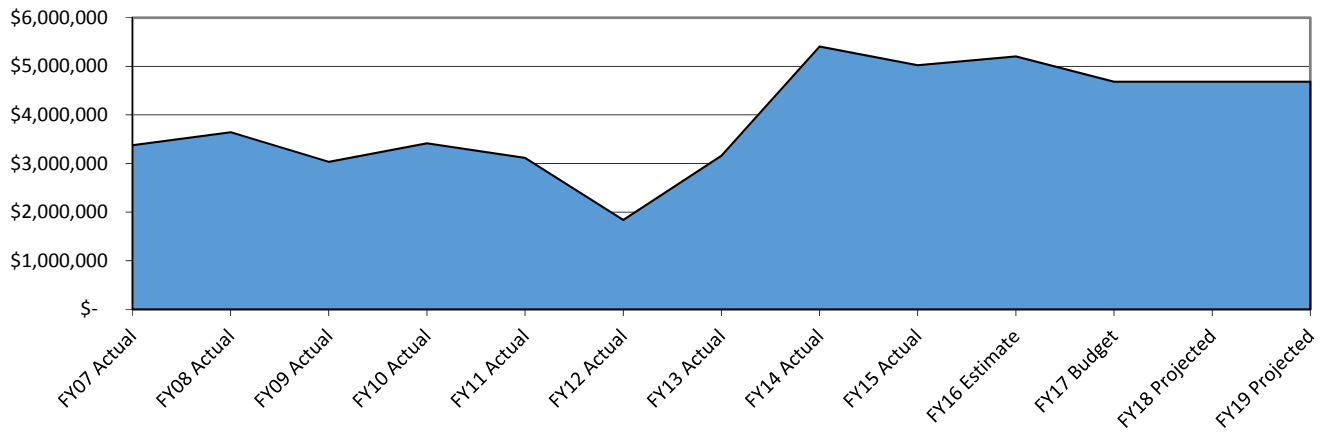
RETAINED EARNINGS - WATER & SEWER FUND

Fiscal Year	Beginning Retained Earnings	Ending Retained Earnings	Change in Retained Earnings	% of Annual Expenditures	Months Equivalent
FY07 Actual	$ 2,663,815	$ 3,377,013	$ 713,198	56%	6.71
FY08 Actual	$ 3,377,013	$ 3,641,960	$ 264,947	56%	6.73
FY09 Actual	$ 3,641,960	$ 3,033,683	$ (608,277)	23%	2.81
FY10 Actual	$ 3,033,683	$ 3,416,952	$ 383,269	56%	6.75
FY11 Actual	$ 3,416,952	$ 3,115,826	$ (301,126)	44%	5.24
FY12 Actual	$ 3,115,826	$ 1,837,871	$ (1,277,955)	25%	2.96
FY13 Actual	$ 1,837,871	$ 3,160,089	$ 1,322,218	43%	5.17
FY14 Actual	$ 3,160,089	$ 5,407,490	$ 2,247,401	61%	7.37
FY15 Actual	$ 5,407,490	$ 5,023,119	$ (384,371)	51%	6.08
FY16 Estimate	$ 5,023,119	$ 5,202,057	$ 178,938	49%	5.86
FY17 Budget	*$ 5,202,057*	*$ 4,682,962*	*$ (519,095)*	*35%*	*4.16*
FY18 Projected	$ 4,682,962	$ 4,682,962	$ -	37%	4.40
FY19 Projected	$ 4,682,962	$ 4,682,962	$ -	39%	4.69

Recommended Retained Earnings Level: The Town Board's policy is to use 25% (3-month operating equivalent) as a "target" level and to maintain a range of no less than 20% and not more than 60%.

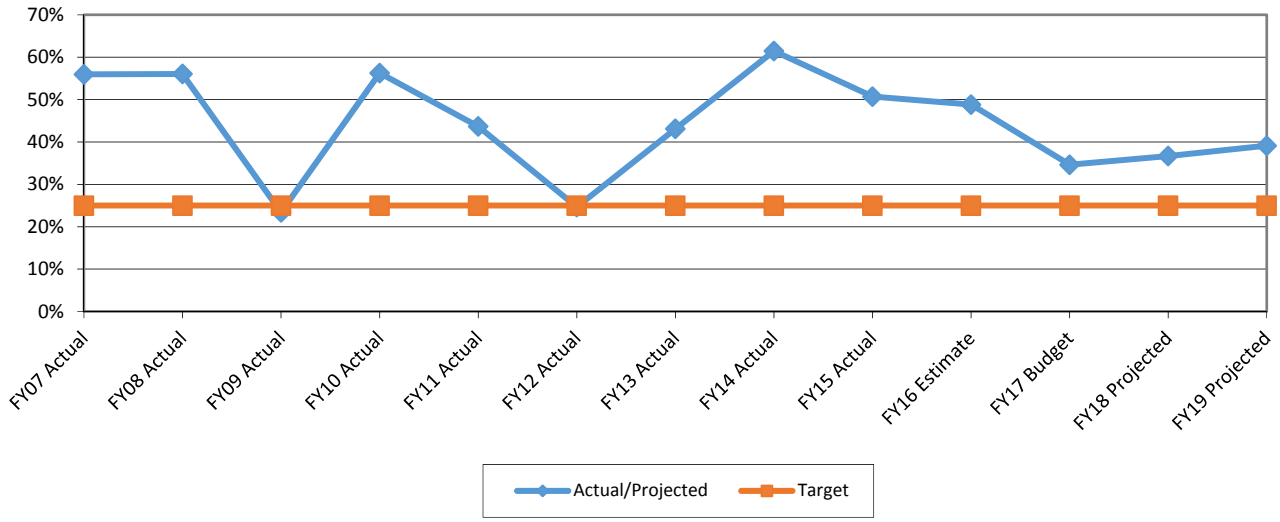
Water & Sewer Retained Earnings - History & Projections

Retained Earnings Amounts in Dollars



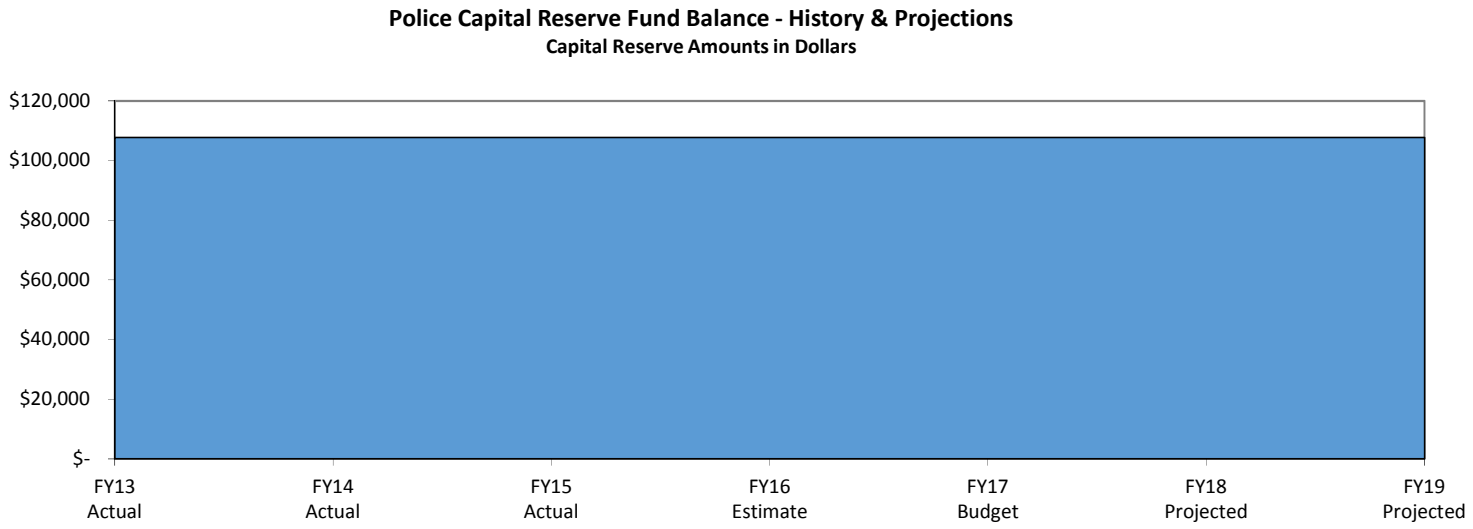
Water & Sewer Retained Earnings History & Projections

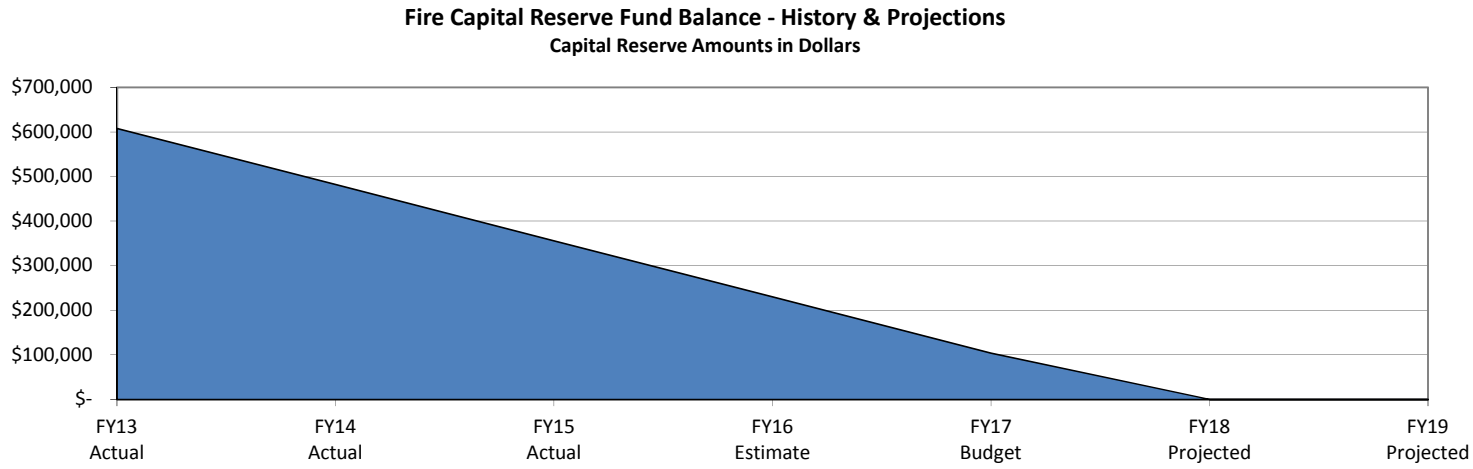
Retained Earnings as Percentage of Expenditures



CAPITAL RESERVE FUNDS - GENERAL FUND

Police Reserve Fund	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projected	FY19 Projected
Starting Balance (July 1)	$ 107,735	$ 107,735	$ 107,735	$ 107,735	$ 107,735	$ 107,735	$ 107,735
Revenues/Contributions to Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transfers to Operating Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Ending Balance (June 30)	$ 107,735	$ 107,735	$ 107,735	$ 107,735	$ 107,735	$ 107,735	$ 107,735
Fire Capital Reserve Fund							
Starting Balance (July 1)	$ 607,945	$ 607,945	$ 481,891	$ 355,837	$ 229,783	$ 103,729	$ -
Revenues/Contributions to Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transfers to Operating Fund	$ -	$ (126,054)	$ (126,054)	$ (126,054)	$ (126,054)	$ (103,729)	$ -
Ending Balance (June 30)	$ 607,945	$ 481,891	$ 355,837	$ 229,783	$ 103,729	$ -	$ -

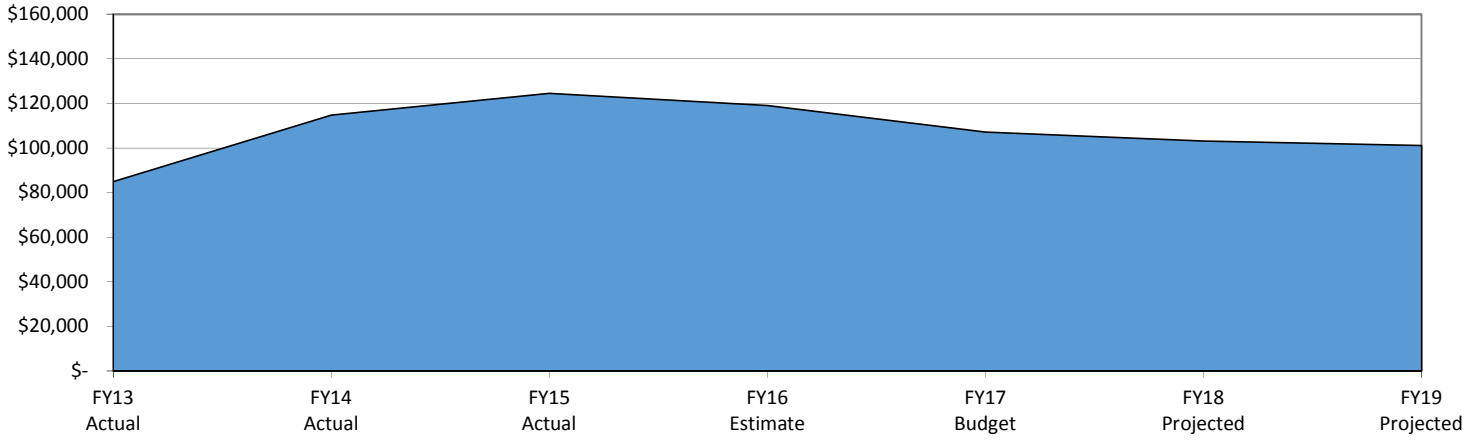




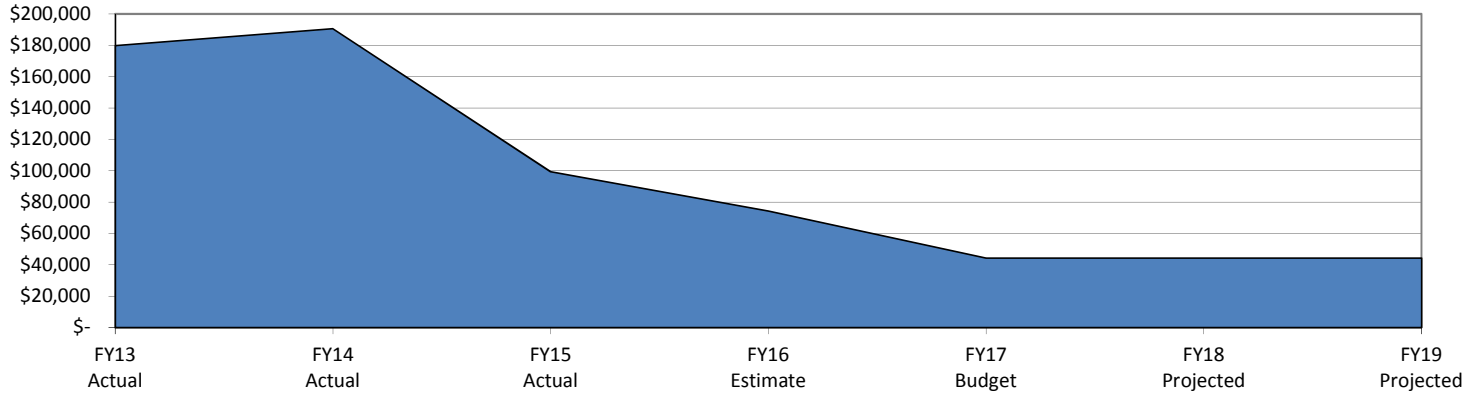
CAPITAL RESERVE FUNDS - GENERAL FUND

PEG Channel Reserve Fund	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projected	FY19 Projected
Starting Balance (July 1)	$ 53,467	$ 84,876	$ 114,747	$ 124,564	$ 119,012	$ 107,209	$ 103,176
Revenues/Contributions to Fund	$ 31,409	$ 29,871	$ 9,817	$ -	$ -	$ -	$ -
Transfers to Operating Fund	$ -	$ -	$ -	$ (5,552)	$ (11,803)	$ (4,033)	$ (2,010)
Ending Balance (June 30)	$ 84,876	$ 114,747	$ 124,564	$ 119,012	$ 107,209	$ 103,176	$ 101,166
Powell Bill Capital Reserve Fund							
Starting Balance (July 1)	$ 99,433	$ 179,842	$ 190,494	$ 99,386	$ 74,249	$ 44,249	$ 44,249
Revenues/Contributions to Fund	$ 80,409	$ 10,652	$ -	$ -	$ -	$ -	$ -
Transfers to Operating Fund	$ -	$ -	$ (91,108)	$ (25,137)	$ (30,000)	$ -	$ -
Ending Balance (June 30)	$ 179,842	$ 190,494	$ 99,386	$ 74,249	$ 44,249	$ 44,249	$ 44,249

PEG Channel Reserve Fund Balance - History & Projections
Capital Reserve Amounts in Dollars

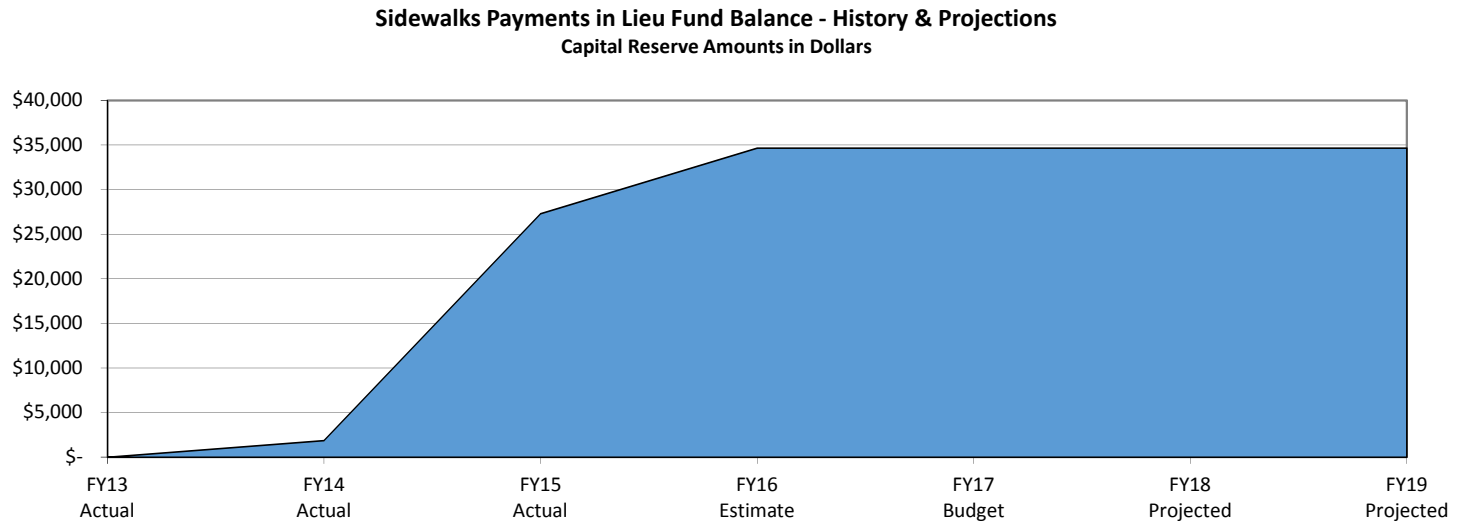


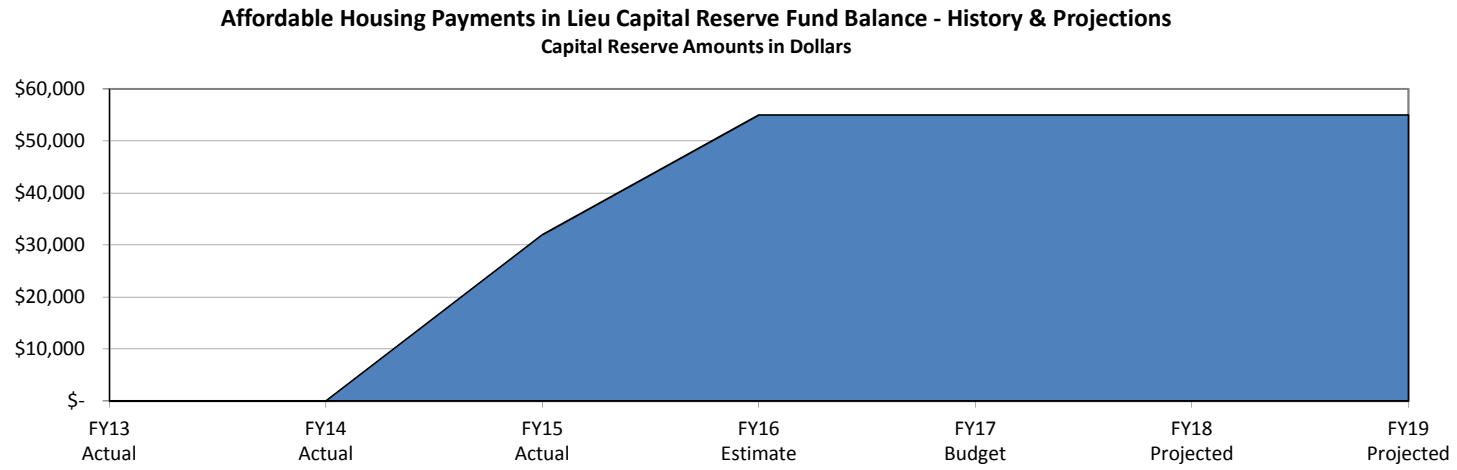
Powell Bill Capital Reserve Fund Balance - History & Projections
Capital Reserve Amounts in Dollars



CAPITAL RESERVE FUNDS - GENERAL FUND

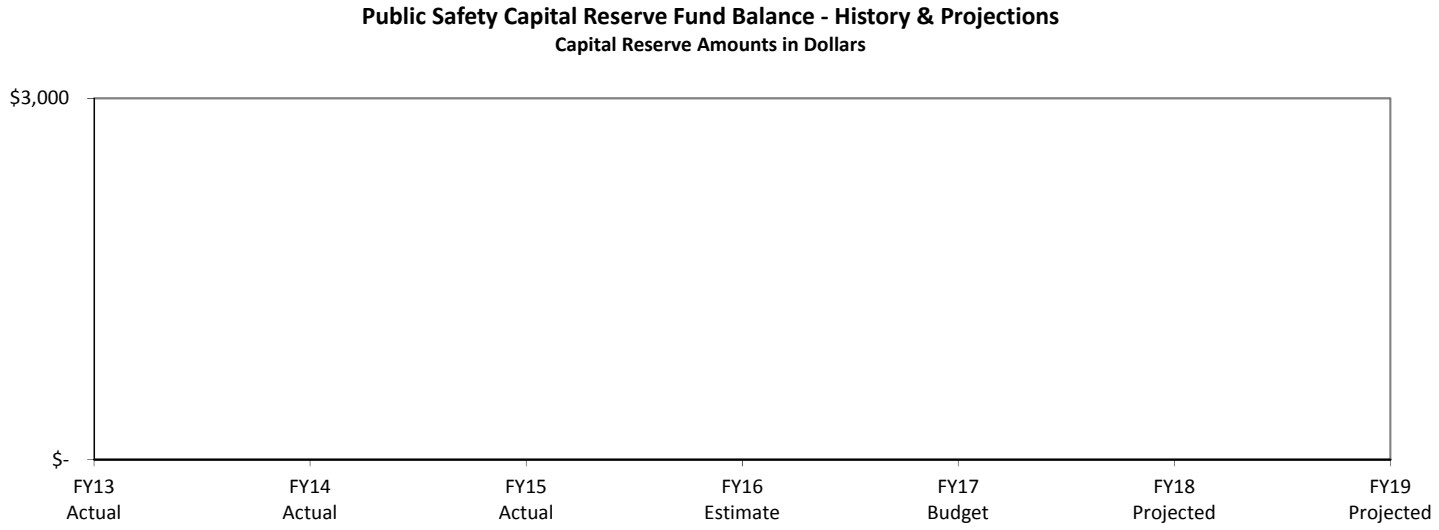
Sidewalks - Payments in Lieu	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projected	FY19 Projected
Starting Balance (July 1)	$ -	$ -	$ 1,840	$ 27,278	$ 34,650	$ 34,650	$ 34,650
Revenues/Contributions to Fund	$ -	$ 1,840	$ 25,438	$ 7,372	$ -	$ -	$ -
Transfers to Operating Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Ending Balance (June 30)	$ -	$ 1,840	$ 27,278	$ 34,650	$ 34,650	$ 34,650	$ 34,650
Affordable Housing - Payments in Lieu							
Starting Balance (July 1)	$ -	$ -	$ -	$ 32,000	$ 55,000	$ 55,000	$ 55,000
Revenues/Contributions to Fund	$ -	$ -	$ 32,000	$ 23,000	$ -	$ -	$ -
Transfers to Operating Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Ending Balance (June 30)	$ -	$ -	$ 32,000	$ 55,000	$ 55,000	$ 55,000	$ 55,000





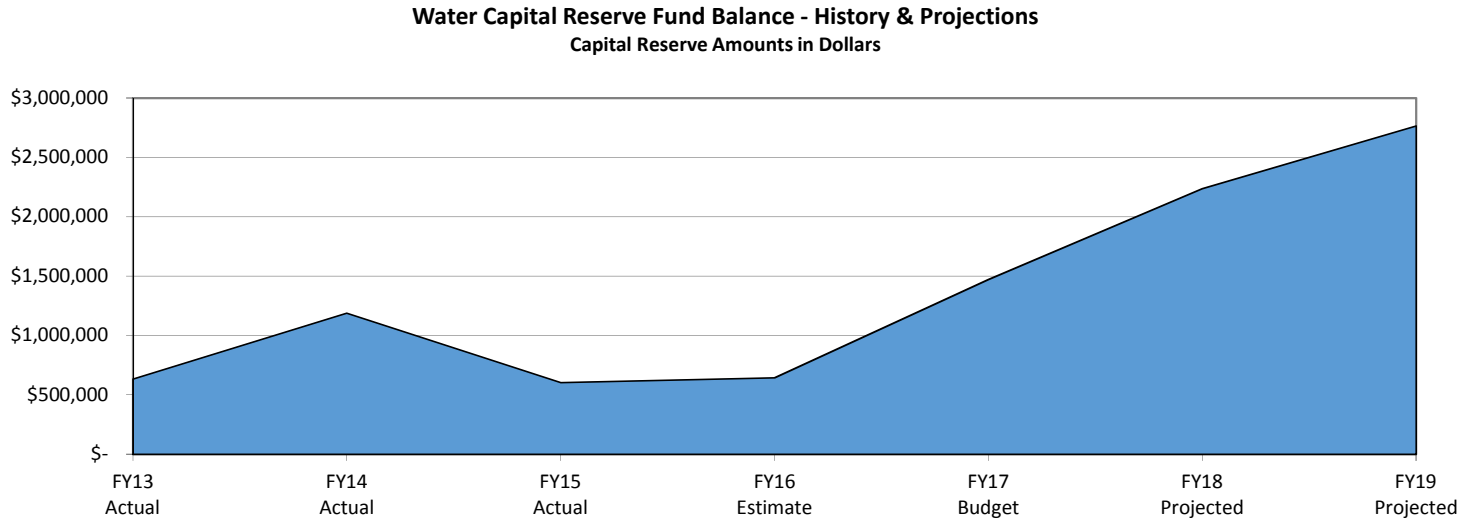
CAPITAL RESERVE FUNDS - GENERAL FUND

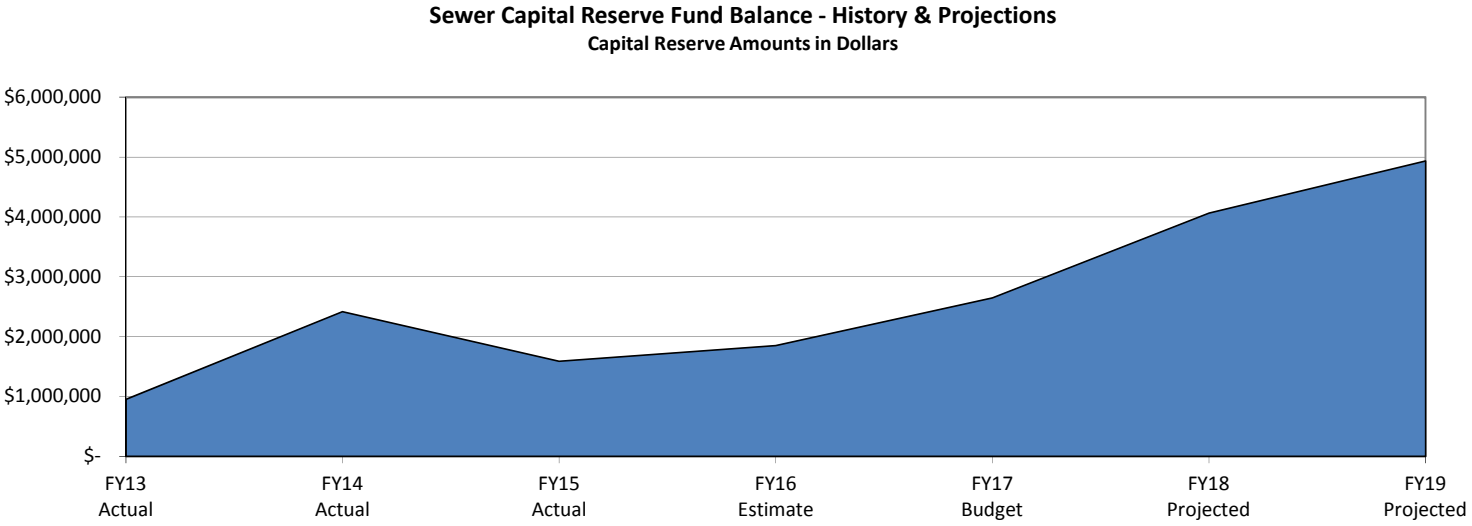
Public Safety Reserve Fund	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projected	FY19 Projected
Starting Balance (July 1)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Revenues/Contributions to Fund	$ -	$ -	$ -	$ -	$ 78,480	$ 78,480	$ 78,480
Transfers to Operating Fund	$ -	$ -	$ -	$ -	$ (78,480)	$ (78,480)	$ (78,480)
Ending Balance (June 30)	$ -	$ -	$ -	$ -	$ -	$ -	$ -



CAPITAL RESERVE FUNDS - WATER & SEWER

Water Capital Reserve Fund	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projected	FY19 Projected
Starting Balance (July 1)	$ 579,603	$ 631,662	$ 1,189,115	$ 604,383	$ 644,333	$ 1,471,813	$ 2,235,397
Revenues/Contributions to Fund	$ 52,059	$ 557,453	$ 15,268	$ 739,950	$ 1,577,480	$ 1,212,165	$ 748,250
Transfers to Operating Fund	$ -	$ -	$ (600,000)	$ (700,000)	$ (750,000)	$ (448,581)	$ (218,276)
Ending Balance (June 30)	$ 631,662	$ 1,189,115	$ 604,383	$ 644,333	$ 1,471,813	$ 2,235,397	$ 2,765,371
Sewer Capital Reserve Fund							
Starting Balance (July 1)	$ 388,571	$ 952,059	$ 2,415,305	$ 1,587,939	$ 1,852,572	$ 2,649,573	$ 4,062,213
Revenues/Contributions to Fund	$ 563,488	$ 1,463,246	$ 20,209	$ 899,223	$ 1,255,680	$ 1,412,640	$ 872,000
Transfers to Operating Fund	$ -	$ -	$ (847,575)	$ (634,590)	$ (458,679)	$ -	$ -
Ending Balance (June 30)	$ 952,059	$ 2,415,305	$ 1,587,939	$ 1,852,572	$ 2,649,573	$ 4,062,213	$ 4,934,213



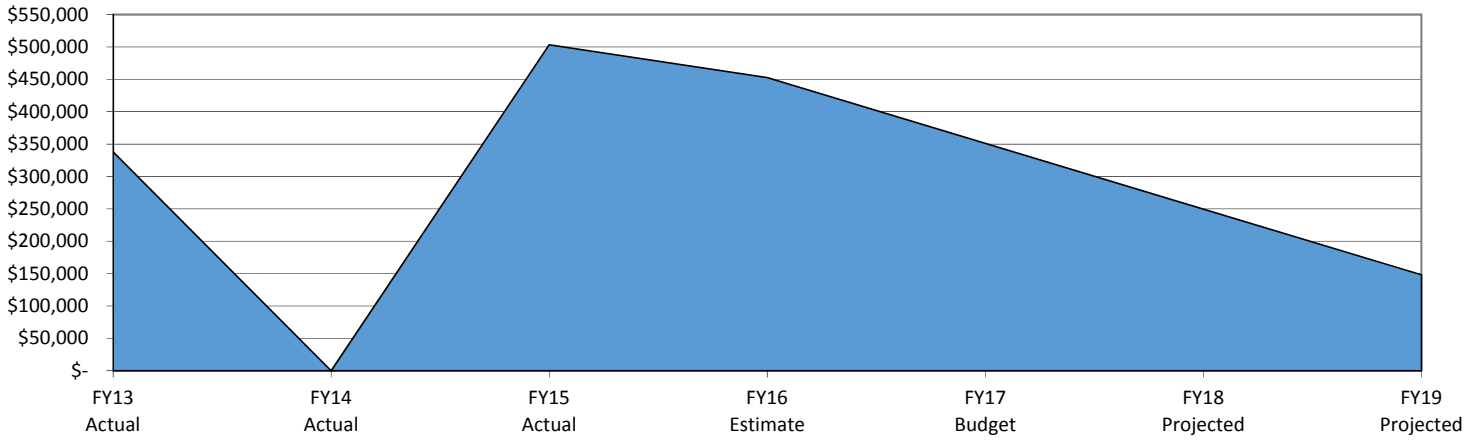


CAPITAL RESERVE FUNDS - WATER & SEWER

South Zone Water Tank	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projected	FY19 Projected
Starting Balance (July 1)	$ 503,128	$ 338,128	$ -	$ 503,372	$ 452,622	$ 351,122	$ 249,622
Revenues/Contributions to Fund	$ -	$ -	$ 503,372	$ -	$ -	$ -	$ -
Transfers to Operating Fund	$ (165,000)	$ (338,128)	$ -	$ (50,750)	$ (101,500)	$ (101,500)	$ (101,500)
Ending Balance (June 30)	$ 338,128	$ -	$ 503,372	$ 452,622	$ 351,122	$ 249,622	$ 148,122

South Zone Water Tank Capital Reserve Fund Balance - History & Projections

Capital Reserve Amounts in Dollars



DEBT OBLIGATIONS – INFORMATION & OPTIONS

DISCUSSION OF DEBT OBLIGATION

Local governments often choose to take on debt in order to pay for major projects, construction or renovation of buildings and purchase of major equipment. This process allows the government to spread the burden of paying for large capital projects out over time. It also reduces the need for paying for the project at the time it takes place and shares the financing burden among the taxpayers who receive the most benefit from the project.

North Carolina General Statues 159-55 places a limit on how much debt a local government can issue: The maximum State limit on long-term debt obligations is eight (8) percent of the unit's long-term debt as a percentage of taxable assessed valuation. Capital projects cannot be financed past the useful life of the item.

There are many ways that Local Governments in North Carolina can finance capital improvement projects:

GENERAL OBLIGATION BONDS

Bonds represent a promise by the local government to pay back borrowed money. General Obligation (GO) Bonds are backed by the local government's taxing power, also known as "full faith and credit." When a local government issues GO Bonds they promise to pay back the loan by using any and all revenue available at it disposal, even its ability to raise taxes.

General Obligation Bonds in North Carolina require approval of the North Carolina Local Government Commission (LGC) and passage of a bond referendum by the public.

REVENUE BOND

Revenue Bonds can only be used to finance revenue-producing projects. Revenues earned from these projects are used to repay the bond. Revenue bonds are most often used for enterprise projects.

Revenue Bonds must be approved by the Local Government Commission. The LGC requires that a feasibility study be conducted by an independent, nationally recognized consulting firm and that revenues from the project be 20% greater than total debt service costs and operating expenses of the projects.

Certificates of Participation

Certificates of Participation or COPS operate similar to Revenue Bonds. The local government uses revenue to pay off debt on a capital project. However, unlike Revenue Bonds, local governments can use the revenue from the e entire unit to pay off the debt and are not limited to using revenue produced by the financed project. The "full faith and credit" of the government may not be pledged for repayment of COPS.

Issuance of COPS does not mandate a voter referendum but does require the use of underwriters and substantial issuance costs.

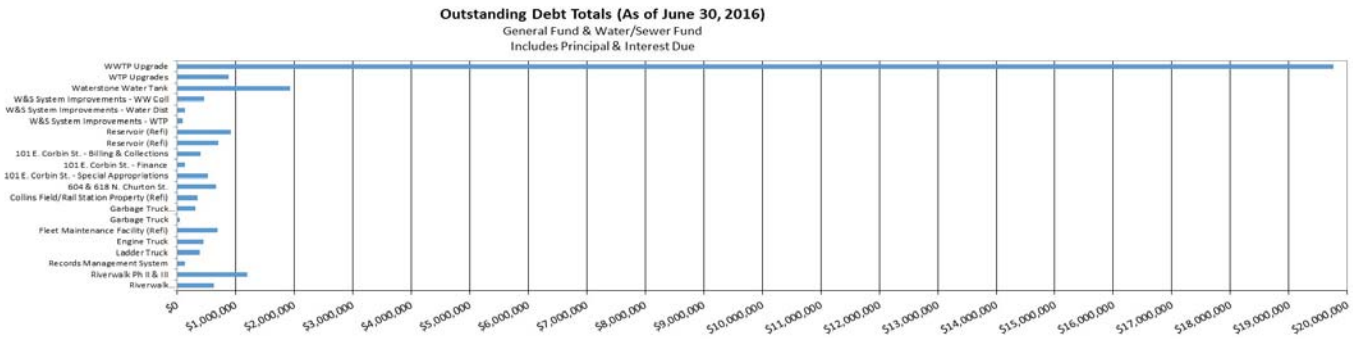
LEASE-PURCHASE AGREEMENTS

An installment-purchase (or lease-purchase) agreement allows a local government to borrow money at a lower rate than conventional loans, since lending institutions do not have to pay taxes on the interest portion of the payments it receives. The payments are broken into principle and interest. This tax-free advantage on the interest payments allows a lending institution to loan money to the Town at a reduced rate.

Installment or lease-purchase arrangements do not mandate a voter referendum for approval, as is the case with bonds. Several safeguards are in place to make sure the Town makes a legal as well as a fiscally prudent decision. A preliminary and final approval must be received from the LGC on most debt issuances made by the Town. The LGC thoroughly reviews the Town's financial condition and approves the final contracts for the actual installment-purchase agreement with a financial lending institution. In addition, public hearings are held on the matter along with multiple stages of review by the Town Attorney, Town Manager, Finance Director, and Board of Commissioners.

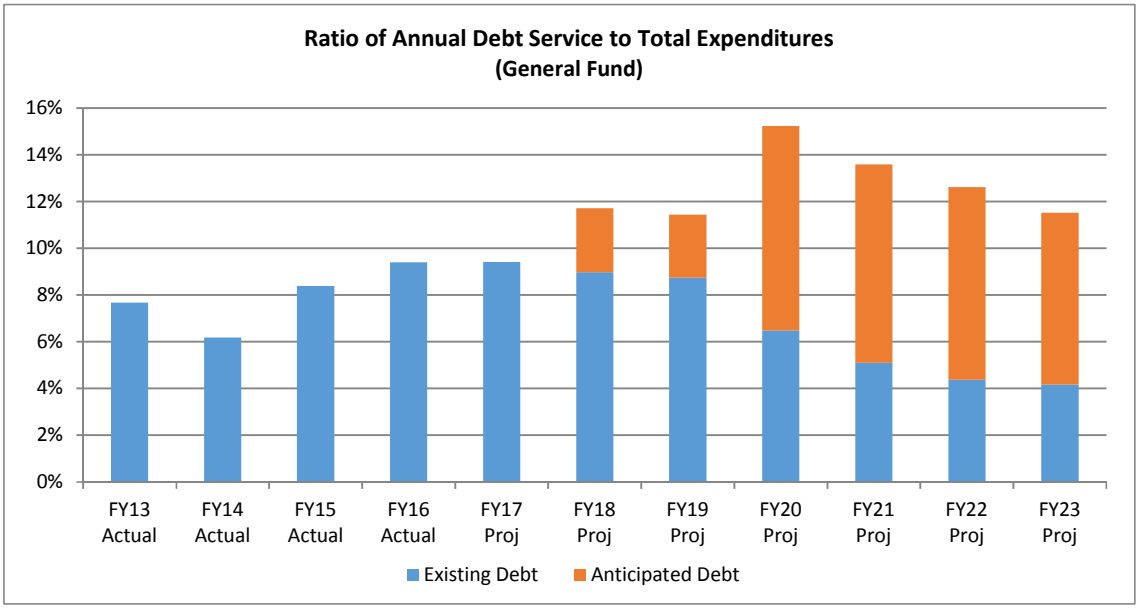
DEBT OBLIGATIONS - FY17 PAYMENTS

Issue Year	Project / Equipment	Loan Type	Amount Issued	Loan Term	Calendar Year Retired	Interest Rate	FY17 Payments (Principal & Interest)
	GENERAL FUND						
2011	Ladder Truck	Installment Purchase	$ 812,000	7	2019	2.19%	$ 126,054
2012	Garbage Truck	Installment Purchase	$ 227,000	5	2017	1.48%	$ 47,269
2013	Gold Park / Riverwalk Ph. I (Refi)	Installment Purchase	$ 817,333	10	2023	2.22%	$ 93,982
2013	Riverwalk Ph. II & Ph. III	Installment Purchase	$ 1,450,000	10	2024	2.35%	$ 169,705
2013	Fleet Maintenance Facility (Refi)	Installment Purchase	$ 839,086	11	2024	2.44%	$ 87,652
2013	Municipal Operations Site (Refi)	Installment Purchase	$ 438,057	10	2023	2.22%	$ 48,435
2014	Garbage Truck & Leaf Truck	Installment Purchase	$ 424,000	5	2019	1.50%	$ 88,137
2014	Records Management Software	Installment Purchase	$ 175,000	5	2020	1.50%	$ 36,377
2014	Future Public Safety Station - Land	Installment Purchase	$ 615,368	15	2029	2.88%	$ 56,680
2015	101 E. Corbin Street - Finance	Installment Purchase	$ 108,981	15	2030	3.00%	$ 9,075
2015	101 E. Corbin Street - Spec. Approp.	Installment Purchase	$ 435,925	15	2030	3.00%	$ 36,303
2015	Engine Truck	Installment Purchase	$ 481,000	5	2020	1.57%	$ 100,403
	Total						**$ 900,072**
	WATER & SEWER FUND						
2006	Water Treatment Plant Upgrades	State Revolving Loan	$ 1,524,446	20	2026	2.66%	$ 96,498
2012	Water System Upgrade - WTP	Installment Purchase	$ 130,042	10	2022	2.26%	$ 15,443
2012	Water System Upgrade - Water Dist.	Installment Purchase	$ 310,126	10	2022	2.26%	$ 23,758
2012	Water System Upgrade - WW Coll.	Installment Purchase	$ 611,105	10	2022	2.26%	$ 79,589
2013	Reservoir - 1st Issuance (Refi)	Installment Purchase	$ 1,939,000	5	2017	1.66%	$ 416,993
2013	Reservoir - 2nd Issuance (Refi)	Installment Purchase	$ 1,469,000	7	2019	1.88%	$ 223,674
2014	Wastewater Treatment Plant Upgrade	State Revolving Loan	$ 17,810,007	20	2034	2.46%	$ 1,284,013
2015	101 E. Corbin Street	Installment Purchase	$ 326,944	15	2030	3.00%	$ 27,228
2016	S. Zone Water Tank	Installment Purchase	Not Yet Issued	20	2035	Not Yet Issued	$ 101,500
	Total						**$ 2,268,696**

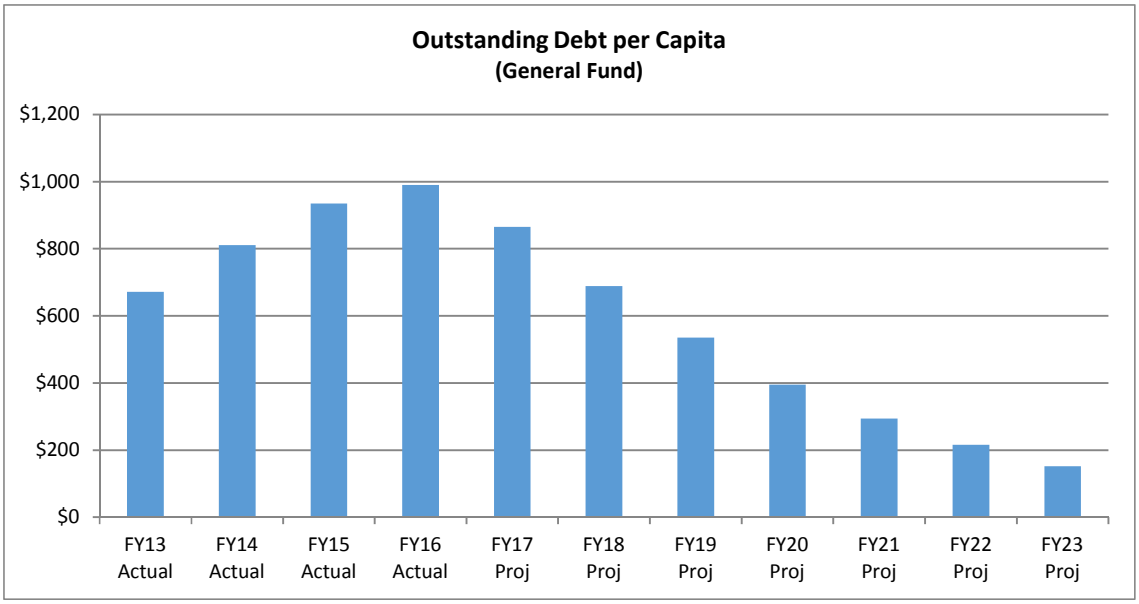


LEGAL DEBT MARGIN		
Total Assessed Value	$	787,383,823
Debt Limit (8% of assessed value)	$	62,990,706
Total Debt Applicable to Limit	$	4,606,799
Legal Debt Margin	$	58,383,907
Debt Percentage to Assessed Value		7.31%

DEBT RATIOS - GENERAL FUND



This chart compares total debt service paid out each year over an eleven year period to total expenditures for the General Fund. It also illustrates anticipated annual debt service from new debt issuances. The actual numbers on which this graph is based are included in the table at the bottom of this page.



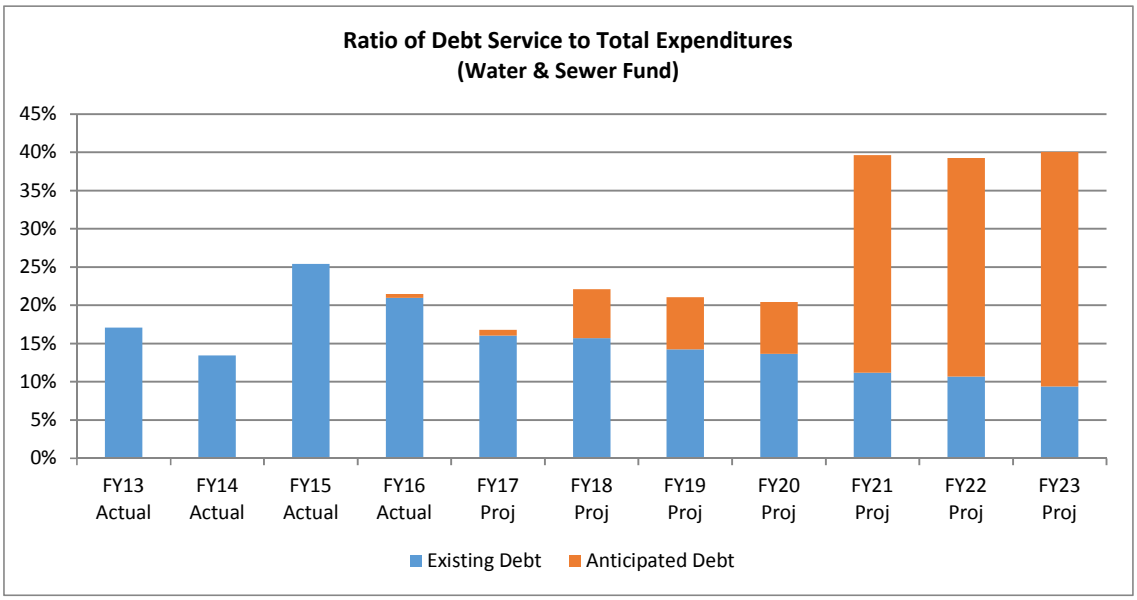
The first debt payment on Riverwalk Ph II & III occured in FY14, with additional debt coming online in FY15 with the replacement of garbage truck #140 and leaf truck #449, the acquisition of two properties and replacement of the police records management software. In FY16, additional debt was added with the replacement of a fire engine and the acquisition of another property across from the Town Hall campus. No new debt is budgeted for FY17.

Fiscal Year	General Debt Service[1]	General Fund Expenditures	Ratio of Existing Debt Service to Total Operating Expenditures	Population[2]	General Outstanding Debt	Outstanding Debt per Capita
FY13	$518,510	$6,760,002	7.7%	6,113	$4,106,493	$672
FY14	$550,677	$8,902,245	6.2%	6,239	$5,060,179	$811
FY15	$733,214	$8,740,814	8.4%	6,295	$5,884,787	$935
FY16	$859,293	$9,148,806	9.4%	6,395	$6,334,267	$991
FY17	$900,067	$9,565,695	9.4%	6,326	$5,474,973	$865
FY18	$843,689	$9,396,780	9.0%	6,642	$4,574,908	$689
FY19	$834,579	$9,540,427	8.7%	6,974	$3,731,219	$535
FY20	$637,159	$9,826,640	6.5%	7,323	$2,896,640	$396
FY21	$515,591	$10,121,439	5.1%	7,689	$2,259,482	$294
FY22	$456,280	$10,425,082	4.4%	8,074	$1,743,891	$216
FY23	$447,170	$10,737,835	4.2%	8,477	$1,287,610	$152

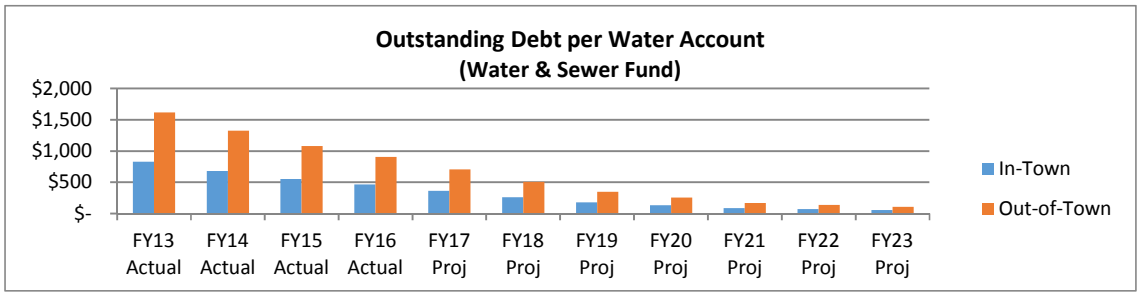
[1] Represents principal and interest

[2] FY18-23 assume 5% growth

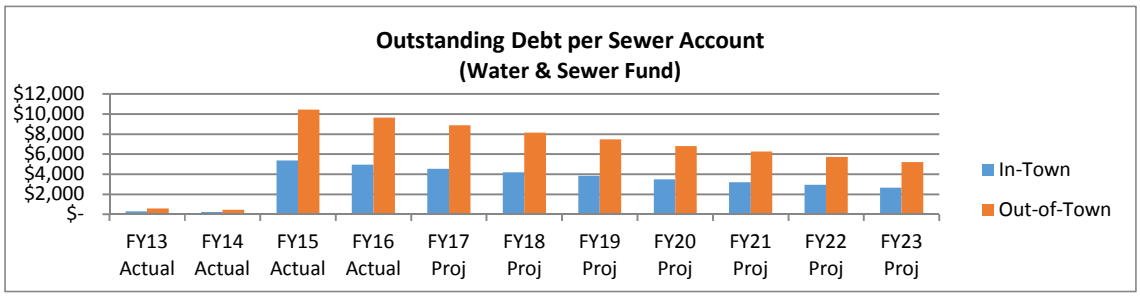
DEBT RATIOS - WATER & SEWER FUND



This chart compares total debt service paid out each year over an eleven year period to total expenditures for the Water & Sewer Fund. It also illustrates anticipated annual debt service from new debt issuances. The actual numbers on which this graph is based are included in the table at the bottom of this page.



Outstanding debt per water account is expected to continue to decrease until FY18, when the Advanced Metering Infrastructure and Reservoir Phase II debt service comes online.



Outstanding debt per sewer account increased in FY15, when the WWTP upgrade debt service came online.

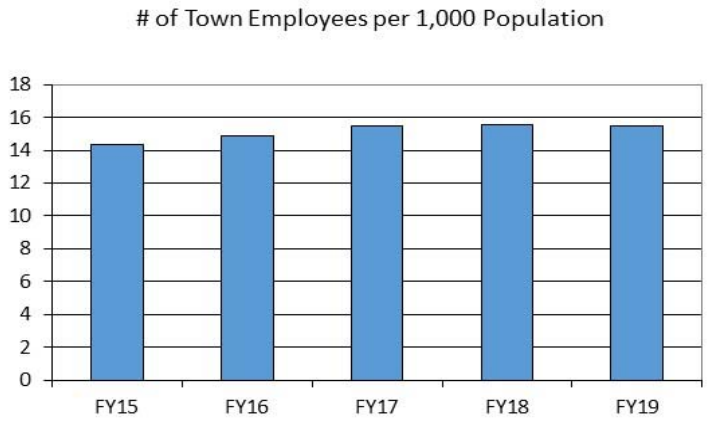
Fiscal Year	Utility Debt Service[1]	Water & Sewer Fund Expenditures	Ratio of Existing Debt Service to Total Operating Expenditures	Outstanding Debt
FY13	$1,253,922	$7,331,730	17.1%	$7,825,258
FY14	$1,181,362	$8,798,880	13.4%	$6,402,138
FY15	$2,516,472	$9,907,729	25.4%	$27,672,670
FY16	$2,236,262	$10,654,635	21.0%	$25,564,607
FY17	$2,167,192	$13,522,134	16.0%	$23,328,345
FY18	$2,007,229	$12,764,586	15.7%	$21,161,154
FY19	$1,705,510	$11,969,726	14.2%	$19,153,925
FY20	$1,683,930	$12,328,818	13.7%	$17,448,415
FY21	$1,421,465	$12,698,682	11.2%	$15,764,485
FY22	$1,395,200	$13,079,643	10.7%	$14,343,020
FY23	$1,264,401	$13,472,032	9.4%	$12,947,820

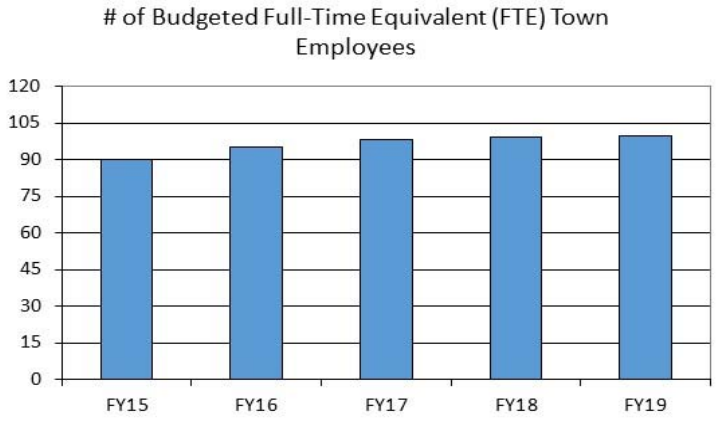
[1] Represents principal and interest

PERSONNEL SUMMARY

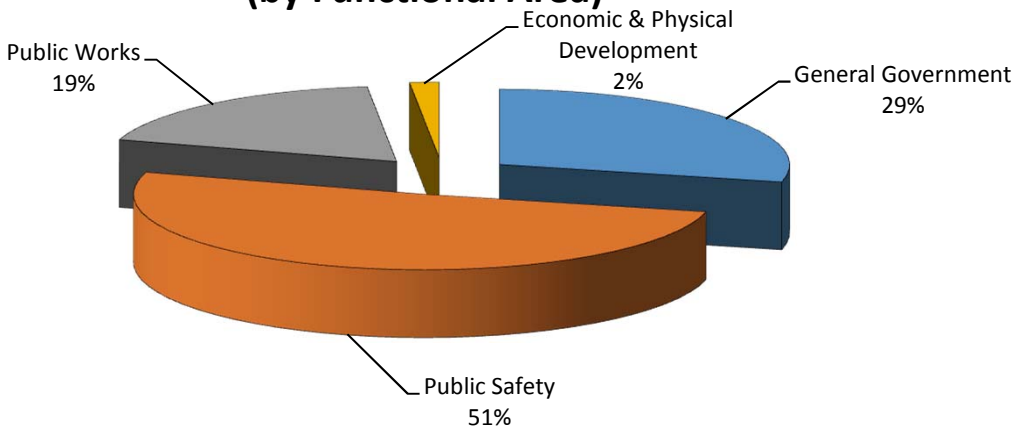
Personnel counts are calculated using the full-time equivalent (FTE) method for all full-time and permanent part-time Town employees (seasonal and temporary positions are not included). The FTE converts the the hours worked by a position into a percentage of a full year's number of hours. For most town positions, 1 FTE equals 2080 hours per year per position (based on a 40 hour work week and a 52 week work year. If a position works 1040 hours per year this translates into .5 FTE. Similarly, if a nev full-time position has a Jan. 1 effective date (1/2 of the fiscal year), this translates into .5 FTE. In the case of Police Officer positions, 1 FTE equals 2223 hours per year.

Budget Unit	FY14 FTE	FY15 FTE	FY16 FTE	FY17 FTE	FY18 FTE	FY19 FTE
General Fund						
General Government						
Administration	4.49	4.68	6.35	6.34	6.34	6.34
Local Government Channel (PEG)	0.00	0.14	0.14	0.17	0.17	0.17
Finance	4.00	4.50	5.40	5.78	6.00	6.00
Planning	3.50	3.50	3.80	3.75	3.50	3.50
Information Services	0.00	0.00	0.00	0.00	0.00	0.00
Public Space	0.00	0.50	0.40	0.67	1.33	2.00
Safety & Risk Management	1.00	1.00	1.00	1.00	1.00	1.00
Public Safety						
Police - Administration	2.45	3.50	3.50	4.00	4.00	4.00
Police - Patrol	17.00	18.00	18.00	19.00	19.00	19.00
Police - Investigations & Community Services	7.00	7.00	7.50	7.00	7.00	7.00
Fire Marshal & Emergency Mgmt.	1.38	1.38	1.38	1.38	1.38	1.38
Fire Protection	0.00	0.00	0.00	0.00	0.00	0.00
Public Works						
Fleet Maintenance	3.00	3.00	3.00	3.00	3.00	3.00
Streets	3.00	3.50	3.60	4.00	4.00	4.00
Powell Bill	0.00	0.00	0.00	0.00	0.00	0.00
Solid Waste	4.50	4.50	4.50	4.50	4.50	4.50
Stormwater	1.00	1.00	1.00	0.00	0.00	0.00
Cemetery	0.00	0.00	0.00	0.00	0.00	0.00
Economic & Physical Development						
Tourism	0.00	0.00	0.70	1.00	1.00	1.00
Special Appropriations						
Special Appropriations	0.00	0.00	0.00	0.00	0.00	0.00
Total General Fund FTE	**52.32**	**56.20**	**60.27**	**61.58**	**62.21**	**62.88**
Water & Sewer Fund						
Administration of Enterprise	0.00	0.00	0.00	0.00	0.00	0.00
Engineering	4.00	4.00	4.00	4.00	4.00	4.00
Billing & Collections	6.00	7.00	7.00	5.92	5.50	5.50
Water Treatment Plant	6.00	6.00	6.00	6.50	6.50	6.50
West Fork Eno Reservoir	0.00	0.00	0.00	0.00	0.00	0.00
Water Distribution	5.50	5.50	6.00	6.00	6.00	6.00
Wastewater Collection	5.50	5.50	6.00	6.00	6.00	6.00
Wastewater Treatment Plant	8.00	6.00	6.00	6.00	6.00	6.00
Total Water & Sewer Fund FTE	**35.00**	**34.00**	**35.00**	**34.42**	**34.00**	**34.00**
Stormwater Fund						
Stormwater	0.00	0.00	0.00	2.00	3.00	3.00
Total Water & Sewer Fund FTE	**0.00**	**0.00**	**0.00**	**2.00**	**3.00**	**3.00**
Total FTE All Funds	**87.32**	**90.20**	**95.27**	**98.00**	**99.21**	**99.88**

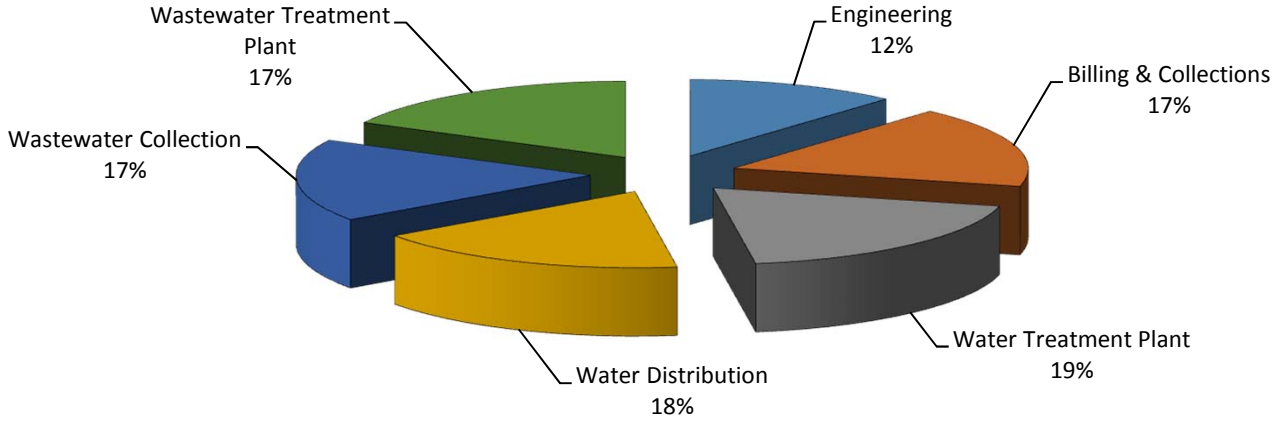




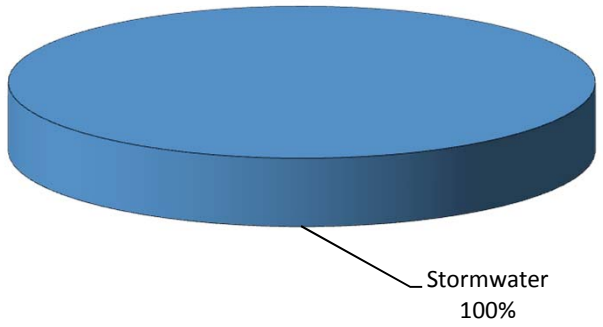
General Fund Employees
(by Functional Area)



Water & Sewer Fund Employees
(by Division)



Stormwater Fund Employees
(by Division)



FUND & BUDGET UNIT STRUCTURE (FY2016-17)

Below outlines the organizational structure the Town uses to account for (including accounting numbers) revenues and expenditures of Town operations. Revenues are accounted at the fund level. Expenditures are accounted at the budget unit level (e.g. Governing Body, Planning, Water Treatment Plant, etc.).

GENERAL FUND

FUND 10 – GENERAL FUND

General Government

1. Governing Body – 4100
2. Administration – 4200
3. Local Government Channel (PEG) - 4300
4. Finance – 4400
5. Planning – 4900
6. Ruffin-Roulhac – 5000
7. Public Space – 6200
8. Safety & Wellness – 6600
9. Information Services – 6610

Public Safety

10. Police - Administration – 5100
11. Police - Patrol – 5110
12. Police - Investigations & Community Services – 5120
13. Fire Marshal & Emergency Mgmt. – 5300
14. Fire Protection – 5350

Public Works

15. Fleet Maintenance – 5550
16. Streets – 5600
17. Powell Bill – 5700
18. Solid Waste – 5800
19. Stormwater – 5900
20. Cemetery – 6400

Economic & Physical Development

21. Economic Development – 6250

Special Appropriations

22. Special Appropriations – 6900

General Balancing

23. Contingency – 9990

ENTERPRISE FUNDS

FUND 30 – WATER / SEWER FUND

1. Administration of Enterprise – 7200
2. Engineering – 7220
3. Billing & Collections – 7240
4. Water Treatment Plant – 8120
5. West Fork Eno Reservoir – 8130
6. Water Distribution – 8140
7. Wastewater Collection – 8200
8. Wastewater Treatment Plant – 8220
9. Contingency – 9990

FUND 35 – STORMWATER FUND*

1. STORMWATER – 5900*

CAPITAL PROJECT FUNDS

FUND 43 – RAIL STATION
FUND 44 – RIVERWALK – CMAQ
FUND 45 – DOWNTOWN ACCESS IMPROVEMENTS
FUND 46 – TOWN BARN RENOVATIONS
FUND 47 – PUBLIC SAFETY FACILITY
FUND 48 – PUBLIC WORKS BUILDING
FUND 60 – GENERAL CAPITAL IMPROVEMENTS
FUND 63 – ADVANCED METERING INFRASTRUCTURE
FUND 66 – WEST FORK ENO RESERVOIR – PHASE II
FUND 68 – WASTEWATER TREATMENT PLANT EXPANSION
FUND 69 – UTILITIES CAPITAL IMPROVEMENTS

CAPITAL RESERVE FUNDS

FUND 70 – WATER & SEWER CAPITAL RESERVE FUND
FUND 71 – GENERAL CAPITAL RESERVE FUND

OTHER FUNDS

FUND 73 – TOURISM DEVELOPMENT AUTHORITY FUND
FUND 74 – TOURISM BOARD FUND
FUND 79 – SPECIAL ASSESSMENT DISTRICT

CLOSED FUNDS

FUND 40 – RIVERWALK PHASE II
FUND 41 – NASH ST. SIDEWALK PROJECT
FUND 42 – RIVERWALK PHASE III
FUND 64 – SEWER OUTFALL PROJECTS
FUND 65 – GOLD PARK/RIVERWALK PHASE I

* New budget tracking units.

Town of Hillsborough

Since 1754

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BALANCED SCORECARD

Strategy Map

Vision for Hillsborough

We envision Hillsborough as a prosperous town, filed with vitality, fostering a strong sense of community, which celebrates its unique heritage and small-town character.

Mission of Town Government

We are stewards of the public trust who exist to make the Vision for Hillsborough a reality. We manage and provide the infrastructure, resources, and services that enhance the quality of life for the living beings and land within our town.

STRATEGIC OBJECTIVES

Serve the Community

Strengthen Citizen Engagement	Conserve Cultural and Natural Resources	Increase Citizen and Community Safety	Enhance Economic Vibrancy	Expand Recreation, Walkability and Connectivity

Run the Operations

Enhance Emergency Preparedness	Provide Responsive and Dependable Services	Manage Projects Effectively	Improve Communication and Collaboration	Excel at Staff and Logistical Support

Manage Resources

Maintain Fiscal Strength	Invest in Infrastructure	Develop Long-Term Financial Plans	Deliver Services Efficiently

Develop Know-How

Develop a Skilled and Diverse Workforce	Support Development of Citizen Volunteers	Enhance Relations with Other Entities

Town Board Strategic Priorities

Quality of Life

Superior Services

Community Safety

Strategic Growth

Economic Development

We Value

High quality services and high quality customer service

Hillsborough's small town nature and sense of community

Serving as a catalyst for change

Sustaining Hillsborough's unique "sense of place" including its history, architecture, citizens, river, and mountains

Maintaining and celebrating our community's diversity

Inclusion of all neighborhoods and areas of our town—Hillsborough is for everyone

Affordability — keeping the cost of services and living within reach of people who live and work here

Vibrancy — fostering a "Happening Hillsborough" that is alive, growing, and filled with positive energy.

BALANCED SCORECARD – RATIONALE, OVERVIEW, & PROCESSES

What is the Balanced Scorecard?

A group of measures used to help implement an organization's strategy. It is a tool/system for the leaders to use in communicating to employees and the community the outcomes and performance drivers by which the organization will achieve its mission and strategic objectives.

Rationale and Benefits of the Balanced Scorecard

- *Clarifies and communicates organizational vision*. Translates your vision and strategy into a coherent set of measures, targets and initiatives that can be communicated throughout the organization and community by 1) more clearly describing the Board's strategy by taking potentially vague policy directives (mission, vision, goals, and objectives) and making them easier to understand by defining them and choosing performance measures to gauge their progress; 2) sharing Scorecard results throughout the organization and community gives employees and citizens the opportunity to discuss the assumptions underlying the strategy, learn from unexpected results, and deliberate on future modifications as necessary. Simply understanding an organization's strategy can unlock many organizational capacities, thus allowing employees and citizens, maybe for the first time, to know where the organization is headed and how they can contribute during the journey. The Scorecard brings meaning and action to a vague objective like "provide superior service."
- *Better data for policy making*. The Balanced Scorecard promotes questions, dialogue, analysis, innovation, experimentation, adaptability, and accountability.
- *Helps let us know if we are getting closer or drifting further away from achieving our goals*.
- *Resource alignment and allocation*: 1) To successfully implement any strategy it must be understood and acted upon throughout all levels of the organization and ultimately be enacted during departments' day-to-day activities; 2) Establishing long-term "stretch targets" allows the organization to identify the key steps necessary to achieve its goals; and 3) Aligns resources (time, effort, and money) so the initiatives in all departments and levels share a common trait, their linkage to the Town's strategic goals.
- *Strategic learning* – any strategy we pursue represents a hypothesis or your best guess of how to achieve success. To prove meaningful, the measures on the Scorecards must link together to tell the story that describes what you are trying to achieve through your strategy.
- *Balance*: 1) between financial and non-financial indicators, 2) between internal and external constituents of the organization, and 3) between lag and lead indicators of performance (i.e., what we've done in the past and where we want to go in the future).

Improves likelihood of accomplishing key goals by not only helping to keep leadership, management, departments, and employees focused on top priorities, but also by improving communication between all interests thus making it easier to effectively troubleshoot and make logical "changes in course" that result in successfully delivering the type of services the community expects.

Using Strategy & The Balanced Scorecard to Get Results

Any strategy the Town pursues represents a hypothesis or a best guess of how to achieve success. To prove meaningful, the measures on the Scorecard must link together to tell the story of, or describe, that strategy. For example, if the Town believes that an investment in employee training will lead to improved quality it needs to test the hypothesis through the measures appearing on the Scorecard. If employee training does increase, but quality actually decreases, then it may <u>not</u> be a valid assumption. Instead, focus could turn to another possible factor, but more importantly, the Town has information in which to act and make decisions.

Strategy to achieve a desired outcome is often a new destination, somewhere the organization has not yet traveled to before. The Balanced Scorecard provides the Town a method to document and test assumptions inherent in the strategies it adopts. It may take considerable time to gather sufficient data to test such correlations, but simply beginning to question the assumptions underlying the strategy is a major improvement over making decisions based purely on financial numbers or subjective information.

A well-designed Balanced Scorecard should describe the Town or department's strategy through the objectives and measures chosen. These measures should link together in a chain or cause-and-effect relationships from the performance drivers in the Develop Employees Perspective (Employee Learning and Growth) all the way through Serve the Community Perspective (Customer). Documenting our strategy through measurement, making the relationships between the measures so specific they can be monitored, managed, and validated. Only then can we begin learning about, and successfully implementing our strategy.

Process Used to Develop the Balanced Scorecard

1. At the January 22, 2007 Budgetary Goal-Setting Retreat the Board developed Vision & Mission Statements, Strategic Priorities, Perspectives, and Objectives for FY08.
2. The information from the Retreat was used to develop a Draft Strategy Map.
3. The Town Manager "wordsmithed" proposed definitions for each Focus Area and Objective, based on Town Board discussions during the Retreat
4. Professor Bill Rivenbark from the UNC School of Government reviewed proposed initiatives, performance measures, and targets from the Town departments. He also conducted a training session for the Town's Management Team to assist them in making their first Balanced Scorecard submissions as part of the FY08 Budget Process.
5. Draft Strategy Map and Town-Wide Balanced Scorecard were distributed to Departments.
6. Departments chose the Focus Areas and Objectives that they could influence and incorporated them into their own Strategy Map, Balanced Scorecard, and Action Plans.
7. Draft plans were reviewed with the Town Manager and necessary amendments were made.
8. Draft plans were presented to the Town Board at the March 26th Workshop for feedback, discussion, and guidance.
9. Balanced Scorecards were incorporated into the budget process as departments started work on preparing their FY08 budget and FY08-10 Financial Plan requests.
10. The first mid-year Balanced Scorecard/Town Performance Update occurred January 2008 and was reviewed during the Board's FY09 Budgetary Planning Retreat.
11. The first annual Balanced Scorecard Report was presented August 2008.

12. With the development of the FY17 budget, departmental Scorecards went through their eighth formal review and were updated as needed.

DEVELOPING DEPARTMENTAL STRATEGY

Departmental Strategy Maps & Balanced Scorecards

A good map and scorecard will do the following:

- Tell the story of the department's strategy.
- Shows that every objective selected is a linkage in the cause-and-effect relationships that compose the Town's strategy.
- Drive performance by using a variety of measures and targets that look at short & long-term results to encourage proactive management.
- Involve the participation of division heads, key staff, and employees throughout the department.
- Is financially viable.
- Positively changes departmental behavior by developing strategic initiatives.

Step #1 – Town-Wide Objectives Selected to Build a Scorecard & Map

Departments determine what they can do to support and respond to the Town-wide strategy, Balanced Scorecard, and achieve the departmental mission. Departments select the objectives they can meet to help the Town Board in pursuing the achievement of the five Strategic Priorities, vision, and mission. The objectives selected from each of the four perspective areas are used to create the department's strategy map.

Step #2 – Developing Departmental Initiatives

These are the critical activities the department must pursue to achieve the Town-wide objective and the department's mission.

- Initiatives detail what the department must do to achieve a Town-wide objective or achieve the departmental mission.
- Initiatives identify the highest priority activities to show where resources are most needed to achieve the overall departmental strategy.
- Initiatives may apply to all divisions within a department or just one division.
- Initiatives describe how the department will responds to the Town-wide objective.
- Initiatives are written so that divisions and employees can determine how they can respond to support the department's effort to achieve the objective and mission.

Step #3 – Developing Measures and Targets

Each departmental initiative does not have to have a measure, but there should be a way to evaluate the achievement of the initiative or whether or not it was accomplished. There are two goals for strategic measures: organizational motivation and strategic learning.

Organizational Motivation – Measures are a very effective tool in improving performance and/or accomplishing goals. A November 2001 article by Edwin Locke in Harvard Business Review titled "Motivation by Goal Setting" cites a survey of more than 500 studies indicates that performance increases an average of 16 percent in companies that establish targets. *A primary reason for this may be because measures give employees clear direction and guidance as to what they need to accomplish*. When employees focus their efforts on achieving key initiatives that are aligned with Town-wide objectives and strategic priorities, then there is much greater probability that a well coordinated effort is made in fulfilling the Town's mission and the Board's vision. The effort to clearly articulate the Town's top priorities to assist employees compliments the old saying that "people do what you inspect, not what you expect."

Strategic Learning – Measures are a way to monitor departments' progress in achieving the Town-wide objectives and their initiatives. Any strategy used to achieve initiatives, objectives, or strategic priorities represents a hypothesis of how to succeed. Strategy to achieve a desired outcome or solve a problem is often a new destination, a place that the Town has not yet traveled to before. Measures and targets provide a way to test assumptions inherent in the strategies we select to pursue our goals. Documenting our strategy through measurement allows management, employees, elected officials, and the public to monitor, manage, validate, question, and/or deliberate possible adjustments to our strategy. If this can occur, then the Town starts becoming a "learning organization" where being analytical, adaptive, and responsive to the hypotheses we've tested become keystones of the organizational culture that helps the Town successfully implement its strategy.

Components of a good measure

- Measures should be specific. Stating that the HPD will be the "best" police department or that Billing & Collection will "maximize customer satisfaction" are more like vision statements and are difficult to measure.
- There are ways to measure less tangible goals. Surveys, if properly designed, can be used to measure the perception of service quality, awareness of issues, customer satisfaction, etc.
- Does the measure really evaluate the initiative being pursued?
- Is the measure reliable?
- Is the measure easy to understand and explain?
- Are departments using a variety of measures in evaluating their initiatives (workload, results, efficiency, effectiveness, short-term v. long-term)?
- Does the measure clearly communicate the expected performance?
- It is important to know where you are and where you want to go. Ideally, departments should have a baseline measure for current performance in the form of last year's actual data, best practices or industry standards for comparison. When baselines do not yet exist a TBD (to be determined) is placed in the appropriate area to indicate the department is in the process of getting this data.

Guidelines for Setting Targets

1. Targets should be realistic, but challenging enough to motivate greater accomplishment.
2. Departments can be more aggressive when setting multi-year targets.
3. Provide a rationale explanation as to why achieving a target is important, especially with stretch targets.
4. When setting a target departments should review the linkage (cause-and-effect relationship) of the "enabling" perspectives to make sure they have the ability to achieve the target, thus the following questions should be asked:
    - Do departmental personnel have the skills and tools necessary to get the job done?
    - Does the department have sufficient resources/funding?
    - Are internal operations adequate?

Stretch Targets – these are usually long-term or multi-year goals. Departments should only set one to two stretch targets per year. These are reserved for those initiatives that are critical in making a particular breakthrough. Stretch targets can be especially useful to help a department break from its comfort zone or traditional way of running operations so as to spark creative thinking and results-oriented problem-solving. Every department should have at least one stretch target.

Step #4 – Complete the Departmental Map

Finally, departments insert the objectives they plan to pursue, describe how they are responding to each perspective by answering the questions inside of the text boxes on the right side of their strategy map. The map is intended to graphically represent the department's strategy in an easy to interpret manner.

BALANCED SCORECARD – STRATEGIC PRIORITIES

Quality of Life

The Town is always searching for ways to add value to the community and individual citizen's lives by preserving Hillsborough's history and heritage (cultural, social, demographic, and economic); providing parks, recreation opportunities, sidewalks and greenways; improving transportation; making housing affordable for all citizens; protecting the environment; and supporting cultural activities and the arts.

Superior Services

Essential municipal services provided to the community should be a good value, customer-service focused, dependable, relevant (services that the community wants and needs), conducted in a professional, well-managed, and sustainable manner. The Town will ensure that training opportunities are provided to employees, elected and appointed officials, and volunteers to create an environment of continual growth, learning, and a willingness to implement innovative strategies, technologies, processes, and approaches that result in more efficient and effective service provision to the citizens of Hillsborough.

Community Safety

Hillsborough will be the safest small town in the country. Citizens will feel safe wherever they may be in town, when driving or riding bikes on the streets, strolling on sidewalks, while playing in parks, safe from the threat of fire, and when drinking a glass of water. The Police Department will focus on crime prevention, enforcement, and convictions (when appropriate). Citizens will feel confident that when emergencies arise the Town will be prepared to respond in a quick and effective manner.

Strategic Growth

Plan and manage growth in a manner that yields development which maintains Hillsborough's small town character and improves the quality of life for citizens. The Town will use forward-thinking planning to create policies, processes, requirements, and plans that address land use, transportation, environmental protection, recreation, public safety, financial, and other critical issues will be used to ensure new development enhances rather than detracts from the community. All new development, especially in areas requesting annexation, should clearly contribute to the financial sustainability of the town. Encourage and plan for economic development to promote sustainability, support current businesses, bring new businesses to town, stimulate economic prosperity through quality job creation, and serve as a catalyst for growth and development.

BALANCED SCORECARD – PERSPECTIVES

The "balanced" portion of the Scorecard uses four perspectives to answer critical service delivery questions. This helps provide the balance organization's need to successfully plan, implement, measure, and evaluate performance.

Customer Perspective:

Serve the Community – What is our mission and vision? What do our customers want?

Managers must know if the Town is meeting citizen needs. They must determine the answer to the question: Is the organization delivering the services the community wants?

Internal Business Perspective:

Run the Operations - What internal processes must we excel at to provide valuable services to the community while achieving the mission and vision?

Managers need to focus on those critical operations that enable them to satisfy citizens. Managers must answer the question: Can the organization improve upon a service by changing the way a service is delivered?

Financial Perspective:

Manage Resources – How do we deliver quality services efficiently and remain financially sound while achieving the mission and vision?

Managers must focus on how to meet service needs in an efficient manner. They must answer the question: Is the service delivered at a good price?

Learning & Growth Perspective:

Develop Know-How – What skills, tools, and organizational climate do our employees need to meet the community's needs while achieving the mission and vision?

An organization's ability to improve and meet citizen demands ties directly to the employees' ability to meet those demands. Managers must answer the question: Is the organization providing employees with the training, technology, and proper work environment to enable them to succeed and continuously improve?

BALANCED SCORECARD – OBJECTIVES BY PERSPECTIVE

Serve the Community

What do our citizens want? What must be done to implement the vision and mission?

- ***Strengthen Citizen Involvement & Access*** – Improve the quality and frequency of communication to enhance public access to information about Town services, meetings, key issues, and emergency situations. Provide a variety of ways for citizens to meaningfully share ideas, concerns, and questions with Town officials.

- ***Conserve Cultural & Natural Resources*** – Protect the environment, historic district, landmarks, and intangible assets such as community and cultural events that bring Hillsborough's diverse citizenry together.

- ***Increase Citizen & Community Safety*** – Accomplish this by building relationships and problem-solving partnerships with citizens, businesses, neighborhood watch groups, and using policing strategies that target specific types of crimes and "hotspot areas." Increasing police presence, having police officers and Town officials be accessible, approachable, improving community appearance, and addressing nuisance conditions will make Hillsborough a safer town.

- ***Enhance Economic Vibrancy*** – Achieve via diverse economic development, support of locally owned businesses, and promoting Hillsborough as a place to work, live, and play.

- ***Expand Recreation, Walkability, & Connectivity*** – Provide recreation and pedestrian facilities to encourage healthy lifestyles, citizen interaction, and to offer a variety of transportation choices that link Hillsborough's neighborhoods together in an accessible manner.

Run the Operations

What internal processes must we excel to provide valuable services while achieving the vision and mission?

- ***Enhance Emergency Preparedness*** – Improve the ability to effectively anticipate and respond to emergency situations, from minor incidents to major disasters, through planning, training, collaboration with public and private agencies, and community education.

- ***Improve Communication & Collaboration*** – Increase the quality and frequency of communications throughout all areas of the organization to promote problem-solving partnerships within and outside of the organization. Good communication enables the vision to be implemented.

- ***Excel at Staff & Logistical Support*** – Ensure outstanding internal support is being provided to all departments, employees, elected officials, advisory board members, and volunteers that deliver services or directly serve the community. Use technology, where practical, to improve service delivery and save taxpayer dollars.

- ***Provide Responsive & Dependable Services*** – Provide quality services to citizens in a courteous, responsive, and reliable manner that is effective in achieving desired results. Excel at the technical aspects of providing services to the community.

- ***Manage Projects Effectively*** – Ensure projects are well planned, include contingency plans for reasonably anticipated complications, stay on course, meet goals, and come in on or under budget.

Manage Resources

How do we deliver quality services efficiently and remain financially sound while achieving the vision and mission?

- ***Maintain Fiscal Strength*** – Support fiscal policies and controls that keep the Town government in a financially strong position, thereby allowing it to respond to unforeseen problems, emergencies, as well as opportunities. Continually look for opportunities to diversify revenue sources and leverage outside funding opportunities.

- ***Invest in Infrastructure*** – Prioritize funding for infrastructure maintenance to avoid excessive deterioration while minimizing long-term operational and capital costs. New infrastructure investments help achieve key priorities and optimize the use of current assets.

- ***Develop Long-Term Financial Plans*** – Build upon current financial planning instruments to provide a longer term view of what Hillsborough's finances and operations may look like in the future. These plans are intended to identify potential challenges, opportunities, and proactive response options.

- ***Deliver Services Efficiently*** – Ensure citizens are receiving a good value from their investments by delivering cost efficient services. Maximize the use of public funds through service optimization, innovation, process improvement, competition, and other means.

Develop Know-How

What skills, tools, and organizational climate do our employees, elected officials, and volunteer advisory board members need to meet the community's needs while achieving the mission and vision?

- ***Develop a Skilled & Diverse Workforce*** – Create a work environment that allows the Town to hire and retain a diverse workforce of skilled employees who are capable of meeting the community's needs. Focus on career development and succession planning.

- ***Support Development of Citizen Volunteers*** – Definition is currently under development.

- ***Enhance Relations with Other Entities*** – Build relationships with others involved in the governing process, including governmental organizations, non-profits, and the private sector.

BALANCED SCORECARD – KEY DEFINITIONS & COMPONENTS

Mission: Why we exist.

Core Values: What we believe in, guiding principles.

Vision: Word picture of the future.

Focus areas: Themes on which the organization will concentrate efforts, dedicate resources, and strive to achieve significant improvements. The focus areas reflect what the Town's Board of Commissioners believes must be done to succeed.

Perspectives: The four different views that are used to create a "balanced" way of establishing objectives and measurements to assist the organization in accomplishing the vision and strategic priorities. The traditional four perspectives used in corporate strategic planning and program evaluation are 1) Financial, 2) Internal Business Process, 3) Customer, and 4) Innovation, Learning, & Growth. While the names and definitions of these perspectives are frequently modified to meet different organization's specific needs, the original intent of these four traditional perspectives usually remains intact.

Objective: A concise statement describing the specific things the organization must do well in order to execute its strategy. Objectives often begin with action verbs such as "increase," "reduce," "improve," "achieve," and similar words. Examples: Reduce Crime, Enhance Customer Service, Maintain Adequate Water Pressure, Promote Learning & Growth, Invest in Infrastructure, Deliver Competitive Services, Maintain Fiscal Strength, Maintain a Skilled & Diverse Workforce, Create Unity Between Neighborhoods, Provide Affordable Services, Protect the Environment, Enhance Walkability, etc.

Measure: A standard used to evaluate and communicate performance against desired results. Reporting and monitoring measures help organizations gauge progress toward effective implementation of strategy. Example: Percentage of water customers with an average pressure of 30 PSI or greater.

Target: The desired result of a measure that communicates the expected level of performance. Example: 98% of customers will have average water pressure of 30 PSI or greater. A "stretch target" is a challenging target that may not be met. It may be a multi-year goal with milestones.

Initiative: The specific programs, activities, projects, or actions the Town will undertake in an effort to meet performance targets. This is generally a one-time activity that goes away once you do it. Examples: A) Install Maple Avenue water main connector to increase pressure in the western pressure zone, and B) Develop and implement Water Booster Pump Cost Sharing Policy for service connections with pressure below 30 PSI.

Cascading: The process of developing "aligned" Scorecards throughout an organization. Each level of the organization will develop Scorecards based on the objectives and measures it can influence from the group to which they report. For example, Police Patrol aligns/connects with the Police Department, who aligns/connects with the Town-wide Scorecard by developing their own objectives and measures based on how they influence the Town-wide objectives and measures.

Cause & Effect: The concept of cause and effect separates the Balanced Scorecard from other performance management systems. The measures on the Scorecard should link together in a series of cause-and-effect relationships to tell the organization's strategic story.

Town of Hillsborough

Since 1754

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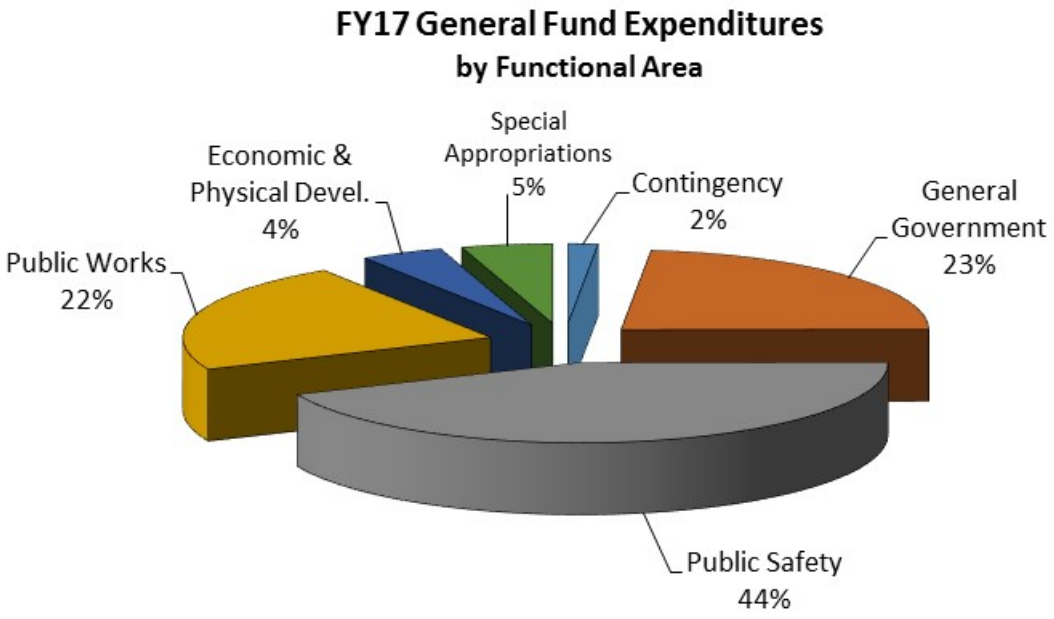
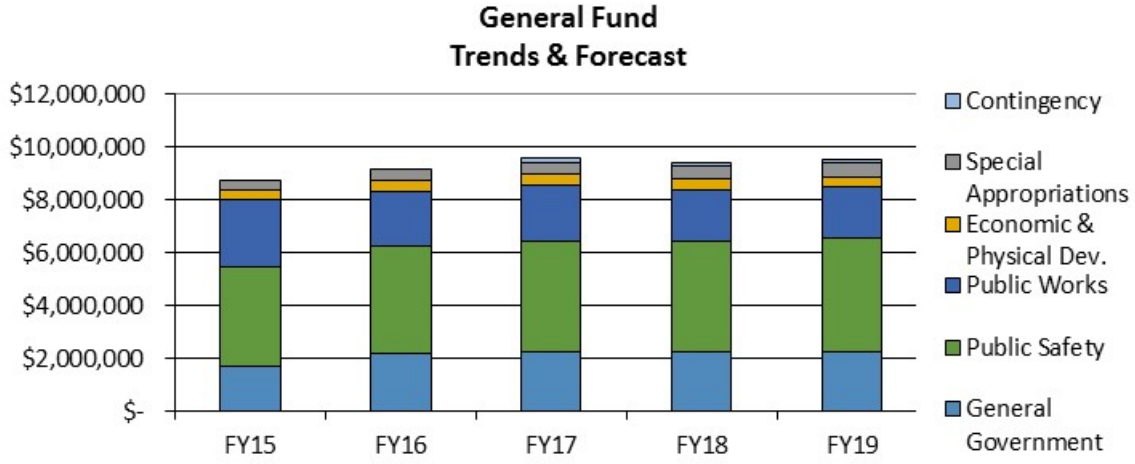
GENERAL FUND

GENERAL FUND

By Functional Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
Contingency	-	-	150,000	150,000	150,000	*150,000*	*0.0%*
General Government	1,683,549	2,202,793	2,233,244	2,254,202	2,225,297	*30,451*	*1.4%*
Public Safety	3,770,357	4,014,462	4,167,068	4,194,635	4,296,091	*152,606*	*3.8%*
Public Works	2,546,697	2,117,661	2,143,372	1,921,284	1,942,464	*25,711*	*1.2%*
Economic & Physical Devel.	388,611	375,824	414,295	415,028	416,151	*38,471*	*10.2%*
Special Appropriations	351,599	438,066	457,716	461,631	510,424	*19,650*	*4.5%*
Total Expenditures	**$ 8,740,813**	**$ 9,148,806**	**$ 9,565,695**	**$ 9,396,780**	**$ 9,540,427**	***$ 416,889***	***4.6%***
% Change	*-3.8%*	*4.7%*	*4.6%*	*-1.8%*	*1.5%*		



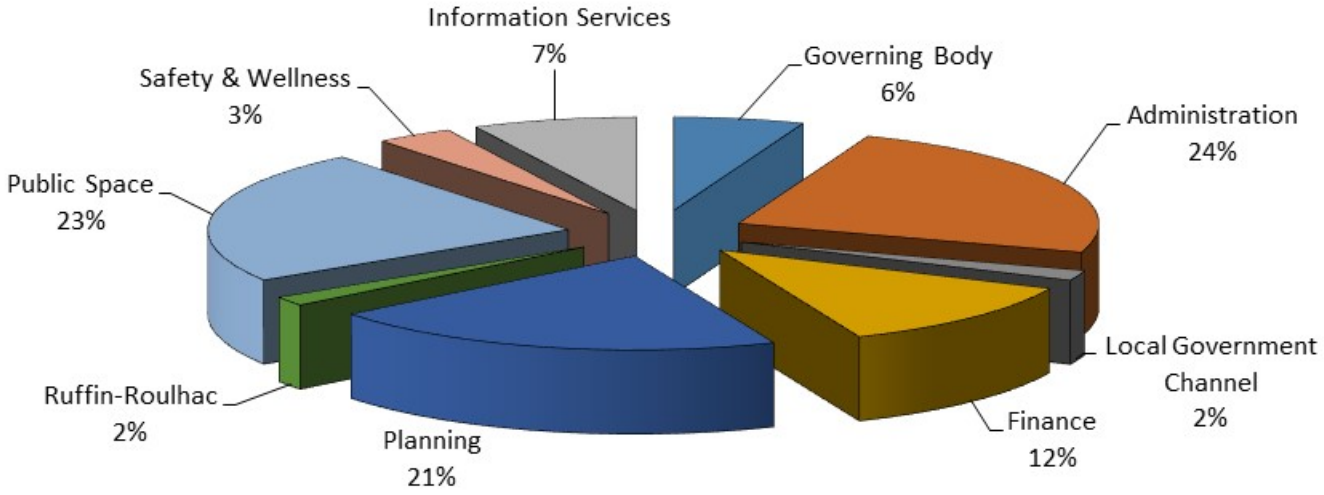


GENERAL GOVERNMENT

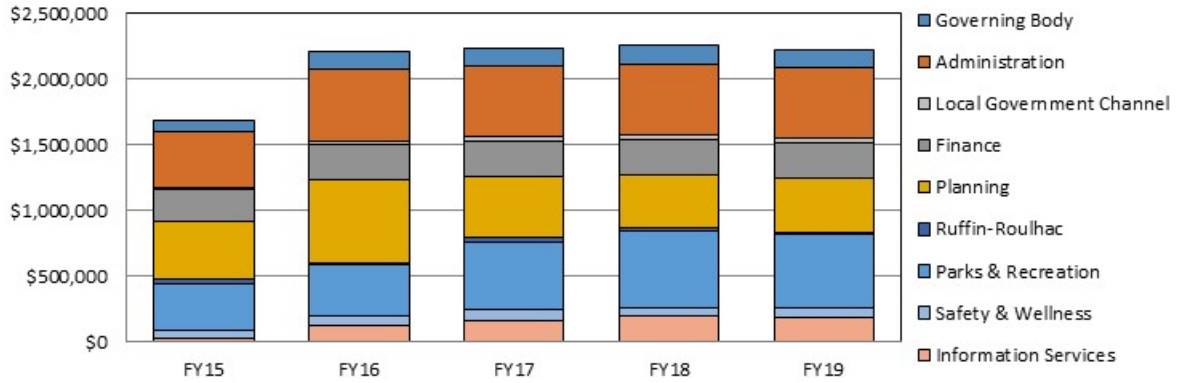
GENERAL GOVERNMENT

By Budget Unit	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
Governing Body	89,498	122,955	130,796	138,716	133,196	*7,841*	*6.4%*
Administration	417,005	549,594	538,973	544,646	546,546	*(10,621)*	*-1.9%*
Local Government Channel	18,602	32,552	38,803	31,033	29,010	*6,251*	*19.2%*
Finance	238,382	258,793	267,417	267,297	268,474	*8,624*	*3.3%*
Planning	440,456	634,686	461,503	405,979	410,362	*(173,183)*	*-27.3%*
Ruffin-Roulhac	41,282	21,187	35,840	26,600	22,736	*14,653*	*69.2%*
Public Space	350,126	378,756	518,166	574,988	559,664	*139,410*	*36.8%*
Safety & Wellness	62,111	83,967	77,426	71,460	72,794	*(6,541)*	*-7.8%*
Information Services	26,087	120,303	164,320	193,483	182,515	*44,017*	*36.6%*
Total Expenditures	**$1,683,549**	**$2,202,793**	**$2,233,244**	**$2,254,202**	**$2,225,297**	***$ 30,451***	***1.4%***
% Change	*-13.1%*	*30.8%*	*1.4%*	*0.9%*	*-1.3%*		

FY17 General Government Expenditures
(by Budget Unit)



General Government
Trends & Forecast



GOVERNING BODY

GOVERNING BODY – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTIONS:

- The Governing Body consists of the Mayor and five-member Board of Commissioners. It is responsible for the Town's legislative governance and general policy setting. The Board hires and fires the Town Manager, who they direct to implement major policy decisions and address key services/operational needs in the community. The Board also hires and fires the Town Attorney, who provides legal counsel, handles preparation of contracts, amendments to the Code of Ordinances, enforcement of certain provisions of the Code, and represents the Town in court as directed by the Governing Body.

FY16 MAJOR ACCOMPLISHMENTS:

- No major changes.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- No major changes.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- No major changes.

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Follow through and implement items addressed in the Town's Balanced Scorecard and Strategy Map.
- Each elected official will represent the Town on various committees and report, as necessary, back to the Board as a whole on issues of interest.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	40,738	48,795	48,032	48,032	48,032	*(763)*	*-1.6%*	
Operations	164,898	198,208	224,460	240,960	229,460	*26,252*	*13.2%*	FY16 & 18 - Bi-annual election expenses
Capital	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations	(116,138)	(124,048)	(141,696)	(150,276)	(144,296)	*(17,648)*	*14.2%*	Charge to Water/Sewer Fund and
Total	**$ 89,498**	**$122,955**	**$130,796**	**$138,716**	**$133,196**	***$ 7,841***	***6.4%***	Stormwater Fund for Services
% Change	*68.9%*	*37.4%*	*6.4%*	*6.1%*	*-4.0%*			
FTE	0.0	0.0	0.0	0.0	0.0			

GOVERNING BODY

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Mayor's Salary	7,274	8,576	8,400	8,400	8,400	*(176)*	*-2.1%*	
Commissioner's Fees	30,323	36,463	36,000	36,000	36,000	*(463)*	*-1.3%*	
FICA	2,728	3,352	3,397	3,397	3,397	*45*	*1.3%*	
Life Insurance	413	404	235	235	235	*(169)*	*-41.8%*	
Personal Services Subtotal	40,738	48,795	48,032	48,032	48,032	*(763)*	*-1.6%*	
Operations								
Auditor Fees	72,250	85,000	90,000	90,000	95,000	*5,000*	*5.9%*	Audit services; adding Stormwater Fund in FY17
Annual Audit		*85,000*	*80,000*	*80,000*	*85,000*			
LGERS Pension Audit		*0*	*10,000*	*10,000*	*10,000*			
Attorney Fees	72,181	85,000	110,000	110,000	110,000	*25,000*	*29.4%*	Legal consulting/representation
Conventions & Conferences	7,436	1,680	3,630	5,130	3,630	*1,950*	*116.1%*	
NCLM Town Hall Day (1)		*30*	*30*	*30*	*30*			
Newly Elected Officials School		*1,500*	*0*	*1,500*	*0*			FY16 & FY18
Misc. Training		*150*	*3,000*	*3,000*	*3,000*			
Travel Reimbursement		*0*	*600*	*600*	*600*			Travel to meetings outside county
Advertising	0	150	150	150	150	*0*	*0.0%*	Previously tracked under Miscellaneous
Supplies - Departmental	0	100	100	100	100	*0*	*0.0%*	
Supplies - Data Processing	0	2,500	0	5,000	0	*(2,500)*	*-100.0%*	Replace Board's tablets: FY16-3 & FY18-3
Dues & Subscriptions	9,928	10,790	16,080	16,080	16,080	*5,290*	*49.0%*	
National League of Cities Annual Dues		*0*	*0*	*0*	*0*			FY12 - Dropped membership to NLC
NCLM Annual Dues		*7,100*	*7,600*	*7,600*	*7,600*			
NCLM Letter Subscription		*35*	*40*	*40*	*40*			
Southern Cities Subscription		*35*	*40*	*40*	*40*			
School of Government Annual Dues		*750*	*750*	*750*	*750*			
Triangle J Council of Governments		*2,600*	*2,600*	*2,600*	*2,600*			
NC Black Elected Municipal Officials		*50*	*50*	*50*	*50*			
Hillsborough Chamber of Commerce		*220*	*5,000*	*5,000*	*5,000*			FY17- Trustee Level Membership
Miscellaneous	3,103	4,500	4,500	4,500	4,500	*0*	*0.0%*	Includes Budget & Strat. Planning Retreat
General Election	0	8,488	0	10,000	0	*(8,488)*	*-100.0%*	Election expenses
Operations Subtotal	164,898	198,208	224,460	240,960	229,460	*26,252*	*13.2%*	
Debt Service								
Capital Lease	0	0	0	0	0			
Debt Service Subtotal	0	0	0	0	0			
Transfers								
Transfer to N. Campus Master Plan	0	0	0	0	0	*0*	*0.0%*	
Transfers Subtotal	0	0	0	0	0			
Cost Allocations								
Cost Allocation - Water/Sewer	(116,138)	(124,048)	(136,246)	(144,496)	(138,746)	*(12,198)*	*9.8%*	50% Allocated to Water & Sewer
Cost Allocation - Stormwater	0	0	(5,450)	(5,780)	(5,550)			2% Allocated to Stormwater
Cost Allocations Subtotal	(116,138)	(124,048)	(141,696)	(150,276)	(144,296)	*(17,648)*	*14.2%*	
Governing Body Total	**$ 89,498**	**$ 122,955**	**$ 130,796**	**$ 138,716**	**$ 133,196**	***$ 7,841***	***6.4%***	
% Change	*-1.3%*	*37.4%*	*6.4%*	*6.1%*	*-4.0%*			

Town of Hillsborough

Since 1754

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ADMINISTRATION

ADMINISTRATION – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Administration Department provides the leadership, coordination, planning, and information dissemination function in implementing the Board of Commissioners' goals, objectives, and policy. Administration also provides support services to the Town's departments in the form of personnel management, employee benefits administration, annual budget and balanced scorecard preparation, record keeping of actions taken by the board and other official bodies of the Town, maintenance of the Code of Ordinances, agenda preparation for board meetings, public information, and TV station and website maintenance. The Town Manager is responsible for the day-to-day operations of the Town, and, thus, all departments report directly to the Manager.

FY16 MAJOR ACCOMPLISHMENTS:

- Received the GFOA Distinguished Budget Presentation Award for the 16th time (FY16 budget document).
- Started archiving Town social media.
- Produced four service videos (water meter tampering, rollout carts, hydrant flushing and leaf collection). Worked with UNC students to adapt video on employee awards for Town's use. Working on additional videos.
- Helped in setup and launch of new notification system to replace CodeRed.
- Completed and launched new Town website.
- Completed a space study and capital facilities plan to serve as a guide in providing adequate buildings, sites, and facilities.
- Completed fiscal analysis of proposed Collins Ridge development and updated water capacity analysis.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- No major budget changes.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

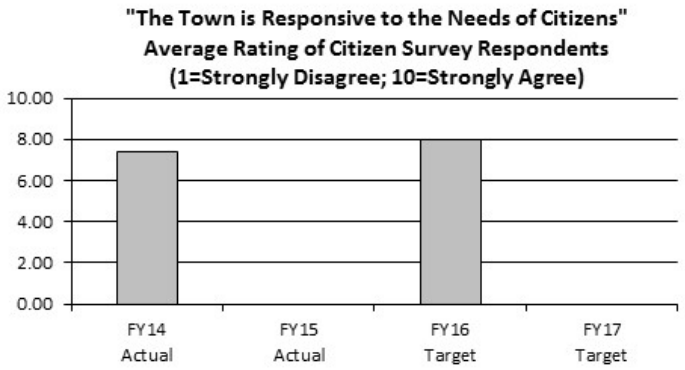
- Fund market-based salary adjustments.
- Identify and manage deficits in FY17 and beyond.
- Manage health insurance program to control costs. Town is projected to spend $850k for health insurance for employees and retirees in FY17.
- Maintain a fund balance of at least 33% to stay within 20-60% of expenditures per the Town's fund balance policy.

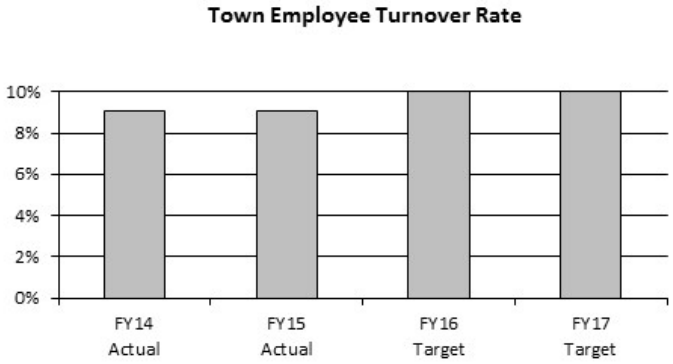
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continually update website, Intranet, and government access channel. Regularly post to social media.
- Update Town logo and provide for consistency of use for added professionalism.
- Move to electronic citizens newsletters following launch of new website. These newsletters would be shorter and more frequent than the current newsletter. May also continue direct mailings of newsletters inserted in water bills up to 4 times per year.
- Revive Hillsborough University, including Supervisor and Emerging Leadership Academy and quarterly supervisor and general employee training and development sessions.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	520,719	654,825	664,533	670,998	678,005	*134,106*	*25.8%*	
Operations	347,267	433,295	458,328	463,683	460,634	*86,028*	*24.8%*	FY16-Redesign website & contract out
Debt Service	0	0	0	0	0	*0*	*0.0%*	employee benefits management
Cost Allocations	(450,981)	(538,526)	(583,888)	(590,035)	(592,093)	*(87,545)*	*19.4%*	50% allocated to Water & Sewer; 2% to
Transfers	0	0	0	0	0	*0*	*0.0%*	Stormwater starting in FY17
Total	**$417,005**	**$549,594**	**$538,973**	**$544,646**	**$546,546**	***$ 132,589***	***31.8%***	
% Change	*2.7%*	*31.8%*	*-1.9%*	*1.1%*	*0.3%*			
FTE	4.68	6.35	6.34	6.34	6.34			FY15-Added HR Analyst & Web Content Specialist





ADMINISTRATION

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime Compensation	149	45	150	150	150	*105*	*233.3%*	FY15-Includes Web Coordinator hired
Salaries - Regular	397,550	506,954	507,925	507,925	507,925	*971*	*0.2%*	April 13 & HR Analyst hired June 1
FICA	28,724	36,444	38,317	38,317	38,317	*1,873*	*5.1%*	
Hospitalization	42,828	45,663	52,235	57,459	63,204	*6,572*	*14.4%*	Includes 1 retiree
Life/Disability/Vision	1,968	3,227	2,954	2,954	2,954	*(273)*	*-8.5%*	
Dental Insurance	1,304	1,685	1,613	1,613	1,613	*(72)*	*-4.3%*	
Retirement	28,324	34,819	36,303	37,544	38,806	*1,484*	*4.3%*	
Supplemental Retirement - 401K	19,873	25,988	25,036	25,036	25,036	*(952)*	*-3.7%*	
Personal Services Subtotal	520,719	654,825	664,533	670,998	678,005	*9,708*	*1.5%*	
Operations								
Training/Conferences/Conventions	6,573	12,389	16,645	15,395	15,395	*4,256*	*34.4%*	
ICMA Conference		*348*	*1,500*	*1,500*	*1,500*			
NCCCMA Conference		*415*	*670*	*670*	*670*			Town Mgr. and Mgmt. Analyst
National Conf and/or Training Class		*2,000*	*2,000*	*2,000*	*2,000*			
NCLM Regional Meeting		*100*	*100*	*100*	*100*			
NCLM Annual Conference		*780*	*780*	*780*	*780*			
Manager's Meeting		*185*	*185*	*185*	*185*			
NCLGBA Summer & Winter Conf		*2,000*	*3,000*	*3,000*	*3,000*			
NC3C Annual Conference		*375*	*750*	*750*	*750*			FY16 - Conference in Chapel Hill
Annual Personnel Law Update		*185*	*185*	*185*	*185*			$185/person
Regional Clerk's Meetings		*75*	*150*	*150*	*150*			$75/person
Annual Risk Mgmt Workshop		*0*	*50*	*50*	*50*			
NC-IPMA Conference		*2,061*	*1,400*	*1,400*	*1,400*			
NC Clerk's Annual Conference		*365*	*1,400*	*1,400*	*1,400*			
Master Municipal Clerk's Academy I & II		*0*	*475*	*475*	*475*			
Clerk's Certification Institute		*1,250*	*1,250*	*0*	*0*			SOG Certification program
ALERT International Conference		*0*	*750*	*750*	*750*			
Misc. Training Events		*2,250*	*2,000*	*2,000*	*2,000*			
Training - Hillsborough University	2,738	4,000	6,500	6,500	6,500	*2,500*	*62.5%*	
Supervisor & Emerging Leader Academy		*1,500*	*4,000*	*4,000*	*4,000*			
Citizens Academy		*2,500*	*2,500*	*2,500*	*2,500*			
Telephone/Internet	15,596	8,803	10,853	7,733	7,733	*2,050*	*23.3%*	
Internet			*3,120*	*0*	*0*			FY18 - Expense moved to IT budget
Smart Phone Reimb. 7 @ $70/month			*5,880*	*5,880*	*5,880*			FY17 - $70/mo to account for replc
Yellow Page Advertising			*1,853*	*1,853*	*1,853*			
Emergency Notification Service			*0*	*0*	*0*			FY16 - Expense moved to Fire Marshal
Postage	1,591	1,000	3,000	3,000	3,000	*2,000*	*200.0%*	
License Fees	11,737	9,819	10,043	10,043	10,043	*224*	*2.3%*	
Office 365 (7)		*1,276*	*0*	*0*	*0*			FY17 - Expense moved to IT budget
NEOGOV		*8,543*	*8,543*	*8,543*	*8,543*			Annual license, incl subscription
Social Media Management		*0*	*1,500*	*1,500*	*1,500*			to govjobs
Advertising	857	400	1,000	1,000	1,000	*600*	*150.0%*	Public Notices
Travel/Vehicle Allotment	4,394	4,200	4,200	4,200	4,200	*0*	*0.0%*	Paid to TM in lieu of providing a vehicle
Supplies - Office	1,522	1,500	3,000	3,000	3,000	*1,500*	*100.0%*	
Supplies - Departmental	2,058	1,000	3,300	3,300	3,300	*2,300*	*230.0%*	
Supplies - Data Processing	0	3,134	2,500	12,500	9,200	*(634)*	*-20.2%*	Replace computers every 4 years
Replace Computer TH-LT012			*0*	*2,500*	*0*			Due in FY18
Replace Computer TH-LT013			*0*	*0*	*2,500*			Due in FY19
Replace Computer TH-LT014			*0*	*2,500*	*0*			Due in FY18
Replace Computer TH-LT015			*0*	*2,500*	*0*			Due in FY18
Replace Computer TH-LT020			*0*	*2,500*	*0*			Due in FY18
Replace Computer TH-WS003			*0*	*0*	*2,500*			Due in FY19
Replace Computer TH-WS006			*2,500*	*0*	*0*			Due in FY16
Replace Computer TH-WS008			*0*	*2,500*	*0*			Due in FY18
Replace Computer TH-WS011			*0*	*0*	*2,500*			Due in FY19
Replace Mgr & Clerk Agenda Tablets			*0*	*0*	*1,700*			Due in FY16 & FY19
Rental - Equipment	599	735	1,765	1,765	1,765	*1,030*	*140.1%*	Postage Machine
C.S. - Printing	6,387	750	1,870	1,870	1,870	*1,120*	*149.3%*	
Citizen Newsletter		*0*	*1,120*	*1,120*	*1,120*			FY16-1 direct mail; FY17-wtr bill insert 4/yr
Budget Document & Workbook		*300*	*300*	*300*	*300*			Only print a few for public record
Miscellaneous		*450*	*450*	*450*	*450*			
Employee Assistance Program	2,400	2,436	2,500	2,500	2,500	*64*	*2.6%*	
Contract Services	17,225	58,285	61,613	61,613	61,613	*3,328*	*5.7%*	
CATV		*3,600*	*3,600*	*3,600*	*3,600*			
Codification Service		*3,500*	*3,500*	*3,500*	*3,500*			

Minutes Indexing Service		*2,700*	*4,143*	*4,143*	*4,143*			Agenda and minutes archiving
ASCAP		*335*	*335*	*335*	*335*			Copyright payment for music use
BMI Fees		*330*	*335*	*335*	*335*			Copyright payment for music use
Code on Internet		*700*	*700*	*700*	*700*			Municode on website
Employee Benefits Management		*47,120*	*49,000*	*49,000*	*49,000*			Design, implement & manage benefits
C.S. - Copier	8,989	10,600	10,600	10,600	10,600	*0*	*0.0%*	
Rental		*9,500*	*9,500*	*9,500*	*9,500*			New 3-yr lease starts in FY16
Per Click Charge		*1,100*	*1,100*	*1,100*	*1,100*			
Data Processing Services	5,660	15,188	5,206	5,206	5,206	*(9,982)*	*-65.7%*	
Social Media Archiving		*2,388*	*2,500*	*2,500*	*2,500*			
ICS - Updates & Billable Expenses		*800*	*800*	*800*	*800*			
Budget SharePoint Site Updates		*4,650*	*1,000*	*1,000*	*1,000*			FY16-Develop site; FY17-19-Updates as
Website Maintenance		*5,000*	*0*	*0*	*0*			needed
Website Overhaul		*1,000*	*0*	*0*	*0*			
Website Hosting		*1,350*	*102*	*102*	*102*			
Website SSL certificate		*0*	*70*	*70*	*70*			
Website Bulk Email Distribution		*0*	*500*	*500*	*500*			
Website Code Management		*0*	*84*	*84*	*84*			
Website Domain Name Registration		*0*	*150*	*150*	*150*			
C.S. - Minute Preparer	3,303	4,000	4,000	4,000	4,000	*0*	*0.0%*	
Maintenance Contracts	850	850	850	850	850	*0*	*0.0%*	
Analog Digital Solutions		*850*	*850*	*850*	*850*			FTR Digital Recording Equipment
Dues & Subscriptions	3,590	5,189	6,069	6,294	6,069	*880*	*17.0%*	
ICMA Dues (2)		*2,100*	*2,100*	*2,100*	*2,100*			
NCLGBA Membership Dues (1)		*100*	*100*	*100*	*100*			
NCCCMA Membership Dues (2)		*400*	*500*	*500*	*500*			
NCIPMA Membership Dues (2)		*95*	*95*	*95*	*95*			
NCAMC Membership Dues (2)		*134*	*134*	*134*	*134*			Only 1 membership in FY15
CAI		*880*	*880*	*880*	*880*			HR, Compliance & People Development
Society for Human Resource Mgmt (2)		*380*	*380*	*380*	*380*			
IPMA-HR (1)		*107*	*107*	*107*	*107*			
IIMC (1)		*155*	*155*	*155*	*155*			
OMPO		*35*	*35*	*35*	*35*			
3CMA Dues (2)		*0*	*780*	*780*	*780*			
NC3C Dues (1)		*50*	*50*	*50*	*50*			
AP Stylebook (2)		*52*	*52*	*52*	*52*			
Business North Carolina		*0*	*0*	*60*	*0*			3-year subscription
Triangle Business Journal		*0*	*0*	*165*	*0*			3-year subscription
Herald Sun		*0*	*0*	*0*	*0*			
News of Orange		*101*	*101*	*101*	*101*			
Survey Monkey		*250*	*250*	*250*	*250*			
Alert International		*100*	*100*	*100*	*100*			
Engaging Leaders in Local Government		*250*	*250*	*250*	*250*			
Insurance	234,584	271,000	271,000	271,000	271,000	*0*	*0.0%*	
Worker's Compensation		*145,000*	*140,000*	*140,000*	*140,000*			Risk modifier maintained at 1.12
Property Insurance		*113,000*	*113,000*	*113,000*	*113,000*			Risk modifier decreased from 0.75 to .7168
Unemployment		*5,000*	*10,000*	*10,000*	*10,000*			1% reserve fund; $217/employee in FY16
Cyber Insurance		*8,000*	*8,000*	*8,000*	*8,000*			Cover expense related to data loss
Emp Service Milestone Recognition	1,465	1,500	2,500	2,000	2,500	*1,000*	*66.7%*	Recognition for 5yr anniv, certificates &
Miscellaneous	7,789	7,004	8,314	8,314	8,290	*1,310*	*18.7%*	gift cards
GFOA Budget Award Program		*280*	*280*	*280*	*280*			
Perf Mgmt Certification		*0*	*195*	*195*	*195*			
PO Box Rental		*164*	*164*	*164*	*140*			
United Way Kickoff		*20*	*200*	*200*	*200*			
Employee Picinic		*1,100*	*2,000*	*2,000*	*2,000*			
Budget Preview Luncheon		*300*	*325*	*325*	*325*			
Root Beer with the Manager		*140*	*150*	*150*	*150*			
Other		*5,000*	*5,000*	*5,000*	*5,000*			
Cust Service & Innovations Awards	724	2,013	13,500	13,500	13,500	*11,487*	*570.6%*	Monetary award previously paid in salaries
Cont Educ & Tuition Reimbursement	6,637	7,500	7,500	7,500	7,500	*0*	*0.0%*	Support pursuit of degrees (HS, BS, Masters)
Operations Subtotal	347,267	433,295	458,328	463,683	460,634	*25,033*	*5.8%*	
Cost Allocations								
Cost Allocation - Water/Sewer	(450,981)	(538,526)	(561,431)	(567,341)	(569,320)	*(22,905)*	*4.3%*	50% allocated to Water & Sewer
Cost Allocation - Stormwater	0	0	(22,457)	(22,694)	(22,773)	*(22,457)*	*0.0%*	2% allocated to Stormwater
Cost Allocations Subtotal	(450,981)	(538,526)	(583,888)	(590,035)	(592,093)	*(45,362)*	*8.4%*	
Administration Total	**$ 417,005**	**$ 549,594**	**$ 538,973**	**$ 544,646**	**$ 546,546**	***$ (10,621)***	***-1.9%***	
% Change	*1.3%*	*31.8%*	*-1.9%*	*1.1%*	*0.3%*			

ADMINISTRATION – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Serve the Community	Strengthen Citizen Engagement	Enhance public access to information about town services, meetings, key issues, and opportunities to provide feedback to town officials FY17 Action Steps • Implement electronic doc. mgmt. system • Develop electronic citizens newsletter • Revamp TV channel via strategy development • Promote different information avenues • Create infographics for key services • Increase meeting summary video viewership • Conduct citizens academy	"I feel informed about the town and its services" – Average rating of Citizen Survey respondents	7.54	N/A Bi-Annual Survey	8.00	N/A Bi-Annual Survey	Biennial Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
		Conduct biennial survey to measure citizen satisfaction on a variety of key town services FY17 Action Steps • Contract with research firm to conduct citizens survey, and incorporate benchmark data in balanced scorecard • Develop Citizen Survey Action Plan to assess what actions can be taken to maintain or increase ratings	"The town is responsive to the needs of citizens" – Average rating of Citizen Survey respondents	7.40	N/A Bi-Annual Survey	8.00	N/A Bi-Annual Survey	Biennial Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
			"I have access to town officials and staff when I have a concern" – Average rating of Citizen Survey respondents	7.51	N/A Bi-Annual Survey	8.00	N/A Bi-Annual Survey	Biennial Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
			"Town employees treat customers courteously" – Average rating of Citizen Survey respondents	7.94	N/A Bi-Annual Survey	8.00	N/A Bi-Annual Survey	Biennial Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
			"Town employees do their jobs in a professional manner" – Average rating of Citizen Survey respondents	7.98	N/A Bi-Annual Survey	8.00	N/A Bi-Annual Survey	Biennial Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
Run the Operations	Improve Communication & Collaboration	Regularly update employees and encourage participation and suggestions FY17 Action Steps • Film balanced scorecard video • Conduct at least four "root beer with the manager" sessions with employees to discuss current topics	"The town's strategy map and my department's balanced scorecard have been shared with me" – Average rating of Employee Survey respondents	N/A	7.30	N/A	7.50	Biennial Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Manage Resources	Maintain Financial Strength	Develop a fiscally responsible annual budget & 3-year financial plan, and 7-year capital improvement plan FY17 Action Steps • Maintain budget document that adheres to GFOA standards • Have complete budget document available by Aug. 1	"I feel that the Town spends my tax dollars wisely" – Average rating of Citizen Survey respondents	6.96	N/A Bi-Annual Survey	7.00	N/A Bi-Annual Survey	Biennial Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
			Fund balance as a % of total annual expenditures	47%	49% (est.)	≥ 33%	≥ 33%	Policy is to maintain between 20-60% with a target of 33%.
	Deliver Services Efficiently	Replace equipment according to replacement schedule	% of computers & servers less than 5 years old	N/A	N/A	97%	97%	New Measure FY16
"Develop Know-How	Develop a Skilled & Diverse Workforce	Maintain an educated dedicated, productive, and diverse workforce FY17 Action Steps • Implementation compensation study • Hillsborough University program (placeholder) • Emerging Leaders & Supervisor's Academy (placeholder) • Succession planning (placeholder)	Town Turnover Rate: *Police* *Non-Police*	9.1% *11.5%* *8.0%*	9.1% *10.7%* *8.4%*	<10.0% *<15.0%* *<7.0%*	<10.0% *<15.0%* *<7.0%*	
			Average length of service (years)	N/A	9.3	>10	>10	
			# of employee appeals and grievances per 100 FTE	0.00	2.28	<2	<2	
			Median # of sick leave hours used per employee	39.5	26.75	<30	<30	
			"I am fairly compensated for my job compared to others in my field with similar responsibilities."	N/A	3.56	3.50	3.75	New measure - FY16 5 point rating scale 5 = completely agree 1 = completely disagree
			"How well do you feel you are compensated for your individual performance?"	N/A	3.56	3.75	3.75	New measure - FY16 5 point rating scale 5 = very well 1 = not very well at all
			# of days from request to fill vacant position to date employment offer is accepted *(excludes police officer recruitment)*	N/A	N/A	56	52	New measure - FY16
			"The town is a 'great' place to work" – Average rating of Employee Survey respondents	N/A	8.28	N/A	8.5	Biennial Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
			Workforce Diversity *Gender and/or Race* *Gender* *Race*	N/A *N/A* *N/A*	39% *27%* *19%*	>40% *>25%* *>25%*	>45% *>30%* *>25%*	
			Minorities in Management / Supervisory Roles *Gender* *Race*	N/A N/A	28% 7%	>25% >15%	>30% >15%	
			% of vacancies filled by internal promotions/transfers	N/A	35%	>33%	>33%	
			% of positions that have had a salary review in the last 3 years	N/A	N/A	100%	100%	New measure FY16
	Support Development of Citizen Volunteers	Focus on recruitment and retention of citizen volunteers FY17 Action Steps • Develop annual advisory	# of volunteer applications received	19	32	35	40	
			% of "town zones" represented via volunteers	N/A	N/A	N/A	N/A	

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
		board survey to be administered to all volunteers	% of volunteers who are satisfied with the volunteer experience	N/A	N/A	N/A	90%	
	Enhance Relations with Other Entities	Attend key regional meetings <u>FY17 Meetings</u> • TJCOG • Orange County Managers • Orange County Public Information • Orange County HR	% of regional meetings attended	73%	82%	80%	85%	Meetings include TJCOG & Orange County Managers Meetings.

Town of Hillsborough

Since 1754

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LOCAL GOVERNMENT CHANNEL (PEG)

LOCAL GOVERNMENT CHANNEL (PEG) – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTIONS:

- The town operates a government access channel – Hillsborough Gov TV 97-4 or 18. The provision of a town government channel in the local lineup is a condition of the town's cable franchise with Time Warner. The channel began broadcasting in spring 2009 and is one of the town's tools to promote public awareness and community involvement. It is available 24 hours a day, seven days a week.

FY16 MAJOR ACCOMPLISHMENTS:

- Produced four service videos (water meter tampering, rollout carts, hydrant flushing and leaf collection). Worked with UNC students to adapt video on employee awards for town's use.
- Working on additional videos (water treatment process, repaving and historical artifacts).
- Took over filming and editing of Board of Commissioners meeting summary videos.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Redesign and create templates for slides for an updated look and for ease in information updates.
- Seek partnership with WHUP-FM for background sound.
- Provide training and limited access to tourism entities for creation of event slides. Slides would need to be approved and edited by the Public Information Office staff prior to being broadcast. This focus area would depend on allowance of staff time.
- The TV channel equipment will need to be moved from its current location in the Town Clerk's Office to a new location. This likely will require a large expenditure. Staff is currently seeking estimates.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- The equipment will be in its fifth year of use in FY17. We will no longer be able to purchase a warranty for the hardware after FY17. It is recommended by the vendor that the equipment be replaced every 8 years. This would put replacement in FY20 at an estimated cost of $16,000.

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continually update the government access channel with current information. Create templates for recurring notices to make updates easier.
- Increase engagement or viewership by publishing a programming schedule and increasing programming content; modernizing bulletins; providing limited access to tourism entities for tourism event bulletins; and seeking partnership with local radio station WHUP-FM.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Actual	FY17 Estimate	FY18 Budget	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	11,014	20,810	28,101	20,393	20,435	*7,291*	*35.0%*	
Operations	7,588	11,742	10,702	10,640	8,575	*(1,040)*	*-8.9%*	Town services videos, annual maintenance on equipment/channel
Capital Outlay	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations	0	0	0	0	0	*0*	*0.0%*	
Total	**$ 18,602**	**$ 32,552**	**$ 38,803**	**$ 31,033**	**$ 29,010**	***$ 6,251***	***19.2%***	FY15-expenditures formerly tracked in Admin
% Change	*0.0%*	*75.0%*	*19.2%*	*-20.0%*	*-6.5%*			
FTE	0.14	0.14	0.17	0.17	0.17			FY17: PIO-17.5%; APIO-2%; WD-6.25% & fall intern

LOCAL GOVERNMENT CHANNEL (PEG)

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime Compensation	0	0	0	0	0	*0*	*0.0%*	
Salaries - Regular	8,693	18,224	24,114	16,914	16,914	*5,890*	*32.3%*	FY15: PIO-12.5%; APIO-6.5%; WD-6.5%
FICA	678	1,107	1,845	1,294	1,294	*738*	*66.7%*	FY16: PIO-12.5%; APIO-2%; WD-6.25%
Hospitalization	468	152	0	0	0	*(152)*	*-100.0%*	and summer intern
Life/Disability/Vision	76	62	70	70	70	*8*	*12.9%*	
Dental Insurance	28	7	0	0	0	*(7)*	*-100.0%*	
Retirement	626	724	1,226	1,269	1,311	*502*	*69.3%*	FY17: PIO-17.5%; WD-7.5% and fall intern
Supplemental Retirement - 401K	444	534	846	846	846	*312*	*58.4%*	
Personal Services Subtotal	11,014	20,810	28,101	20,393	20,435	*7,291*	*35.0%*	
Operations								
Postage	88	100	100	100	100	*0*	*0.0%*	
Supplies - Departmental	2,874	2,538	682	120	555	*(1,856)*	*-73.1%*	
Video Camera & Equipment		*2,538*	*0*	*0*	*0*			Film Board Mtg summaries & other videos
Miscellaneous		*0*	*682*	*120*	*555*			
Supplies - Data Processing	310	2,113	0	2,500	0	*(2,113)*	*-100.0%*	
Laptop		*1,479*	*0*	*2,500*	*0*			FY16- Intern laptop. FY18-Replc video laptop
Routers		*634*	*0*	*0*	*0*			2 needed for Cablecast upgrade
Data Processing Services	2,367	4,891	5,920	5,920	5,920	*1,029*	*21.0%*	
Tightrope Hardware/Software Support		*1,975*	*2,000*	*2,000*	*2,000*			Includes warranty renewal
Annual PEG Support/Maintenance		*2,657*	*3,500*	*3,500*	*3,500*			Includes equip. repair if needed
IP Addresses		*259*	*420*	*420*	*420*			Block of (5) IP Addresses
Miscellaneous	1,950	2,100	4,000	2,000	2,000	*1,900*	*90.5%*	
Miscellaneous		*2,100*	*0*	*0*	*0*			
Equipment Move and Installation		*0*	*2,000*	*0*	*0*			Move from HR office to new location
Town Videos		*0*	*2,000*	*2,000*	*2,000*			Historical artifacts videos/other videos
Operations Subtotal	7,588	11,742	10,702	10,640	8,575	*(1,040)*	*-8.9%*	
Capital Outlay								
Capital - Data Processing Equipment	0	0	0	0	0	*0*	*0.0%*	
Replace TV Equipment		*0*	*0*	*0*	*0*			FY20-$16,000; Replace every 8 years
Capital Outlay Subtotal	0	0	0	0	0	*0*	*0.0%*	
Local Government Channel Total	**$ 18,602**	**$ 32,552**	**$ 38,803**	**$ 31,033**	**$ 29,010**	***$ 6,251***	***19.2%***	PEG revenues cover this budget unit's expenses
% Change	*0.0%*	*75.0%*	*19.2%*	*-20.0%*	*-6.5%*			

Town of Hillsborough

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FINANCE

FINANCE – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Finance Department is responsible for managing all of the fiscal affairs of the town and supporting the financial related operations of its departments. It collects, records, deposits and disburses all funds for the town. The department is also responsible for maintaining fixed assets, overseeing the collection and distribution of the food and beverage tax, processing accounts payable, preparing reports required by the state and federal governments, assisting auditors during the annual audit, and reviewing accounting functions for all town departments.

FY16 MAJOR ACCOMPLISHMENTS:

- Met purchase order and check request goals.
- Hired a new assistant finance director and began the transition as the assistance finance director prepares for retirement.
- Hired new financial analyst.
- Closed on LGC approved loan to purchase the Singer Property.
- Met training goals, including providing every employee additional training on the town's new financial accounting software system.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Transitions one position from Billing & Collections to accounting payable clerk position during FY17 due to conversion to Fathom.
- The elimination of the privilege license, which allowed for the tracking and regulating of businesses operating in town, creates the need for an alternative method of identification.
- Finance will need to come up with an effective identification and tracking process to ensure that food & beverage tax, occupancy tax and fire inspection fees are collected.
- Finance will continue to analyze the stability and performance of its new financial accounting software and determine whether to continue with current vendor or transition to a new vendor.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

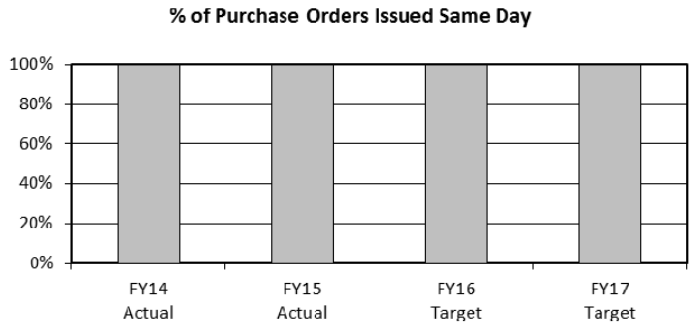
- As the town's financial operations become more complex (with a growing populace, more water and sewer customers, and increased Tourism Board and Tourism Development Authority financial workload), the need for additional personnel will be required to transact the town's business properly.

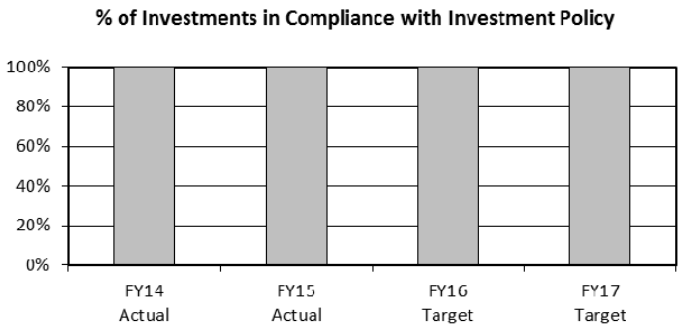
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Transition Billing & Collections position to accounts payable clerk in FY17 due to Fathom conversion.
- Determine whether to continue with the town's current financial software vendor or bring the town's business to a new vendor.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Budget	FY17 Estimate	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	355,707	454,070	445,213	449,963	454,914	*98,363*	*27.7%*	
Operations	96,397	94,482	102,830	97,830	95,330	*(1,915)*	*-2.0%*	
Capital Outlay	49,841	0	0	0	0	*(49,841)*	*-100.0%*	FYs16-17-Design & upfit to relocate to
Debt Service	0	4,538	9,076	9,076	9,076	*4,538*	*0.0%*	101 E. Corbin St.
Transfers	0	0	0	0	0			
Cost Allocations	(263,563)	(294,297)	(289,702)	(289,572)	(290,846)	*(30,734)*	*11.7%*	50% Allocated to Water & Sewer; 2%
Total	**$238,382**	**$258,793**	**$267,417**	**$267,297**	**$268,474**	***$ 8,624***	***3.3%***	Allocated to Stormwater
% Change	*-10.3%*	*8.6%*	*3.3%*	*0.0%*	*0.4%*			
FTE	4.50	5.40	5.78	6.00	6.00			FY15-Financial Analyst added mid-yr FY17-Accounts Payable Clerk





FINANCE

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	2,405	1,195	1,500	1,000	700	*305*	*25.5%*	
Salaries- Regular	266,501	343,866	335,335	332,863	332,863	*(8,531)*	*-2.5%*	FY17 - Overlap in Asst. Finance Dir budgeted
FICA	19,993	25,959	25,768	25,541	25,518	*(191)*	*-0.7%*	
Hospitalization	30,631	39,821	39,418	44,787	49,265	*(403)*	*-1.0%*	
Life/Disability/Vision	1,452	2,156	2,014	2,101	2,101	*(142)*	*-6.6%*	FY17 - Accounts Payable Clerk transitioned
Dental Insurance	1,304	1,465	1,800	1,938	1,938	*335*	*22.9%*	from B&C to Finance due to Fathom
Retirement	19,706	22,545	23,305	25,040	25,851	*760*	*3.4%*	
Supplemental Retirement - 401K	13,716	17,063	16,073	16,693	16,678	*(990)*	*-5.8%*	
Personal Services Subtotal	355,707	454,070	445,213	449,963	454,914	*(8,857)*	*-2.0%*	
Operations								
Training/Conferences/Conventions	3,803	7,352	8,000	7,000	7,000	*648*	*8.8%*	
Telephone/Internet	8,163	8,927	9,230	7,730	2,730	*303*	*3.4%*	
Annex Telephone			*5,000*	*5,000*	*0*			FY19 - Contract expires, exp.moved to
Fax Lines			*1,410*	*1,410*	*1,410*			IT budget
Internet			*1,500*	*0*	*0*			FY18 - Expense moved to IT budget
Cell Phone Reimbursement (2)			*1,320*	*1,320*	*1,320*			One at $40/mo and one at $70/mo
Postage	2,003	2,000	2,500	2,500	2,500	*500*	*25.0%*	
License Fees	687	1,400	0	0	0	*(1,400)*	*-100.0%*	FY17 - O365 expense moved to IT budget
Advertising	0	0	200	200	200	*200*	*0.0%*	
Utilities	6,100	5,785	6,400	7,000	7,000	*615*	*10.6%*	
Maintenance - Buildings	6,010	5,302	3,000	3,000	3,000	*(2,302)*	*-43.4%*	
Misc. Maintenance		*5,302*	*3,000*	*3,000*	*3,000*			Roof or A/C replacement/repair
Parking Lot Seal & Stripe		*0*	*0*	*0*	*0*			
Paint & Carpet		*0*	*0*	*0*	*0*			
Maintenance - Grounds	660	600	1,100	1,100	1,100	*500*	*83.3%*	Lawn mowing, mulch & trimming
Supplies - Office	1,874	2,505	3,000	3,000	3,000	*495*	*19.8%*	
Supplies - Departmental	1,488	800	2,000	2,000	2,000	*1,200*	*150.0%*	
Supplies - Data Processing	0	4,195	1,500	3,500	6,000	*(2,695)*	*-64.2%*	
Scanner		*200*	*0*	*0*	*0*			
Replace Tablets		*500*	*500*	*500*	*500*			
Replace Computer TA-LT002		*0*	*0*	*0*	*1,500*			Due FY19
Replace Computer TA-LT003		*0*	*0*	*0*	*1,500*			Due FY19
Replace Computer TA-WS009		*2,000*	*0*	*0*	*0*			Due FY16
Replace Computer TA-WS012		*0*	*0*	*2,000*	*0*			Due FY18
Replace Terminal Server		*0*	*0*	*0*	*1,500*			Due FY19
Miscellaneous		*1,495*	*1,000*	*1,000*	*1,000*			
Tax Collection	32,108	33,300	40,000	40,000	40,000	*6,700*	*20.1%*	Town's share OC's tax system cost + fees
C.S. - Harris	20,279	16,816	15,000	15,000	15,000	*(1,816)*	*-10.8%*	Smart Fusion Annual Maint.
Annual Financial System Maintenance		*16,816*	*15,000*	*15,000*	*15,000*			
Contract Services - Copier	1,643	1,800	1,800	1,800	1,800	*0*	*0.0%*	
Contract Services - Security	729	745	1,000	1,000	1,000	*255*	*34.2%*	
Sales Tax Reallocation	0	500	500	500	500	*0*	*0.0%*	
Dues & Subscriptions	380	755	500	500	500	*(255)*	*-33.8%*	GFOA Dues
Miscellaneous	10,468	1,700	5,300	1,700	1,700	*3,600*	*211.8%*	
LGC Loan Applic. Fees $1,200 each		*1,200*	*4,800*	*1,200*	*1,200*			
Miscellaneous		*500*	*500*	*500*	*500*			
Personnel Expansion - Op. Costs	0	0	1,800	300	300	*1,800*	*0.0%*	
Accounts Payable Clerk - FY17		*0*	*1,800*	*300*	*300*			
Operations Subtotal	96,397	94,482	102,830	97,830	95,330	*8,348*	*8.8%*	
Capital Outlay								
Capital - Buildings & Improvements	0	0	0	0	0	*0*	*0.0%*	
Capital - Data Processing Equipment	5,155	0	0	0	0	*0*	*0.0%*	
Replace Server		*0*	*0*	*0*	*0*			Due FY20
Capital - Software	44,686	0	0	0	0	*0*	*0.0%*	Upgrade financial, utility billing & HR
Capital Outlay Subtotal	49,841	0	0	0	0	*0*	*0.0%*	software; $69,805 total w/ Billing & Coll.
Debt Service								
Capital Lease	0	4,538	9,076	9,076	9,076	*4,538*	*0.0%*	
101 E. Corbin St.		*4,538*	*9,076*	*9,076*	*9,076*			Debt Retired FY31
Debt Service Subtotal	0	4,538	9,076	9,076	9,076	*4,538*	*0.0%*	
Transfers								
Transfer to North Campus Master Plar	0	0	0	0	0	*0*	*0.0%*	
Transfers Subtotal	0	0	0	0	0	*0*	*0.0%*	

Cost Allocations								
Service Charge to Water/Sewer Fund	(263,563)	(294,297)	(278,560)	(278,435)	(279,660)	*15,737*	*-5.3%*	50% Allocated to Water & Sewer
Service Charge to Stormwater Fund	0	0	(11,142)	(11,137)	(11,186)	*(11,142)*	*0.0%*	2% Allocated to Stormwater
Cost Allocations Subtotal	(263,563)	(294,297)	(289,702)	(289,572)	(290,846)	*(30,734)*	*11.7%*	
Finance Total	**$ 238,382**	**$ 258,793**	**$ 267,417**	**$ 267,297**	**$ 268,474**	***$ 8,624***	***3.3%***	
% Change	*-10.3%*	*8.6%*	*3.3%*	*0.0%*	*0.4%*			

FINANCE – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Run the Operations	Provide Responsive and Dependable Services	Ensure appropriate cash control	Conduct bi-monthly audit of cash drawers	N/A	N/A	100%	100%	New measure FY16 Insure operating cash is secure
	Excel at Staff & Logistical Support	Issue purchase orders in a timely manner	% of purchase orders issued same day	100%	100%	100%	100%	
		Produce timely financial statements	Distribute financial statements by the 15th of each month	85%	N/A	100%	100%	New measure FY16 Assist Management Team/Supervisors to monitor budget expenditures
		Pay vendor invoices in a timely manner	% of vendor invoices paid within 30 days or receipt	N/A	N/A	100%	100%	New measure FY16
Manage Resources	Maintain Financial Strength	Adhere to Investment Policy	% of investments in compliance with investment policy	100%	100%	100%	100%	In accordance with state statutes
		Maintain liquidity and cash flow in order to meet short-term obligations	Quick Ratio: General Fund Water & Sewer Fund	TBD TBD	9.27 4.72	15.00 1.50	15.00 1.50	A high ratio suggests a government can meet its short-term obligations. Benchmarks Cities: GF – 16.05 WSF – 4.09
		Maintain service flexibility	Debt Service Ratio: General Fund Water & Sewer Fund	.08 .17	N/A	<.10 .16	<.10 .16	New measure FY16 Amount of total expenses committed to annual debt service; Ratio considered in setting general obligation credit ratings Benchmark Cities: GF – .06 WSF – .16
		Maintain leverage in order to meet long-term obligations	Debt to Assets Ratio: Water & Sewer Fund	.38	.38	<.38	<.38	New measure FY16 Benchmark Cities: WSF – .15
		Present timely and accurate CAFR	Submit CAFR to the Local Government Commission within 4 months of year end	N/A	N/A	Y	Y	New measure FY16
Develop Know-How	Develop a Skilled & Diverse Workforce	Provide on-going classes on existing software, computer usage, writing and supervisory workshops to ensure best practices and promote growth	% of employees that have attended at least one class, workshop, seminar or conference within the fiscal year	50%	75%	100%	100%	

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PLANNING

PLANNING – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Planning Department facilitates public interaction and participation in development review through advisory board membership, public meetings, hearings, and one-on-one communication. The primary function is development plan and permit review by staff and advisory boards. The Department also works in specialty areas like historic preservation and parks planning. Staff also suggests ordinance or policy amendments to keep current with technology and trends, represents the Town on regional planning committees, and maintains records of advisory board actions.

FY16 MAJOR ACCOMPLISHMENTS:

- Monitored construction activity for ordinance compliance at more than a dozen different non-residential and subdivision sites.
- Began first comprehensive review and refresh of the Unified Development Ordinance since its adoption in 2011.
- Hired economic development planner to support the Tourism Board and Tourism Development Authority as well as provide economic development support to the town.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Project planner is being reassigned to the Public Space Division to supervise park development and maintenance, public right of way improvements, public land maintenance, and public construction projects.
- A new planner position is requested to provide permitting support and support to the Historic District Commission.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

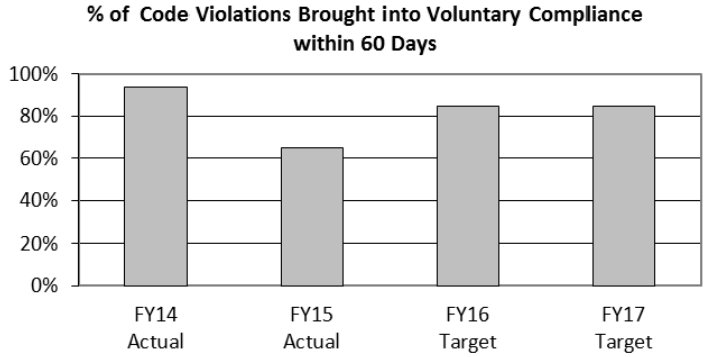
- If the town has the ability to provide approximately $25,000 annually in match funds, we will be able to receive about $90,000 from the Metropolitan Planning Organization's STP-DA allocation for planning or construction of transportation projects.

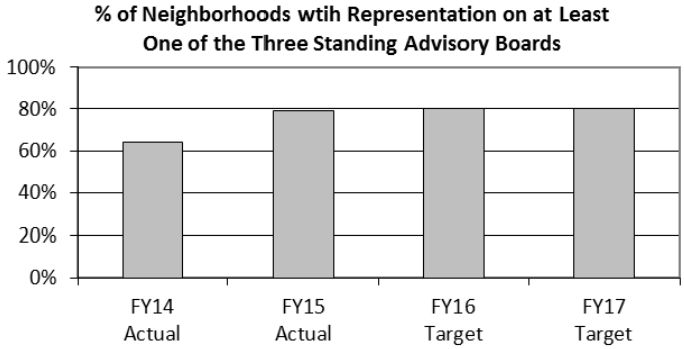
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Bidding and construction supervision is expected for the Riverwalk sidewalk connections near Allison, South Nash, and Calvin Streets.
- Bidding and construction supervision is expected for the Churton Street Improvement projects impacting on-street parking, crosswalks, and transit service in downtown.
- Develop schedule to update and amend provisions in the Unified Development Ordinance to keep it up to date.
- Created work plan that recognizes tasks in a variety of adopted plans in the effort to keep plan implementation closer to the forefront of activities.
- Manage consultant work on significant projects in town, specifically the train station conceptual design, sidewalk feasibility, connections to the Collins tract, and renovation of Town barn and former medical building campuses.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	326,816	365,844	343,073	323,529	326,412	*(22,771)*	*-6.2%*	FY16-TB/TDA Support position
Operations	113,639	268,842	118,430	82,450	83,950	*(150,412)*	*-55.9%*	
Capital Outlay	0	0	0	0	0	*0*	*0.0%*	
Debt Service	0	0	0	0	0	*0*	*0.0%*	
Total Expenditures	**$440,456**	**$634,686**	**$461,503**	**$405,979**	**$410,362**	***$ (173,183)***	***-27.3%***	
% Change	*14.3%*	*44.1%*	*-27.3%*	*-12.0%*	*1.1%*			
Total Revenues	**$113,081**	**$ 55,000**	**$ 50,000**	**$ 50,000**	**$ 50,000**	***$ (5,000)***	***-9.1%***	
Net Costs	**$327,375**	**$579,686**	**$411,503**	**$355,979**	**$360,362**	***$ (168,183)***	***-29.0%***	
FTE	3.50	3.80	3.75	3.50	3.50			FY17- Project planner to transfer to Public Space & new planner hired





PLANNING

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	0	0	0	0	0	*0*	*0.0%*	
Salaries - Regular	246,421	276,448	220,762	200,438	200,438	*(55,686)*	*-20.1%*	FY17 - Includes Planning Dir., Sr. Planner, Planner,
FICA	17,899	21,365	16,888	15,334	15,334	*(4,477)*	*-21.0%*	50% of Admin Support Spec, & 4 monts of
Hospitalization	29,922	30,515	24,601	23,823	26,205	*(5,914)*	*-19.4%*	Proj. Planner; Econ Dev Planner moved to
Life/Disability/Vision	1,474	2,135	1,291	1,157	1,157	*(844)*	*-39.5%*	Economic Development Division
Dental Insurance	1,332	1,362	889	785	785	*(473)*	*-34.7%*	
Retirement	17,563	19,672	16,005	15,033	15,534	*(3,667)*	*-18.6%*	
Supplemental Retirement - 401K	12,206	14,347	11,038	10,022	10,022	*(3,309)*	*-23.1%*	
Personnel Expansion	0	0	51,599	56,937	56,937	*51,599*	*0.0%*	
Planner - FY17		*0*	*51,599*	*56,937*	*56,937*			Start Aug. 1, 2016
Personal Services Subtotal	326,816	365,844	343,073	323,529	326,412	*(22,771)*	*-6.2%*	
Operations								
Training/Conferences/Conventions	4,161	5,200	5,000	5,000	5,000	*(200)*	*-3.8%*	Needed to maintain AICP certifications
Telephone/Internet	780	780	280	0	0	*(500)*	*-64.1%*	Project Planner expense moved to Public Space
Postage	1,494	1,200	1,500	1,500	1,500	*300*	*25.0%*	
License Fees	4,231	4,966	4,250	4,250	4,250	*(716)*	*-14.4%*	
ArcGIS		*3,100*	*3,200*	*3,200*	*3,200*			Full version
Recording Software		*800*	*850*	*850*	*850*			
O365 (4)		*816*	*0*	*0*	*0*			FY17 - Expense moved to IT budget
Other		*250*	*200*	*200*	*200*			
Advertising	1,502	1,200	1,800	1,800	1,800	*600*	*50.0%*	
Maintenance - Infrastructure	8,912	13,300	8,000	5,000	5,000	*(5,300)*	*-39.8%*	Repairs & expansion - wayfinding program
Travel/Vehicle Allotment	0	3,600	1,200	0	0	*(2,400)*	*-66.7%*	FY18 - Proj. Planner reimb. moved to Public Spaces
Gasoline	0	0	0	0	0	*0*	*0.0%*	Occassionaly borrow Stormwater vechicle
Supplies - Office	1,992	0	300	0	0	*300*	*0.0%*	Filing Cabinet
Supplies - Departmental	791	1,400	1,400	1,400	1,400	*0*	*0.0%*	
Supplies - Data Processing	1,433	3,950	1,600	0	1,500	*(2,350)*	*-59.5%*	Replace computers every 5 years
Replace Computer TH-WS003		*0*	*0*	*0*	*1,500*			Due FY19
Replace Computer TH-WS004		*1,500*	*0*	*0*	*0*			Due FY16
Replace Computer TH-WS007		*0*	*0*	*0*	*0*			Moved to Public Space budget
Purchase Computer - Planner		*0*	*1,600*	*0*	*0*			New Hire
Replace Computer TH-LT018		*1,600*	*0*	*0*	*0*			Due FY15 - used funds to upgrade Admin PC
Replace Admin Support Spec Computer		*0*	*0*	*0*	*0*			Due FY20
Replace Planning Dir's Tablet		*850*	*0*	*0*	*0*			Due FY16
C.S. - Engineering Review	41,492	168,000	55,000	30,000	30,000	*(113,000)*	*-67.3%*	Transp. planning: rail station, parking, etc.
Developer Reimbursed Studies			*30,000*	*30,000*	*30,000*			This portion is offset with revenue
Pedestrian Corridors (match funding)			*25,000*	*0*	*0*			80% MPO for critical pedestrian routes
Miscellaneous Studies			*0*	*0*	*0*			
C.S. - Springs Leasing	1,753	0	0	0	0	*0*	*0.0%*	Lease expired, we have acquired the plotter
C.S. - Nuisance Abatement	9,505	10,000	9,000	9,000	9,000	*(1,000)*	*-10.0%*	
C.S. - Homelessness Coordinator	5,314	5,356	4,600	5,000	5,000	*(756)*	*-14.1%*	
C.S. - Minute Preparer	7,341	10,100	5,000	5,000	5,000	*(5,100)*	*-50.5%*	Portion reallocated to Public Spaces & Econ Dev
Dues & Subscriptions	1,340	1,500	1,500	1,500	1,500	*0*	*0.0%*	Prof. assoc. dues are scaled to annual salary
Miscellaneous	10,883	28,901	5,500	500	500	*(23,401)*	*-81.0%*	
Project Feasibility Studies			*0*	*0*	*0*			Minor studies, surveys, & design that arise
Historic Book project			*5,000*	*0*	*0*			$750 available from Alliance funding
Miscellaneous			*500*	*500*	*500*			
HOME Funds Grant Match	3,508	3,471	4,000	4,000	4,000	*529*	*15.2%*	Affordable Housing & Renovations in O.C.
MPO Local Match Contribution	7,209	5,918	8,500	8,500	8,500	*2,582*	*43.6%*	20% match-surface transp. funding to MPO
Operations Subtotal	113,639	268,842	118,430	82,450	83,950	*(150,412)*	*-55.9%*	
Capital Outlay								
Capital - Vehicles	0	0	0	0	0	*0*	*0.0%*	
Capital Outlay Subtotal	0	0	0	0	0	*0*	*0.0%*	
Debt Service								
Capital Lease	0	0	0	0	0	*0*	*0.0%*	
Debt Service Subtotal	0	0	0	0	0	*0*	*0.0%*	
Planning Total	**$ 440,456**	**$ 634,686**	**$ 461,503**	**$ 405,979**	**$ 410,362**	***$ (173,183)***	***-27.3%***	
% Change	*14.3%*	*44.1%*	*-27.3%*	*-12.0%*	*1.1%*			

PLANNING – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Serve the Community	Strengthen Citizen Engagement	Encourage participation by a wide cross-section of area residents on advisory boards	% of neighborhoods with representation on at least one of the 3 standing advisory boards	64%	79%	80%	80%	"Neighborhoods" are based on the 14 parks districts that cover the city limits and ETJ. The measured advisory boards are: Planning Board, Board of Adjustment, & Historic District Commission.
	Enhance Economic Vibrancy	TBD	Affordable Housing					
Run the Operations	Provide Responsive & Dependable Services	Provide timely response to complaints and violations	% of violations brought into voluntary compliance within 60 days	94%	65%	85%	85%	Measures the effectiveness of the first notice sent to property owners.
	Improve Communication & Collaboration	Improve departmental coordination during review of new development	% of applications for Technical Review Committee review able to be approved or approved with conditions in the first meeting	75%	100%	75%	75%	The TRC is a multi-jurisdictional and multi-discipline staff committee that reviews applications before public hearing.
	Maintain Financial Strength	Recover a portion of operating costs of conducting plan reviews through user fees	% of operating costs recovered by permit and plan review fees	8.8%	14.4%	10%	10%	"Operating costs" excludes capital and non-capital outlays budgeted in Planning, but unrelated to the Department's operations.
Develop Know-How	Develop a Skilled and Diverse Workforce	Promote professional development through certification	% of planners certified by the American Institute of Certified Planners	66%	66%	66%	66%	This national certification requires experienced planners to pass an exam and pursue continuing education.
	Enhance Relations with Other Entities	Represent the Town on regional committees and efforts	% of regional meetings attended where Town had an appointed seat	92%	60%	85%	85%	Various committees with a staff-appointed seat.

RUFFIN-ROULHAC

RUFFIN – ROULHAC – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- Maintain and improve the Town Hall campus. The 1821 home functions as a historic attraction being the home of North Carolina's first Supreme Court Justice, Thomas Ruffin.

FY16 MAJOR ACCOMPLISHMENTS:

- Moved general office supply expense from Planning Department to Ruffin-Roulhac to reflect use of supplies by all Town Hall staff.
- Made much-needed repairs to Town Hall buildings, including doors, columns, steps, trim work, and lighting.
- Painted the exterior of Town Hall campus buildings (main building, Town Clerk's office, quarters, smokehouse, and kitchen).
- Completed rewiring of main building and Town Clerk's office for data and fiber optic cable.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Remove and replace carpet at Town Hall main building.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- Paint interior walls at Town Hall (main building, barn, and Clerk's Office) in FY18.

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- N/A

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	0	0	0	0	0	*0*	*0.0%*	
Operations	61,407	78,953	64,000	47,500	40,600	*(14,953)*	*-18.9%*	Phone, internet, utilities, and repairs
Capital Outlay	0	7,500	0	0	0	*(7,500)*	*-100.0%*	Replace HVAC
Debt Service	0	0	0	0	0	*0*	*0.0%*	
Transfers	20,000	0	0	0	0	*0*	*0.0%*	
Cost Allocations	(40,125)	(65,266)	(28,160)	(20,900)	(17,864)	*37,106*	*-56.9%*	32% Allocated to Water & Sewer;
Total	**$ 41,282**	**$ 21,187**	**$ 35,840**	**$ 26,600**	**$ 22,736**	***$ 14,653***	***69.2%***	12% allocated to Stormwater
% Change	*10.2%*	*-48.7%*	*69.2%*	*-25.8%*	*-14.5%*			starting in FY17
FTE	0.00	0.00	0.00	0.00	0.00			

RUFFIN-ROULHAC

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Salaries - Regular	0	0	0	0	0	*0*	*0.0%*	
Personal Services Subtotal	0	0	0	0	0	*0*	*0.0%*	
Operations								
Telephone/Internet	12,856	12,812	13,500	0	0	*688*	*5.4%*	
Telephone			*11,500*	*0*	*0*			FY18 - Expense moved to IT budget
Internet			*2,000*	*0*	*0*			FY18 - Expense moved to IT budget
Utilities	10,499	9,172	10,100	11,100	12,200	*928*	*10.1%*	
Maintenance - Buildings	15,054	48,069	31,500	27,500	19,500	*(16,569)*	*-34.5%*	
General Maintenance			*17,500*	*17,500*	*17,500*			
HVAC Allowance			*2,000*	*2,000*	*2,000*			
Repair Doors, Trim, Columns & Lighting			*0*	*0*	*0*			
Replace Direction Signs in Parking Lot			*0*	*0*	*0*			
Paint Exterior of TH Campus Buildings			*0*	*0*	*0*			Last painted in 1996
Replace Carpet in Main Building			*12,000*	*0*	*0*			Last replace pre-1996
Paint Interior of Main Building			*0*	*8,000*	*0*			Last painted pre-1996
Maintenance - Grounds	1,485	4,200	4,200	4,200	4,200	*0*	*0.0%*	
Mowing		*4,200*	*4,200*	*4,200*	*4,200*			Study to make TH campus a destination
Landscaping Study/Design		*0*	*0*	*0*	*0*			w/ trails and better landscaping
Supplies - Office	0	1,700	1,700	1,700	1,700	*0*	*0.0%*	FY16 - Moved from Planning budget
Supplies - Data Processing	949	0	0	0	0	*0*	*0.0%*	FY15 - Wireless Access Point
Contract Services - Alarm	2,604	3,000	3,000	3,000	3,000	*0*	*0.0%*	
Rental - Building	17,961	0	0	0	0	*0*	*0.0%*	
Operations Subtotal	61,407	78,953	64,000	47,500	40,600	*(14,953)*	*-18.9%*	
Capital Outlay								
Capital - Buildings & Improvements	0	0	0	0	0	*0*	*0.0%*	
Replace HVAC at Town Hall		*0*	*0*	*0*	*0*			
Expand/Renovate Barn		*0*	*0*	*0*	*0*			Design
Capital - Data Processing	0	7,500	0	0	0	*(7,500)*	*-100.0%*	
Replace Town Hall Server		*7,500*	*0*	*0*	*0*			Due FY16 - $7,500
Capital Outlay Subtotal	0	7,500	0	0	0	*(7,500)*	*-100.0%*	
Debt Service								
Capital Lease	0	0	0	0	0	*0*	*0.0%*	
Debt Service Subtotal	0	0	0	0	0	*0*	*0.0%*	
Transfers								
Transfer to Town Barn Renovations	20,000	0	0	0	0	*0*	*0.0%*	
Transfer to North Campus Master Plar	0	0	0	0	0	*0*	*0.0%*	
Transfers Subtotal	20,000	0	0	0	0	*0*	*0.0%*	
Cost Allocations								
Cost Allocation - Water/Sewer	(40,125)	(65,266)	(20,480)	(15,200)	(12,992)	*44,786*	*-68.6%*	32% Allocated to Water & Sewer
Cost Allocation - Stormwater	0	0	(7,680)	(5,700)	(4,872)	*(7,680)*	*0.0%*	12% Allocated to Stormwater
Cost Allocations Subtotal	(40,125)	(65,266)	(28,160)	(20,900)	(17,864)	*37,106*	*-56.9%*	
Ruffin-Roulhac Total	**$ 41,282**	**$ 21,187**	**$ 35,840**	**$ 26,600**	**$ 22,736**	***$ 14,653***	***69.2%***	
% Change	*10.2%*	*-48.7%*	*69.2%*	*-25.8%*	*-14.5%*			

Town of Hillsborough

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PUBLIC SPACE

PUBLIC SPACE – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Public Space budget funds the planning, construction, and maintenance of the Town's park system as well as other public spaces. These functions include assisting citizen groups interested in planning facilities in their neighborhoods, managing public construction projects and securing grants for construction.

FY16 MAJOR ACCOMPLISHMENTS:

- Accepted Cates Creek Park mid-year from Stratford Development and opened it for public use in January.
- Completed master plan for Kings Highway Park and developed an improvement plan to address neighbor concerns.
- Public Works staff installed directional signage in Riverwalk.
- Maintenance in Riverwalk included tree removal along the trail and cleaning the walkway after flooding.
- Assisted with the Hillsborough Arts Council Stickwork project in Riverwalk.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Assign dedicated staff to park development, maintenance, public rights-of-way, and public construction projects. This will involve reassigning the Project Planner to supervise these activities and create a Parks Technician to assist.
- Begin safety inspections of pedestrian bridges by a bridge inspection engineering firm.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

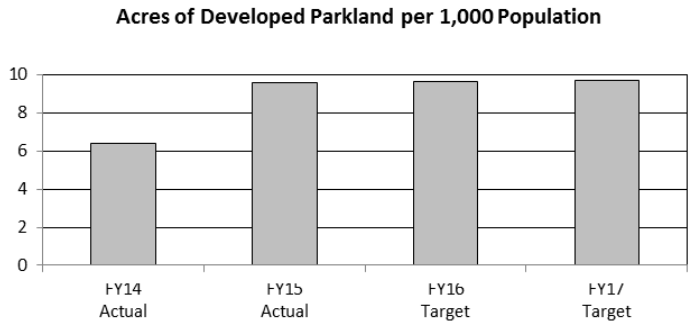
- Grounds maintenance in Cates Creek Park will be performed by a contractor.

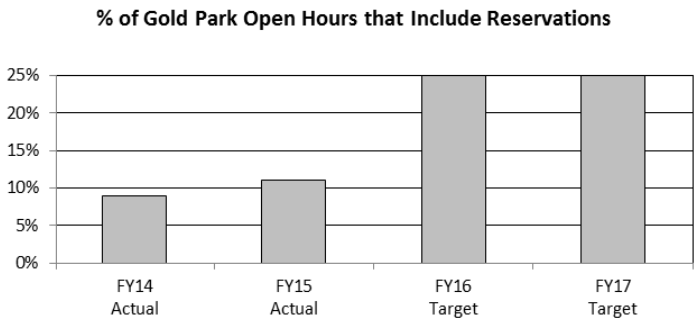
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continue monitoring of Town parks for maintenance and safety concerns.
- Begin implementing the recommendations in the Kings Highway Park Plan, with phase 1 improving the existing parking area and establishing a new parking area for the north side.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	5,964	18,004	58,719	104,634	126,731	*40,715*	*226.1%*	
Operations	54,153	91,844	195,760	187,890	179,690	*103,916*	*113.1%*	FY16-Feasibility studies for skateboard
Capital Outlay	14,021	0	0	24,000	0	*0*	*0.0%*	parks & Cates Creek Greenway
Debt Service	274,129	268,908	263,687	258,464	253,243	*(5,221)*	*-1.9%*	Riverwalk/Gold Park Phase I, II & III debt
Transfers	1,858	0	0	0	0	*0*	*0.0%*	
Total	**$350,126**	**$378,756**	**$518,166**	**$574,988**	**$559,664**	***$ 139,410***	***36.8%***	
% Change	*20.2%*	*8.2%*	*36.8%*	*11.0%*	*-2.7%*			
Total Revenues	**$ 5,155**	**$ 5,000**	**$ 5,000**	**$ 5,000**	**$ 5,000**	***$ -***	***0.0%***	
Net Costs	**$344,971**	**$373,756**	**$513,166**	**$569,988**	**$554,664**	***$ 139,410***	***37.3%***	
								FY17 - Public Space Mgr
FTE	0.50	0.40	0.67	1.33	2.00			FY18 - Parks Maint. Technician (March)





PUBLIC SPACE

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	383	0	1,000	1,000	1,000	*1,000*	*0.0%*	
Salaries - Regular	4,480	13,010	42,764	63,088	63,088	*29,754*	*228.7%*	FY16 - Split position with Streets
FICA	290	594	3,348	4,903	4,903	*2,754*	*463.6%*	FY17 - Public Space Mgr added Nov 1, 2016
Hospitalization	240	2,555	5,978	9,613	10,574	*3,423*	*134.0%*	
Life/Disability/Vision	9	196	271	404	404	*75*	*38.3%*	
Dental Insurance	11	117	216	323	323	*99*	*84.6%*	
Retirement	324	872	2,954	4,326	4,326	*2,082*	*238.8%*	
Supplemental Retirement	228	660	2,188	3,204	3,204	*1,528*	*231.5%*	
Personnel Expansion	0	0	0	17,773	38,909	*0*	*0.0%*	
Park Technician - FY18		*0*	*0*	*17,773*	*38,909*			Start March 1, 2018
Personal Services Subtotal	5,964	18,004	58,719	104,634	126,731	*40,715*	*226.1%*	
Operations								
Travel & Training	0	0	1,000	1,000	1,500	*1,000*	*0.0%*	Playground Safety/Inspection Training
Telephone/Internet	0	50	610	890	890	*560*	*1120.0%*	
Cell Phone @ 70/mo (1)		*0*	*560*	*840*	*840*			FY17- Public Space Manager Partial Yr
On-Call Cell Phone		*50*	*50*	*50*	*50*			
Utilities	1,166	3,194	4,000	4,000	4,000	*806*	*25.2%*	Gold PK, Cates Ck, & Exchange PK restrooms
License Fees	0	0	0	0	0	*0*	*0.0%*	FY17 - O365 expense moved to IT budget
Gasoline	0	0	0	0	0	*0*	*0.0%*	
Maintenance - Turnip Patch	36	1,650	1,300	1,000	1,000	*(350)*	*-21.2%*	
Playground Mulch			*600*	*300*	*300*			
Plantings Mulch			*300*	*300*	*300*			
Sand			*200*	*200*	*200*			
Misc.			*200*	*200*	*200*			
Maintenance - Murray Street	0	400	400	400	400	*0*	*0.0%*	
Playground Mulch		*300*	*300*	*300*	*300*			
Misc.		*100*	*100*	*100*	*100*			
Maintenance - Hillsborough Heights	29	700	700	700	700	*0*	*0.0%*	
Playground Mulch		*300*	*300*	*300*	*300*			
Plantings Mulch		*300*	*300*	*300*	*300*			
Misc.		*100*	*100*	*100*	*100*			
Maintenance - Kings Highway	0	4,600	3,000	28,000	33,500	*(1,600)*	*-34.8%*	
General Maintenance		*100*	*3,000*	*3,000*	*3,000*			
Grade & Gravel Parking Lot		*0*	*0*	*25,000*	*0*			
Biodocks		*4,500*	*0*	*0*	*0*			Split 50/50 with Stormwater; assume 50%
Interpretive Signs & Kiosk		*0*	*0*	*0*	*21,000*			covered w/outside funds
Benches, Picnic Tables & Trash Cans		*0*	*0*	*0*	*9,500*			
Maintenance - Mayo Park	167	100	0	0	0	*(100)*	*-100.0%*	Move expenses into downtown maintenance
Maintenance - Gold Park	12,358	19,500	11,700	11,700	11,700	*(7,800)*	*-40.0%*	
Playground Mulch			*900*	*900*	*900*			
Dog Park Mulch			*5,000*	*5,000*	*5,000*			
Plantings Mulch			*800*	*800*	*800*			
Building Cleaning			*3,000*	*3,000*	*3,000*			Weekly service by contract cleaner & supplies
Misc.			*2,000*	*2,000*	*2,000*			Replc trail map w/ kiosk to match others
Maintenance - Cates Creek	0	11,000	34,500	4,500	4,500	*23,500*	*213.6%*	
Playground Mulch		*500*	*500*	*500*	*500*			
Building Cleaning		*3,000*	*3,000*	*3,000*	*3,000*			Weekly service by contract cleaner & supplies
Plantings Mulch		*500*	*500*	*500*	*500*			
Playground Mats		*500*	*0*	*0*	*0*			For fall zones at slides and swings
Upgrades		*0*	*30,000*	*0*	*0*			
Misc.		*6,500*	*500*	*500*	*500*			Benches, picnic tables, trash cans, etc.
Maintenance - Riverwalk	14,456	10,000	5,000	5,000	5,000	*(5,000)*	*-50.0%*	
Recycling Service Cost		*0*	*270*	*270*	*270*			Recycling pick-up fee from OC; Recycling only
Misc.		*10,000*	*4,730*	*4,730*	*4,730*			containers available at no cost
Maintenance - Downtown	0	0	30,400	5,400	1,400	*30,400*	*0.0%*	
Waste/Recycling Containers		*0*	*24,000*	*0*	*0*			10 new double units with 50% grant
Bike Racks/Benches/Planters		*0*	*4,000*	*3,000*	*0*			FY17 - W King, FY18 - East side N Churton
Plant Materials		*0*	*1,000*	*1,000*	*0*			
Misc.		*0*	*1,400*	*1,400*	*1,400*			Recycling pick-up fee from OC
Maintenance - Exchange Park	0	0	0	0	0	*0*	*0.0%*	
Lease		0	*0*	*0*	*0*			
Playground Mulch		*0*	*0*	*0*	*0*			
Building Cleaning		*0*	*0*	*0*	*0*			
Up-fits/Upgrades		*0*	*0*	*0*	*0*			Restroom & picnic shelter
Parking Improvements		*0*	*0*	*0*	*0*			Lot behind building &/or near ballfield

Misc.		*0*	*0*	*0*	*0*			
Travel/Vehicle Allotment	0	0	2,400	3,600	3,600	*2,400*	*0.0%*	Paid to Parks Mgr in lieu of vehicle
Supplies - Office	0	0	1,000	1,000	1,000	*1,000*	*0.0%*	Needed with addition of dept staff
Supplies - Departmental	43	300	300	300	300	*0*	*0.0%*	
Tools		*300*	*300*	*300*	*300*			
Supplies - Data processing	0	0	0	1,600	0	*0*	*0.0%*	
Replace TH-WS007		*0*	*0*	*1,600*	*0*			Due in FY18
Supplies - Safety	0	200	200	200	200	*0*	*0.0%*	
Uniforms	0	600	600	600	600	*0*	*0.0%*	
Contract Services - Minute Prep.	0	0	2,000	2,000	2,000	*2,000*	*0.0%*	Parks & Rec & Tree Brds- prev. in Planning
Contract Services - Mowing	25,400	39,200	89,650	99,900	99,900	*50,450*	*128.7%*	Reflects plan to cotinue contract mowing,
Gold Park Mowing & Field Maint.		*22,000*	*22,000*	*22,000*	*22,000*			but includes increases for higher
Cates Creek Mowing & Field Maint.		*0*	*11,500*	*11,500*	*11,500*			quality service
Cates Creek General Mowing		*7,200*	*22,000*	*26,400*	*26,400*			
Exchange Park General Mowing		*0*	*0*	*0*	*0*			
General Park Mowing		*10,000*	*10,000*	*12,000*	*12,000*			
Streets Right-of-Way Mowing		*0*	*24,150*	*28,000*	*28,000*			
Miscellaneous	0	350	7,000	7,000	7,000	*6,650*	*1900.0%*	
Miscellaneous		*350*	*2,000*	*2,000*	*2,000*			
Feasibility Study - Skateboard Park		*0*	*0*	*0*	*0*			
Feasibility Study - Cates Ck Greenway		*0*	*0*	*0*	*0*			
Park Feasibility Studies		*0*	*5,000*	*5,000*	*5,000*			Explore future park opportunities
Dues & Subscriptions	0	0	0	500	500	*0*	*0.0%*	
Vehicle Tax & Tags	497	0	0	0	0	*0*	*0.0%*	
Personnel Expansion - Op Costs	0	0	0	8,600	0	*0*	*0.0%*	
Park Technician - FY18		*0*	*0*	*8,600*	*0*			Fuel, Dues & Subcriptions, Computer & Supplies
Operations Subtotal	54,153	91,844	195,760	187,890	179,690	*103,916*	*113.1%*	
Capital Outlay								
Capital - Vehicles	14,021	0	0	24,000	0	*0*	*0.0%*	
Parks Technician - FY18		*0*	*0*	*24,000*	*0*			FY18 - Vehicle for Park Technician
Capital - Equipment	0	0	0	0	0	*0*	*0.0%*	
Capital - Buildings & Improvements	0	0	0	0	0	*0*	*0.0%*	
Capital Outlay Subtotal	14,021	0	0	24,000	0	*0*	*0.0%*	
Debt Service								
Debt	274,129	268,908	263,687	258,464	253,243	*(5,221)*	*-1.9%*	
Riverwalk Phase I		*95,796*	*93,982*	*92,167*	*90,353*			Debt Retired in FY23
Riverwalk Phase II & III		*173,112*	*169,705*	*166,297*	*162,890*			Debt Retired in FY24
Skateboard Park		*0*	*0*	*0*	*0*			Place holder for possible construction
Debt Service Subtotal	274,129	268,908	263,687	258,464	253,243	*(5,221)*	*-1.9%*	
Transfers								
Transfer to Cates Creek Greenway	0	0	0	0	0	*0*	*0.0%*	
Design		*0*	*0*	*0*	*0*			FY15 - Feasibility study budgeted in Misc.
Expansion Trails & Facilities		*0*	*0*	*0*	*0*			
Transfer to Skateboard Park	0	0	0	0	0	*0*	*0.0%*	
Design		*0*	*0*	*0*	*0*			FY15 - Feasibility study budgeted in Misc.
Transfer to Riverwalk - Phase II	1,858	0	0	0	0	*0*	*0.0%*	Land acquisition
Transfer to Riverwalk - Phase III	0	0	0	0	0	*0*	*0.0%*	
Transfer to Riverwalk - CMAQ	0	0	0	0	0	*0*	*0.0%*	Sidewalk improvement on Allison St, S. Nash &
Transfers Subtotal	1,858	0	0	0	0	*0*	*0.0%*	Calvin St
Public Space Total	**$ 350,126**	**$ 378,756**	**$ 518,166**	**$ 574,988**	**$ 559,664**	***$ 139,410***	***36.8%***	
% Change	*20.2%*	*8.2%*	*36.8%*	*11.0%*	*-2.7%*			

PUBLIC SPACE– BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Serve the Community	Strengthen Citizen Engagement	Encourage participation by a wide cross-section of area residents on advisory boards	% of neighborhoods with representation on at least one of the 3 standing advisory boards	N/A	N/A	80%	80%	"Neighborhoods" are based on the 14 parks districts that cover the city limits and ETJ. The measured advisory boards are: Parks & Rec. Board, Tree Board, & Cemetery Committee.
	Expand Recreation, Walkability, & Connectivity	Monitor use of existing park facilities to be aware of possible crowding	% of Gold Park open hours that include reservations	9%	11%	<25%	<25%	Meeting these reservation levels could imply that all weekend hours are fully booked in the park, implying a crowded situation.
		Monitor construction of new sidewalk by town and development activity	Total linear feet of new sidewalk constructed by new development Total linear feet of high priority sidewalks constructed by town	588 N/A	0 N/A	1,320 1,320	1,320 1,320	The Unified Development Ordinance (UDO) requires many new developments to construct public sidewalk, but also allows for financial contributions in lieu of construction.
		Procure and develop land for both passive and active recreation facilities	Acres of developed parkland per 1,000 population *Total Acres*	6.38 40.15	*9.6* *60.77*	9.62 *61.52*	9.72 *61.52*	9.62 acres/1,000 residents or 61.52 acres per 6,326 residents. Ratio is adjusted to reflect current population estimate form the state.
			Acres of parkland awaiting development per 1,000 population *Total Acres*	*4.41* *27.8*	1.25 *7.93*	0 *0*	0 *0*	The town currently owns no property that is awaiting development. Total acres adjusted to reflect land owned by Town for park purposes only.
			Prepare feasibility studies for new resources consistent with adopted plans and funding availability. *Requests received* *Plans prepared*	N/A	N/A	5 2	4 2	We monitor the number of requests received for new facilities and the number of studies prepared.
	Manage Projects Effectively	Monitor Construction Projects	% of construction projects completed within 10% of budgeted cost	N/A	100%	80%	80%	This will compare contract cost with final costs.

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SAFETY & WELLNESS

SAFETY & WELLNESS – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Safety and Wellness Department ensures that safety regulations are followed, conducts inspections of Town facilities, and investigates accidents with recommendations for corrective actions, implements OSHA mandated safety training, manages the Town's random drug testing program, and establishes policies and procedures for compliance with federal and state OSHA regulations.

FY16 MAJOR ACCOMPLISHMENTS:

- Implemented seat belt and distracted driving policies.
- Maintained OSHA trainer and playground inspector certifications.
- Provided 14 training sessions to 53 employees - 182 total participants, including training provided by Cone Health and the NC Industrial Commission.
- Developed tracking logs and filing for drug & alcohol testing and training, to improve access for compliance.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Add 5 Automatic External Defibrillators (AEDs).
- Increase AED/CPR and First Aid certification among town employees.
- Enhance the Town's drug testing program by offering oral swab testing as an alternative to urine specimens.
- Enhance the workplace violence policy and procedures to include provisions for active shooters.
- Update the entry and exit areas of various facilities to provide lock-down opportunities in the event of emergency.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

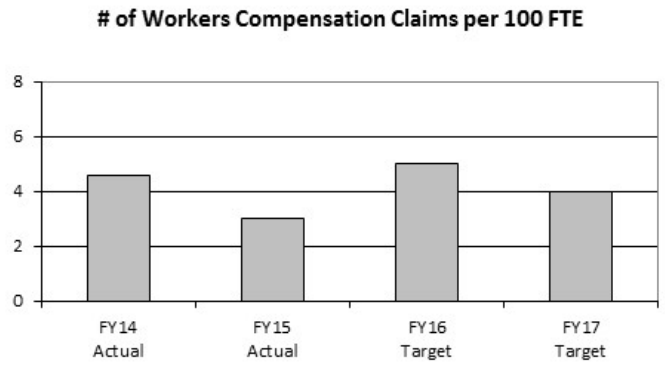
- Employee safety training is essential in minimizing potentially expensive OSHA fines. OSHA requires an employer to train their employees annually on certain topics that would apply to the employee's job.

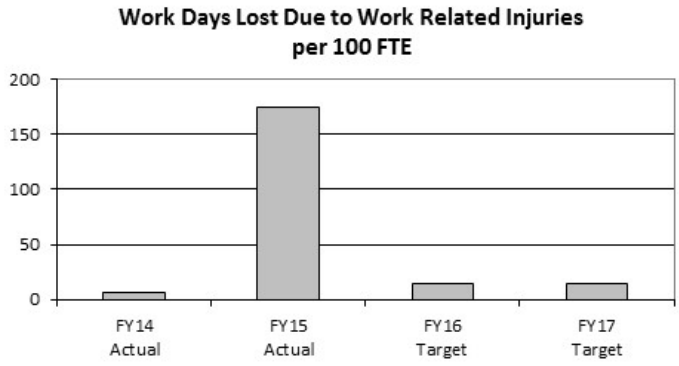
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Minimize incidents and reduce the Workers Compensation insurance risk modifiers. Increasing hazard identification training, worksite tailgate meetings and competent, well-trained crew leaders should result in a reduction in incidents.
- Reviewing past accidents/incidents enables us to re-evaluate problem areas. Using knowledge from training allows us to identify and eliminate repeat occurrences.
- Add Standard Operational Procedures (SOPs) as needed. SOPs allow us to focus on a specific job task and document proper operating techniques and protocol.
- Add safety programs in an effort to ensure and maintain compliance with OSHA regulations.
- Continue OSHA required training (i.e. global harmonization, respiratory protection, and hearing conservation).
- Increase professional development and training in topics such as industrial hygiene (air quality), environmental impact requirements, ergonomics and frequent updates on general industry standards required by OSHA.
- Obtain Carolina Star certification, which recognizes workplaces that are able to control workplace hazards.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personnel Services	86,760	89,340	86,624	87,677	88,819	*(2,716)*	*-3.0%*	
Operations	47,160	69,397	74,680	61,200	62,835	*5,283*	*7.6%*	FY17-5 AEDs for Town facilities
Capital Outlay	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations	(71,809)	(74,770)	(83,878)	(77,417)	(78,860)	*(9,108)*	*12.2%*	50% shared with Water/Sewer Fund
Total	**$ 62,111**	**$ 83,967**	**$ 77,426**	**$ 71,460**	**$ 72,794**	***$ (6,541)***	***-7.8%***	and 2% shared with Stormwater
% Change	*-37.9%*	*35.2%*	*-7.8%*	*-7.7%*	*1.9%*			
FTE	1.00	1.00	1.00	1.00	1.00			





SAFETY & WELLNESS

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Salaries - Regular	65,075	67,564	64,194	64,194	64,194	*(3,370)*	*-5.0%*	
FICA	4,842	5,071	4,911	4,911	4,911	*(160)*	*-3.2%*	
Hospitalization	8,322	7,590	8,923	9,815	10,797	*1,333*	*17.6%*	
Life/Disability/Vision	360	454	409	409	409	*(45)*	*-9.9%*	
Dental Insurance	333	341	323	323	323	*(18)*	*-5.3%*	
Retirement	4,650	5,071	4,654	4,815	4,975	*(417)*	*-8.2%*	
Supplemental Retirement - 401K	3,178	3,249	3,210	3,210	3,210	*(39)*	*-1.2%*	
Personal Services Subtotal	86,760	89,340	86,624	87,677	88,819	*(2,716)*	*-3.0%*	
Operations								
Training/Conferences/Conventions	2,734	20,500	10,500	10,500	10,500	*(10,000)*	*-48.8%*	
Training for Safety & Risk Mgmt Officer		*3,500*	*3,500*	*3,500*	*3,500*			Confined space, respiratory "fit" testing, etc.
Safety Training for Town Employees		*3,000*	*3,000*	*3,000*	*3,000*			Most training is done in-house
CPR/AED/First Aid Training		*14,000*	*4,000*	*4,000*	*4,000*			
Telephone/Internet	2,880	2,554	3,040	1,940	1,940	*486*	*19.0%*	
Phone Lines (2)			*1,100*	*0*	*0*			FY18 - Expense moved to IT budget
Fax Lines (2)			*1,100*	*1,100*	*1,100*			
Smart Phone Stipend @ $70/mo (1)			*840*	*840*	*840*			
Postage	55	20	20	20	20	*0*	*0.0%*	
License Fees	0	204	0	0	0	*(204)*	*-100.0%*	FY17 - O365 expense moved to IT budget
Maintenance - Buildings	2,809	2,760	2,760	2,760	2,760	*0*	*0.0%*	
Maintenance - Equipment	0	3,000	3,000	3,000	3,000	*0*	*0.0%*	Fire extinguisher audit
Gasoline	1,052	700	1,210	1,330	1,465	*510*	*72.9%*	
Supplies - Office	782	1,200	1,200	1,200	1,200	*0*	*0.0%*	
Supplies - Departmental	481	575	500	500	500	*(75)*	*-13.0%*	
Departmental Supplies - OSHA	23,521	21,796	28,500	18,000	18,000	*4,822*	*30.8%*	
Safety Supplies		*12,974*	*18,000*	*18,000*	*18,000*			
Tri-Pod		*4,822*	*0*	*0*	*0*			Replace 10-year old tri-pod
AEDs		*4,000*	*10,500*	*0*	*0*			Place in Town facilities or tough boxes
Supplies - Data Processing	64	0	2,000	0	1,500	*2,000*	*0.0%*	
Replace Computer NC86-LT010		*0*	*2,000*	*0*	*0*			Due FY17 - every 4 years
Replace Computer NC86-WS003		*0*	*0*	*0*	*1,500*			Due FY19
Rental - Equipment	0	450	450	450	450	*0*	*0.0%*	Safety supply vending machine rental
C.S. - Health Nurse & Drug Testing	9,763	4,000	4,000	4,000	4,000	*0*	*0.0%*	
TJCOG Drug Testing		*4,000*	*4,000*	*4,000*	*4,000*			
Dues & Subscriptions	920	1,000	1,000	1,000	1,000	*0*	*0.0%*	
Miscellaneous	355	500	500	500	500	*0*	*0.0%*	
Safety Awards Program	288	0	0	0	0	*0*	*0.0%*	Funded with insurance savings
Vehicle Tax & Tags	0	0	0	0	0	*0*	*0.0%*	
Wellness Program Activities	1,454	10,138	16,000	16,000	16,000	*5,862*	*57.8%*	
Operations Subtotal	47,160	69,397	74,680	61,200	62,835	*5,283*	*7.6%*	
Capital Outlay								
Capital - Vehicles	0	0	0	0	0	*0*	*0.0%*	
Capital - Equipment	0	0	0	0	0	*0*	*0.0%*	
Capital Outlay Subtotal	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations								
Cost Allocation - Water/Sewer	(71,809)	(74,770)	(80,652)	(74,439)	(75,827)	*(5,882)*	*7.9%*	50% Allocated to Water & Sewer Fund
Cost Allocation - Stormwater	0	0	(3,226)	(2,978)	(3,033)	*(3,226)*	*0.0%*	2% Allocated to Stormwater Fund
Cost Allocations Subtotal	(71,809)	(74,770)	(83,878)	(77,417)	(78,860)	*(9,108)*	*12.2%*	
Safety & Risk Management Total	**$ 62,111**	**$ 83,967**	**$ 77,426**	**$ 71,460**	**$ 72,794**	***$ (6,541)***	***-7.8%***	
% Change	*-37.9%*	*35.2%*	*-7.8%*	*-7.7%*	*1.9%*			

SAFETY & WELLNESS – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Serve the Community	Strengthen Citizen Engagement	Improve responsiveness to claims made by citizens	% of citizen claims processed within 5 working days	100%	100%	100%	100%	
Run the Operations	Improve Communication & Collaboration	Conduct Annual Health Fair to provide employees with health services	% of employees attending annual Health Fair	57%	49%	60%	75%	
	Excel at Staff & Logistical Support	Ensure that employees are following proper guidelines and procedures	% of facilities brought into compliance with proper safety guidelines and procedures within 60 days	100%	100%	100%	100%	35 item checklist used for base inspection.
		Process documentation received from departments in a timely manner.	% of Workers' Compensation and Property & Liability claims processed within 1 business day	N/A	68%	100%	100%	
		Perform safety inspections of all Town owned facilities to ensure compliance with OSHA standards	% of park facilities brought into compliance w/in 30 days	100%	100%	100%	100%	
			% of facilities inspected annually	100%	100%	100%	100%	Safety Committee members assist
			% of parks inspected monthly	100%	91.6%	100%	100%	Public Works staff trained to use random inspection sheet.
		Encourage health risk assessments for all employees.	% of employees with health risk assessments	N/A	100%	50%	100%	
Manage Resources	Deliver Services Efficiently	Develop & maintain a return to work program to minimize impact of Worker's Compensation claims	% of injured employees returning to work within 7 calendar days of injury with medical approval	100%	100%	100%	100%	
		Seatbelt Promotion Campaign	# of non-compliant warnings issued to employees	N/A	0	0	0	
		Develop policies and procedures to assist in lowering Property and General Liability Insurance premiums	Town's Experience Modifiers: *Workers Compensation* *Property Liability*	0.92 0.87	1.12 .71	<1.0 <1.0	<0.90 <0.90	Experience modifiers are used by the NCLM to determine the Town's risk and calculate premiums. Modifier is capped at 1.25, with 1.25 being the most risky. Range: 0.75 – 1.25
		Control cost and limit unnecessary expenditures in Town's operations due to preventable accidents	Total costs of at fault accidents per FTE	$67.99	$28.36	<$100	<$50	
			# of Worker's Compensation claims per 100 FTE	4.58	3	<5	<4	NC – 2.9 ('12) National – 4.4 ('12)
			# of OSHA recordable injuries: Town Total *General Government* *Public Safety* *Public Works* *Water/Sewer*	 1 0 1 0 0	 2 0 2 0 0	 0 0 0 0 0	 0 0 0 0 0	
			# of preventable vehicular accidents per 100,000 miles driven	1.34	0.57	<1	<1	
			Work days lost due to work related injuries per 100 FTE	6.87	174.35	<15	<15	
Develop Know-How	Develop a Skilled and Diverse Workforce	Provide annual employee safety and health training	# of employee safety training topics offered annually	13	13	15	15	
			% of employees attending at least 1 "wellness" education programs annually	N/A	N/A	N/A	75%	
			% of employees who have received AED/CPR Training	N/A	N/A	N/A	100%	New Measures for FY17 (calendar year)

INFORMATION SERVICES

INFORMATION SERVICES – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- Maintain and improve the Town's information services infrastructure.
- Provide IT support for Town personnel.
- Provide protection from viruses, worms, Trojan horses, and other malicious codes; scanning, updating definitions.
- Provide timely application of system patches, part of configuration management.
- Maintain, test and monitor data backup and recovery services.
- Provide recommendations on computers, tablets, servers and other hardware replacements and enhancements.
- Provide network security enhancements

FY16 MAJOR ACCOMPLISHMENTS:

- Synced on premise active directory with O365, reducing the number of user names and passwords employees must remember.
- Migrated email from on premise Exchange server to O365. This allowed for the elimination of the email archiver, redundant email server, spam filter, and Exchange server, saving the Town approximately $26k in FY17 and $18k per year after that.
- Conducted two SharePoint training sessions.
- Re-cabled the Town Hall campus, increasing reliability of the network.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Begin construction on a fiber loop to connect all Town facilities and support third-party last mile internet service.
- Conduct assessment to determine compliance with International Organization of Standardization (ISO) guidelines.
- Conduct assessment to determine compliance with the FBI's Criminal Justice Information Services (CJIS) security requirements.
- Install a centrally managed access control systems at Town facilities to prevent unauthorized access.
- Provide employees with better training of MS Office products, especially with communication products (i.e. MS Outlook).

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- Replace security appliances as they come to the end of their life. Replacement will ensure continued network connectivity and proper network security and keep the Town's network systems current.
- Conduct assessment to determine compliance with Payment Card Industry (PCI) security requirements (FY18).

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Ensure that the Police Department's IT is compliant with CJIS regulations.
- Ensure all workstations and notebooks, etc. are running current and supported operating systems and software.
- Outfit the Town with current and secure networking devices, replacing those that are coming to the end of their useful life.
- Continue training on operating systems and MS Office applications to include updates to the software.
- Train users to be more proficient in using existing network infrastructure.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	0	0	0	0	0	*0*	*0.0%*	Maintain Town information services
Operations	107,206	178,173	312,334	239,800	216,950	*134,161*	*75.3%*	infrastructure; replace hardware &
Capital Outlay	0	15,490	30,000	40,000	40,000	*14,510*	*93.7%*	upgrade software
Debt Service	0	0	0	123,291	123,291	*0*	*0.0%*	FY17 - Fiber Loop
Cost Allocations	(81,119)	(73,360)	(178,014)	(209,608)	(197,726)	*(104,654)*	*142.7%*	
Total	**$ 26,087**	**$ 120,303**	**$ 164,320**	**$ 193,483**	**$ 182,515**	***$ 44,017***	***36.6%***	
% Change	*-23.7%*	*361.2%*	*36.6%*	*17.7%*	*-5.7%*			
FTE	0.00	0.00	0.00	0.00	0.00			50% allocated to Water & Sewer Fund & 2% allocated to Stormwater Fund

INFORMATION SERVICES

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Operations								
Training/Conferences/Conventions	0	2,000	10,300	7,300	7,300	*8,300*	*415.0%*	Training for IT manager &/or employees
Staff Training		*1,000*	*6,000*	*6,000*	*6,000*			
NCLGISA Conference		*1,000*	*1,300*	*1,300*	*1,300*			2 conferences per year
Certified Government CIO Course		*0*	*3,000*	*0*	*0*			
Telephone/Internet	0	0	0	29,000	29,000	*0*	*0.0%*	
Fiber Internet		*0*	*0*	*17,000*	*17,000*			FY18-expense moved from dept'l budgets
SIP Trunks		*0*	*0*	*12,000*	*12,000*			FY18-expense moved from dept'l budgets
License Fees	19,869	18,002	62,450	50,500	47,650	*44,448*	*246.9%*	
O365 Email License Fees (100)		*3,300*	*8,500*	*8,500*	*8,500*			
O365 E3 License Fees (55)		*0*	*12,000*	*12,000*	*12,000*			FY17-moved from dept'l budgets
Office 2016 Upgrade		*0*	*10,000*	*0*	*0*			For shared workstations & laptops
Email Archiving Updates & License Fees		*6,250*	*0*	*0*	*2,500*			3-year licenses
Data Back-up License Fee		*0*	*8,300*	*12,500*	*12,500*			3-year licenses
Networking Device License Fees		*0*	*0*	*14,150*	*0*			3-year licenses
Firewall		*0*	*14,150*	*0*	*0*			
Web Filter License (3-yr)		*7,592*	*0*	*0*	*8,800*			
Password Management Software		*860*	*1,500*	*350*	*350*			
Additional Security Licenses		*0*	*5,000*	*0*	*0*			Add as needed
Miscellaneous License Fees		*0*	*3,000*	*3,000*	*3,000*			
Supplies - Data Processing	11,598	16,654	42,084	13,000	3,000	*25,430*	*152.7%*	
Back-up Server		*0*	*29,084*	*0*	*0*			
Replace Networking Devices		*0*	*0*	*0*	*0*			Due in FY20
Web Filter Appliances (4)		*5,996*	*0*	*0*	*0*			
POE Switches		*9,474*	*10,000*	*0*	*0*			FY17-Substation, NC86, WTP, WWTP, Old WTP
Common Wireless Network		*0*	*0*	*10,000*	*0*			Centrally managed network for all facilities
Miscellaneous		*1,184*	*3,000*	*3,000*	*3,000*			FY16-Computer & addl RAM for LaserFiche
Data Processing Services	75,739	87,517	132,500	135,000	125,000	*44,983*	*51.4%*	
Routine Maintenance and Support		*72,150*	*80,000*	*85,000*	*90,000*			Includes 24/7 support for Police MDTs
Special Project Support		*0*	*15,000*	*15,000*	*15,000*			Unexpected needs, system upgrades, etc.
Redundant Email Server		*7,383*	*2,500*	*0*	*0*			FY17-Discontinue w/conversion to O365
Sync Active Directory w/O365		*2,984*	*0*	*0*	*0*			
ISO Security Assessment		*0*	*15,000*	*0*	*0*			Assess info security practices
CJIS Compliance Assessment		*0*	*15,000*	*0*	*0*			Compliance with CJIS security policy
PCI Compliance Assessment		*0*	*0*	*15,000*	*0*			IDs gaps in credit card data compliance
Miscellaneous Security Assessments		*0*	*0*	*15,000*	*15,000*			Wireless, cloud, mobile security, etc.
Miscellaneous Support/Services		*5,000*	*5,000*	*5,000*	*5,000*			
Miscellaneous	0	54,000	65,000	5,000	5,000	*11,000*	*20.4%*	
Miscellaneous		*5,000*	*5,000*	*5,000*	*5,000*			
Hillsborough Fiber Study/Design		*14,000*	*0*	*0*	*0*			Explore connecting Town facilities w/fiber
Fiber Engineering Work		*0*	*15,000*	*0*	*0*			
Orange County Fiber Study		*0*	*10,000*	*0*	*0*			Connect all OC gov facilities
Access Control System		*0*	*15,000*	*0*	*0*			Prevent unauthorized access to facilities
Phone System Upgrade		*35,000*	*20,000*	*0*	*0*			Put all Town phones on same system
Operations Subtotal	107,206	178,173	312,334	239,800	216,950	*134,161*	*75.3%*	
Capital Outlay								
Capital - Data Processing	0	0	10,000	0	0	*10,000*	*0.0%*	
Replace TOC-DC01		*0*	*10,000*	*0*	*0*			Due FY16; Overdue
Capital - Software	0	15,490	20,000	20,000	20,000	*4,510*	*29.1%*	
LaserFiche		*15,490*	*0*	*0*	*0*			
Misc. Software		*0*	*20,000*	*20,000*	*20,000*			Address software/tech needs as they arise
Capital - Infrastructure	0	0	0	20,000	20,000			Expand fiber network
Capital Outlay Subtotal	0	15,490	30,000	40,000	40,000	*14,510*	*93.7%*	
Debt Service								
Capital Lease	0	0	0	123,291	123,291	*0*	*0.0%*	
Fiber Loop		*0*	*0*	*123,291*	*123,291*			$1M @ 4% for 10 yrs
Debt Service Subtotal	0	0	0	123,291	123,291	*0*	*0.0%*	
Cost Allocations								
Cost Allocation - Water/Sewer	(81,119)	(73,360)	(171,167)	(201,546)	(190,121)	*(97,807)*	*133.3%*	50% Allocated to Water & Sewer
Cost Allocation - Stormwater	0	0	(6,847)	(8,062)	(7,605)	*(6,847)*	*0.0%*	2% Allocated to Stormwater
Cost Allocations Subtotal	(81,119)	(73,360)	(178,014)	(209,608)	(197,726)	*(104,654)*	*142.7%*	
Information Services Total	**$ 26,087**	**$ 120,303**	**$ 164,320**	**$ 193,483**	**$ 182,515**	***$ 44,017***	***36.6%***	
% Change	*-23.7%*	*361.2%*	*36.6%*	*17.7%*	*-5.7%*			

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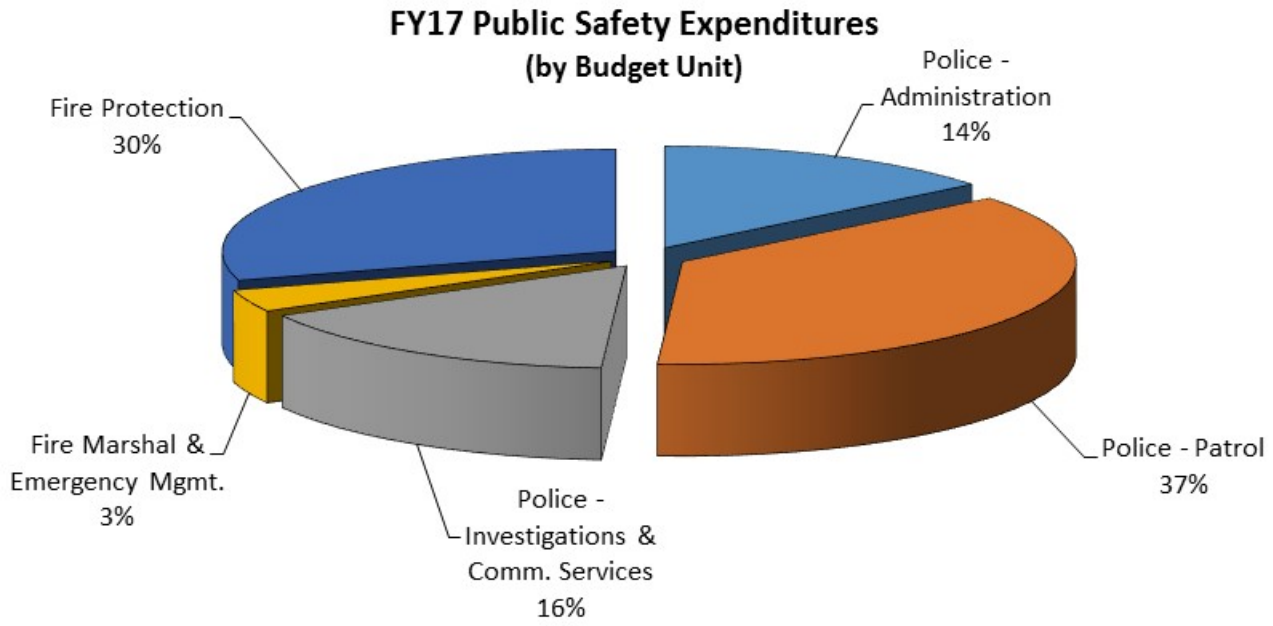
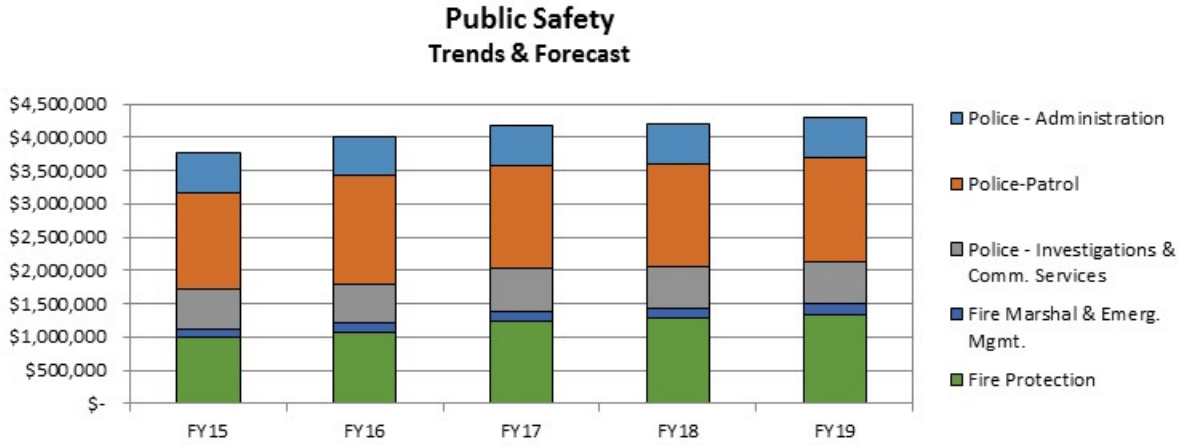
PUBLIC SAFETY

PUBLIC SAFETY

By Budget Unit	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
Police - Administration	601,282	596,007	594,742	603,399	598,840	*(1,265)*	*-0.2%*
Police - Patrol	1,444,494	1,628,085	1,531,201	1,526,800	1,558,460	*(96,884)*	*-6.0%*
Police - Investigations & Comm. Serv	609,622	579,289	661,062	631,521	636,439	*81,773*	*14.1%*
Fire Marshal & Emergency Mgmt.	126,867	142,844	145,694	142,519	181,755	*2,850*	*2.0%*
Fire Protection	988,092	1,068,237	1,234,369	1,290,396	1,320,597	*166,132*	*15.6%*
Total Expenditures	**$3,770,357**	**$4,014,462**	**$4,167,068**	**$4,194,635**	**$4,296,091**	***$ 152,606***	***3.8%***
% Change	*-6.5%*	*6.5%*	*3.8%*	*0.7%*	*2.4%*		





POLICE – ADMINISTRATION

POLICE – ADMINISTRATION – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Police-Administration Division oversees the daily operations of the Police Department, ensuring that all town codes, policies, and State of North Carolina laws are enforced. The division also directs and plans all activities that are required to protect life and property, as well as budget preparation and expense monitoring for the department.

FY16 MAJOR ACCOMPLISHMENTS:

- Implemented new records management system. Due to a number of issues, this project was almost a year behind schedule. Since it has gone live, however, we have seen significant advantages to the new system, especially in terms of direct connectivity to the county dispatch center.
- An aging admin vehicle - #134 with over 160,000 miles was replaced with a new Ford Utility.
- Completed a review, revision and update of all police policies. This included staff training on key policies and the development of a schedule for regular review and training.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Funds are set aside to provide specific leadership and supervisory training as well as flexibility to bring in high quality training from external sources that would benefit the agency.
- Though the replacement of the headquarters building is on the horizon, maintenance needs to be completed.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

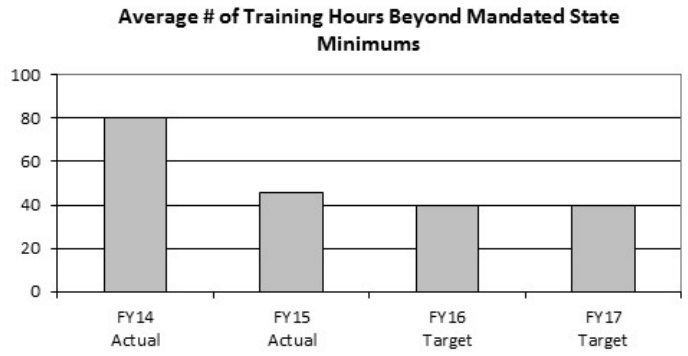
- With the growth our town is projected to experience, personnel expansion has to be planned. At a minimum, we expect to see adding an additional patrol officer per squad in the future to maintain our levels of service.

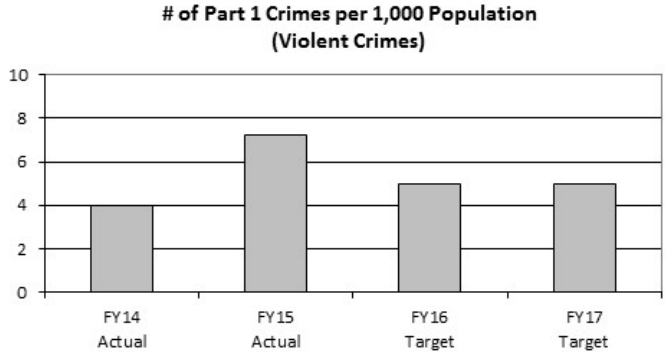
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Leadership training for all supervisory personnel will remain a priority. In addition, we are developing increased training in high liability areas such as driving, use of force and firearms. The department's "Every Day is a Training Day" philosophy is becoming rooted and a habit among all personnel.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	350,479	341,411	384,685	385,842	391,133	*43,274*	*12.7%*	FY15-Training Lt starting Oct 1st
Operations	128,785	166,971	134,440	131,940	132,090	*(32,531)*	*-19.5%*	
Capital Outlay	103,829	51,248	0	10,000	0	*(51,248)*	*-100.0%*	
Debt Service	18,189	36,377	36,377	36,377	36,377	*0*	*0.0%*	
Transfers	0	0	39,240	39,240	39,240	*39,240*	*0.0%*	FY17 - P/T training manager
Total	**$601,282**	**$596,007**	**$594,742**	**$603,399**	**$598,840**	***$ (1,265)***	***-0.2%***	
% Change	*53.9%*	*-0.9%*	*-0.2%*	*1.5%*	*-0.8%*			
FTE	3.50	3.50	4.00	4.00	4.00			





POLICE - ADMINISTRATION

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	1,668	0	500	500	500	*500*	*0.0%*	FY15 - Eliminated PT Admin Assist. position 9/30
Salaries - Regular	213,609	229,373	257,576	257,576	257,576	*28,203*	*12.3%*	FY17 - P/T Training Mgr hrs expanded
FICA	18,072	18,950	21,556	21,556	21,556	*2,606*	*13.8%*	
Hospitalization	60,272	36,393	43,313	47,644	52,409	*6,920*	*19.0%*	FY16 - 2 retirees; FY17 - 4 retirees
Life/Disability/Vision	1,014	1,405	1,281	1,281	1,281	*(124)*	*-8.8%*	
Dental Insurance	888	1,024	968	968	968	*(56)*	*-5.5%*	
Retirement	15,048	14,771	16,555	17,081	17,607	*1,784*	*12.1%*	
Supplemental Retirement - 401K	9,859	10,438	12,904	12,904	12,904	*2,466*	*23.6%*	
Separation Allowance - Law	30,048	29,057	30,032	26,332	26,332	*975*	*3.4%*	FY15-3; FY16-1; FY17-3 retirees on Sep. Allow.
Personal Services Subtotal	350,479	341,411	384,685	385,842	391,133	*43,274*	*12.7%*	
Operations								
Legal	9,205	9,205	9,205	9,205	9,205	*0*	*0.0%*	Legal consultants
Training/Conferences/Conventions	2,441	14,000	13,500	13,500	13,500	*(500)*	*-3.6%*	
Suprv. Leadership Dev. Training		*2,000*	*2,000*	*2,000*	*2,000*			
External Resources Training/Classes		*10,000*	*10,000*	*10,000*	*10,000*			Provide critical training in various fields
Misc. Training		*2,000*	*1,500*	*1,500*	*1,500*			
Telephone/Internet	9,630	10,095	11,250	1,750	1,750	*1,155*	*11.4%*	
Internet			*2,500*	*0*	*0*			FY18 - Expense moved to IT budget
IP Address			*70*	*70*	*70*			
Telephone & Maintenance Fee			*7,000*	*0*	*0*			FY18 - Expense moved to IT budget
Cell Phones $70/mo (2)			*1,680*	*1,680*	*1,680*			Stipend for Chief + Admin Lt. FY17-$70/mo
EOC Telephone/Internet			*0*	*0*	*0*			Moved to EOC line-item
Satelitte Phone			*0*	*0*	*0*			Moved to EOC line-item
Postage	348	400	400	400	400	*0*	*0.0%*	
License Fees	9,158	550	0	7,600	0	*(550)*	*-100.0%*	
Power DMS		*0*	*0*	*7,600*	*0*			FY18 - 3-yr license to be renewed
O365		*550*	*0*	*0*	*0*			FY17 - Expense moved to IT budget
Utilities	9,490	10,932	12,000	12,000	12,000	*1,068*	*9.8%*	
Maintenance - Buildings	13,725	29,000	7,585	7,585	7,585	*(21,415)*	*-73.8%*	Cleaning, pest, waste, shredding & paper prod.
Elevator Inspection			*185*	*185*	*185*			
Fire Alarm Inspection			*900*	*900*	*900*			
Miscellaneous Maintenance			*6,500*	*6,500*	*6,500*			
HQ Carpet/Paint			*0*	*0*	*0*			HQ 1st floor needs renovs. & updates
Maintenance - Grounds	1,057	1,500	1,500	1,500	1,500	*0*	*0.0%*	
Equipment Repair	0	250	500	500	500	*250*	*100.0%*	
Gasoline	1,681	1,031	2,000	2,500	3,000	*969*	*94.0%*	Increase due to new Lieutenant
Supplies - Office	3,377	2,000	2,200	2,400	2,500	*200*	*10.0%*	
Supplies - Departmental	435	1,000	1,000	1,000	1,000	*0*	*0.0%*	
Supplies - Disaster	0	0	0	0	0	*0*	*0.0%*	
Supplies - Data Processing	4,440	850	1,800	0	4,000	*950*	*111.8%*	
Computer replacement (x1)			*1,800*	*0*	*0*			Replace WS008
Computer replacement (x3)			*0*	*0*	*4,000*			Replace LT008, LT014
Uniforms & Clothing	630	751	750	750	1,400	*(1)*	*-0.1%*	
Uniforms		*751*	*750*	*750*	*750*			
Body Armor		*0*	*0*	*0*	*650*			
Contract Services - Actuarial Study	0	0	0	0	0	*0*	*0.0%*	
Contract Services - Elevator/HVAC	3,995	4,150	4,000	4,000	4,000	*(150)*	*-3.6%*	
Elevator Maintenance Contract		*4,150*	*4,000*	*4,000*	*4,000*			
C.S. - Copier	1,560	1,600	7,000	10,500	14,000	*5,400*	*337.5%*	FY17 - Lease agreement for 1; FY18 - 2nd copier
C.S. - Southern Software/IT	3,685	4,000	2,000	2,000	1,000	*(2,000)*	*-50.0%*	Switching to SunGard, reducing Southern
C.S. - Driver Safety Training	2,887	2,811	3,500	3,500	3,500	*689*	*24.5%*	Software use
C.S. - Animal Control	45,473	49,775	40,000	40,000	40,000	*(9,775)*	*-19.6%*	FY17-service share/total service area decreased
Data Processing Services	0	0	9,250	9,250	9,250	*9,250*	*0.0%*	SunGard maintenance fees
Hiring Selection Process	2,986	2,111	750	750	750	*(1,361)*	*-64.5%*	Added costs to include Emotional IQ test
Fitness Incentive Program	354	4,053	3,000	0	0	*(1,053)*	*-26.0%*	extending incentive program for addl year
Fitness Bonus			*3,000*	*0*	*0*			
Gym Membership			*0*	*0*	*0*			Replaced by Wellness Mini-Grant Program
Dues & Subscriptions	325	200	200	200	200	*0*	*0.0%*	
Miscellaneous	1,902	16,207	1,000	1,000	1,000	*(15,207)*	*-93.8%*	FY16 - Rally
Misc - Confiscation Percentage	0	0	0	0	0	*0*	*0.0%*	
Rental - Building	0	0	0	0	0	*0*	*0.0%*	Storage Unit
Vehicle Tax & Tags	0	500	50	50	50	*(450)*	*-90.0%*	
Operations Subtotal	128,785	166,971	134,440	131,940	132,090	*(32,531)*	*-19.5%*	

Capital Outlay								
Capital - Buildings & Improvements	0	0	0	0	0	*0*	*0.0%*	
Capital - Vehicles	0	30,000	0	0	0	*(30,000)*	*-100.0%*	Replace vehicle #134 - '02 w/150k miles
Capital - Data Processing	0	0	0	10,000	0	*0*	*0.0%*	FY18 - Replace server
Capital - Software	103,829	21,248	0	0	0	*(21,248)*	*-100.0%*	Upgrade Records Mgmt Software
Capital Outlay Subtotal	103,829	51,248	0	10,000	0	*(51,248)*	*-100.0%*	
Debt Service								
Debt Service	18,189	36,377	36,377	36,377	36,377	*0*	*0.0%*	
Records Mgmt Software Upgrade		*36,377*	*36,377*	*36,377*	*36,377*			Debt Retired FY20
Debt Service Subtotal	18,189	36,377	36,377	36,377	36,377	*0*	*0.0%*	
Transfers								
Transfer to Capital Project Fund	0	0	39,240	39,240	39,240	*39,240*	*0.0%*	
New Police Headquarters		*0*	*39,240*	*39,240*	*39,240*			Design
Transfers Subtotal	0	0	39,240	39,240	39,240	*39,240*	*0.0%*	
Police - Administration Total	**$ 601,282**	**$ 596,007**	**$ 594,742**	**$ 603,399**	**$ 598,840**	***(1,265)***	***-0.2%***	
% Change	*53.9%*	*-0.9%*	*-0.2%*	*1.5%*	*-0.8%*			

POLICE – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Serve the Community	Strengthen Citizen Engagement	Consistently interact with Neighborhood Watch groups	% of community watch meetings with patrol personnel in attendance	N/A	70%	70%	70%	New measure for FY15.
			% of community watch groups contacted or interacted with monthly	N/A	90%	90%	90%	New measure for FY15.
		Initiate community events and youth outreach programs	# of community events and youth outreach programs offered	27	26	25	25	
		Treat all citizens with dignity and respect and treat every interaction as an opportunity to leave a positive impression	Complaints against officers as a % of calls for service	N/A	.09%	<1%	<1%	New measure for FY15.
			"I feel safe in Hillsborough overall." – Average rating of Citizen Survey respondents	8.18	N/A Bi-Annual Survey	>7.5	>7.5	10 point rating scale: 1 = strongly disagree 10 = strongly agree
	Increase Citizen and Community Safety	Utilize high visibility and proactive patrols, thorough follow up investigations and partnerships to reduce crimes against persons and property	Part I violent crimes per 1,000 population	4.0	7.2	<5	<5	Replaces the total Part I crimes used previously in order to provide better information.
			Part I property crimes per 1,000 population	54.7	69.2	<70	<70	
			Part I property crimes – excluding large retail shoplifting - per 1,000 population	N/A	N/A	N/A	<50	New Measure for FY17 - Factors out impact of big-box theft (i.e. Walmart)
			% of patrol shifts with at least 1 foot patrol of the downtown area	N/A	52%	75%	75%	New measure for FY15.
Run the Operations	Provide Responsive & Dependable Services	Utilize a comprehensive approach for reviewing and investigating all Part I and II crimes to improve clearance rates	Clearance rate for Part I offenses – Violent Crimes *NC Average* *US Average (<10k pop)*	56.0% *58%* *48.1%*	74% *N/A* *N/A*	>65%	>65%	HPD has reevaluated how cleared cases reported and have better aligned our procedures with national standards.
			Clearance rate for Part I offenses – Property Crimes *NC Average* *US Average (<10k pop)*	*50.2%* *58%* *48.1%*	*43.8%* *N/A* *N/A*	>30%	>30%	
			# of civilian injury vehicular accidents per 1,000 population	2.2	2.6	<3	<3	
Manage Resources	Deliver Services Efficiently	Deploy officers to respond quickly and safely to priority calls for service	# of at fault traffic accidents per 100,000 miles driven	0.89	.52	<1	<1	
		Report all internal accidents in a timely manner to reduce liability and allow other departments to respond efficiently	Average # of business days between occurrence of an employee accident/injury and submission of incident report to Safety Officer	N/A	1	<1	<1	New measure for FY15.
Develop Know-How	Develop a Skilled and Diverse Workforce	Provide continuous training in different areas and strive to make every day a training day	Average # of training hours per officer beyond mandated state minimums	80.5	45.4	>40	>40	State minimum is 24 training hours.
			% of patrol shifts during which officers do roll-call or other squad-level training	N/A	50%	90%	90%	New measure for FY15.
		Encourage officers to enhance their professional skills	% of HPD sworn officers to have attained following Law Enforcement Certificate: *Intermediate* *Advanced*	68% N/A	77% 56%	>50% >65%	>50% >70%	Advanced Law Enforcement Certificate can be obtained without first obtaining an Intermediate Law Enforcement Certificate.

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POLICE - PATROL

POLICE PATROL – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Patrol Division's major purpose is to provide outstanding customer service and have positive interactions with the citizens of Hillsborough. The division has the task of responding to emergency and non-emergency 911 calls for service, monitoring and enforcing traffic laws, identifying and solving community problems and conducting high visibility patrols throughout the town. The goal of these activities is to ensure safety and enhance the quality of life for the community.

FY16 MAJOR ACCOMPLISHMENTS:

- Acquired and outfitted two Ford Utility vehicles to replace aging Dodge Magnums used for K-9.
- Deployed an additional eight body cameras so each patrol officer has a dedicated camera at his or her disposal.
- Continued Riverwalk patrols this year with officers providing visibility on foot and bicycle.
- Upgraded Mobile Data Terminals (MDTs), or in-car computers. The department now has enough computers for one to be permanently mounted in each vehicle. This eliminates the need for the computers to be moved in and out of cars each shift, significantly reducing potential damage.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Tasers used by Patrol personnel are aging and need to be upgraded. Two are being replaced in FY17 with two additional replacements in both FY18 and FY19. This will result in all the Tasers being upgraded in the next three years.
- All of the department's in-car camera systems are aging and several units are no longer functioning. During FY17, all in-car systems are being updated.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

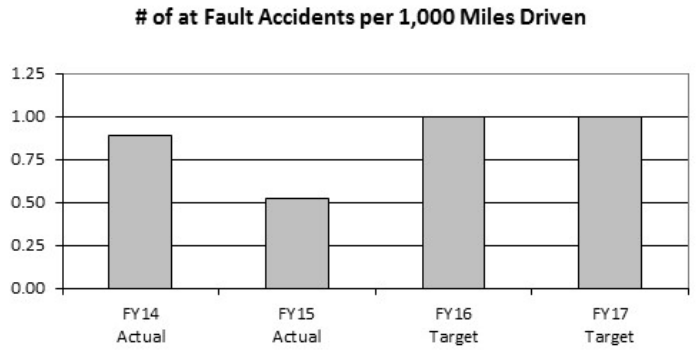
- Upgrading technology will be an ongoing process. The portable radios currently in use are starting to show significant signs of their age and as issues with them increase, they will need to be upgraded/replaced. In addition, RADARs will likely need to be upgraded and replaced to stay current.
- An additional vehicle purchase is planned for FY17. This will get all of the department's primary line cars to be less than 5 years old and eliminate all of the older Crown Victoria platforms from our Patrol fleet.
- Overtime will still be required to ensure proper coverage and visibility on Riverwalk, but we are hoping to reduce it with reserves and part-time personnel.

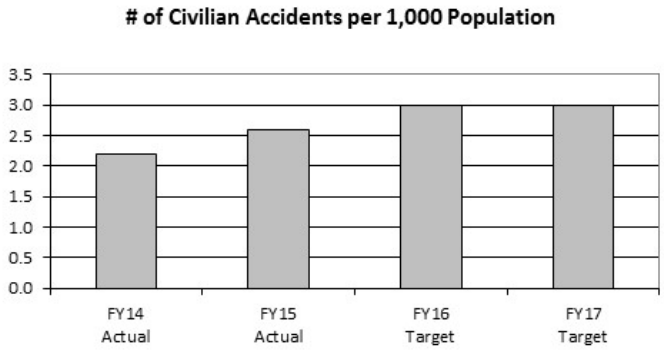
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continue to seek out training for officers and ensure we have personnel certified in Crisis Intervention Training, RADAR, and Intoxilizer on each shift. In addition, we will continue to focus on training that helps with cultural understanding, fair and impartial training and Spanish language skills.
- Continue to have Patrol personnel attend neighborhood watch meetings and community events and look for additional opportunities for police personnel and citizens to interact and ways to strengthen these relationships.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	1,242,199	1,414,393	1,341,951	1,360,150	1,379,910	*(72,442)*	*-5.1%*	
Operations	103,555	125,332	154,250	166,650	178,550	*28,918*	*23.1%*	FY17 - Replace in-car video system
Capital Outlay	98,740	88,360	35,000	0	0	*(53,360)*	*-60.4%*	FY17 - Replace 1 vehicle
Debt Service	0	0	0	0	0	*0*	*0.0%*	
Total	**$ 1,444,494**	**$ 1,628,085**	**$ 1,531,201**	**$ 1,526,800**	**$ 1,558,460**	***$ (96,884)***	***-6.0%***	
% Change	*-2.4%*	*12.7%*	*-6.0%*	*-0.3%*	*2.1%*			
FTE	18.00	18.00	19.00	19.00	19.00			





POLICE - PATROL

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	31,938	25,831	25,000	25,000	25,000	*(831)*	*-3.2%*	
Regular Overtime		*25,000*	*25,000*	*25,000*	*25,000*			
Riveralk Patrol Overtime		*831*	*0*	*0*	*0*			Hire I&CS officer to do patrol starting 1/1/16
Salaries - Regular	889,478	1,039,482	938,032	938,032	938,032	*(101,450)*	*-9.8%*	FY16-19 vacancy rate = 0%
FICA	65,935	78,455	73,672	73,672	73,672	*(4,783)*	*-6.1%*	
Hospitalization	127,425	134,302	157,830	173,613	190,974	*23,528*	*17.5%*	
Life/Disability/Vision	5,655	6,524	6,091	6,091	6,091	*(433)*	*-6.6%*	
Dental Insurance	5,550	6,026	6,131	6,131	6,131	*105*	*1.7%*	
Retirement	69,918	73,468	77,043	79,459	81,858	*3,575*	*4.9%*	
Supplemental Retirement - 401K	46,299	50,305	48,152	48,152	48,152	*(2,153)*	*-4.3%*	
Personnel Expansion - Salaries	0	0	10,000	10,000	10,000	*10,000*	*0.0%*	
Reserve Officer Pay		*0*	*10,000*	*10,000*	*10,000*			Reserve officers P/T, temporary
Personal Services Subtotal	1,242,199	1,414,393	1,341,951	1,360,150	1,379,910	*(72,442)*	*-5.1%*	
Operations								
Training/Conferences/Conventions	4,102	13,850	8,000	8,000	8,000	*(5,850)*	*-42.2%*	
Miscellaneous		*13,850*	*6,000*	*6,000*	*6,000*			
Train 2 Defend		*0*	*2,000*	*2,000*	*2,000*			Firearms training & qualifications
Bike Patrol Training		*0*	*0*	*0*	*0*			For patroling Riverwalk
Telephone/Internet	1,922	6,591	3,000	3,000	3,000	*(3,591)*	*-54.5%*	Cell stipends (5); Aircards moved to
License Fees	3,015	204	1,500	1,500	1,500	*1,296*	*635.3%*	MDT line
O365		*204*	*0*	*0*	*0*			FY17 - expense moved to IT budget
SmartApps for Speed Signs		*0*	*1,500*	*1,500*	*1,500*			Data collection application for 1 sign
Equipment Repair	3,607	3,000	3,000	3,000	3,000	*0*	*0.0%*	
Miscellaneous Repairs		*3,000*	*3,000*	*3,000*	*3,000*			
Maintenance - Vehicle	131	164	150	150	150	*(14)*	*-8.5%*	
Gasoline	29,823	23,171	30,000	33,000	36,000	*6,829*	*29.5%*	
Supplies - Office	619	2,000	2,000	2,000	2,000	*0*	*0.0%*	
Supplies - Departmental	18,804	20,000	64,500	68,500	68,500	*44,500*	*222.5%*	
Patrol Equipment			*7,000*	*7,000*	*7,000*			
Replace Tasers			*1,500*	*1,500*	*1,500*			Replace 2 aging tasers each year
Body Worn Cameras			*0*	*0*	*0*			
In-Car Radios (2)			*0*	*0*	*0*			
Replace In-Car Video System			*36,000*	*0*	*0*			Replace 8 aging cameras
Replace Handheld Radios			*20,000*	*60,000*	*60,000*			Replace aging handheld radios
Supplies - Data Processing	10,103	16,235	6,000	16,500	21,900	*(10,235)*	*-63.0%*	
Replace Mobile Data Terminals		*2,235*	*0*	*0*	*0*			FY16-add 1 new MDT
Replace Laptops (6)		*12,000*	*0*	*0*	*0*			Replc LT001, LT003, LT004, LT005, LT006, LT007
Replace Computer HPD-NB001		*2,000*	*0*	*0*	*0*			Due FY16 - every 4 years
Computer repalcements (x5)		*0*	*6,000*	*0*	*0*			Replace WS004, WS007, LT003, LT007, WS006
MDT replacements (x5)		*0*	*0*	*13,500*	*0*			Replace MDTs ATG1 - ATG5 (3 year cycle)
MDT Replacements (x7)		*0*	*0*	*0*	*18,900*			Replace MDTs ATG6 - ATG12 (3 year cycle)
Computer Replacement - WS008		*0*	*0*	*1,500*	*0*			
Computer Replacements (x3)		*0*	*0*	*1,500*	*3,000*			Replace WS017, WS001, WS002
Uniforms	16,653	13,000	9,100	7,000	10,500	*(3,900)*	*-30.0%*	
Uniforms			*5,600*	*5,600*	*5,600*			Annual boots plus ~$250/officer
Bike Patrol Uniforms			*0*	*0*	*0*			For patroling Riverwalk
Replace Body Armor/Vests			*3,500*	*1,400*	*4,900*			Every 5 years (FY17-5; FY18-2; FY19-7)
C.S. - Mobile Data Terminals	4,954	15,017	15,400	15,400	15,400	*383*	*2.6%*	Connectivity to County/RMS system/Internet
Misc MDT Maintenance			*500*	*500*	*500*			Dropping ALEN service due to new RMS system
MDT Aircards			*3,900*	*3,900*	*3,900*			
MDT Fiber			*11,000*	*11,000*	*11,000*			
Data Processing Services	135	1,700	3,600	3,600	3,600	*1,900*	*111.8%*	
Body Camera Video Storage		*1,700*	*3,600*	*3,600*	*3,600*			
Dues & Subscriptions	0	0	0	0	0	*0*	*0.0%*	
Miscellaneous	3,841	1,000	1,000	1,000	1,000	*0*	*0.0%*	Increased for emergency/disaster/sp. events
Vehicle Tax & Tags	1,605	2,500	3,000	0	0	*500*	*20.0%*	
Miscellaneous - Police Dog	4,239	6,900	4,000	4,000	4,000	*(2,900)*	*-42.0%*	Supplies for 2 K-9s
Operations Subtotal	103,555	125,332	154,250	166,650	178,550	*28,918*	*23.1%*	

Capital Outlay								
Capital - Equipment	0	0	0	0	0	*0*	*0.0%*	
Capital - Vehicles	88,199	88,360	35,000	0	0	*(53,360)*	*-60.4%*	
Replc. Vehicle #750		*0*	*35,000*	*0*	*0*			'98 Crown Vic w/114k miles, rated 11 out of 12
Replc. Vehicle #173		*44,180*	*0*	*0*	*0*			'07 Magnum w/87k miles, rated 8 out of 12
Replc. Vehicle #174		*44,180*	*0*	*0*	*0*			'07 Magnum w/85k miles, rated 9 out of 12
Capital - K9	10,542	0	0	0	0	*0*	*0.0%*	
Capital Outlay Subtotal	98,740	88,360	35,000	0	0	*(53,360)*	*-60.4%*	
Police- Patrol Total	**$1,444,494**	**$1,628,085**	**$1,531,201**	**$1,526,800**	**$1,558,460**	***$ (96,884)***	***-6.0%***	
% Change	*-2.4%*	*12.7%*	*-6.0%*	*-0.3%*	*2.1%*			

POLICE – INVESTIGATIONS & COMMUNITY SERVICES

POLICE – INVESTIGATIONS & COMMUNITY SERVICES – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Investigations & Community Services Division conducts necessary investigations of all major cases and carries out a variety of outreach programs and special assignments related to public safety and crime prevention. These programs include, Adopt-a-Cop, Junior Police Academy, after-school youth tutoring, the Citizens Police Academy, National Night Out, 4-H advisory board, lunch and learns, and holiday activities to include HPD's popular annual Santa visit, Adopt-a-Senior for Christmas program and deliveries to the elderly through Orange Congregation in Ministry. Additionally, officers serve as mentors and coordinate Hillsborough's eleven Community Watch programs.
- The Division is also responsible for training investigators in law enforcement techniques, maintaining fingerprint files and the evidence room, and conducting undercover drug operations.

FY16 MAJOR ACCOMPLISHMENTS:

- Maintained a clearance rate greater than state and national averages. We have increased our use of internet resources and social media, such as Facebook, to help clear cases.
- Staffed a vacant narcotics position and began working in conjunction with the Orange County Sheriff's Office on narcotics investigations. There have been significant benefits to this task-force approach for both the Town and the County.
- Added a Community Policing position January 2016.
- Installed a secure storage facility for seized vehicles and equipment at the fleet maintenance facility. This structure will allow for secure storage that we have not had before.
- Community Services has continued to run a number of effective programs including Coffee with a Cop, RuOK?, Vial of Life, Adopt-a-Cop and our Neighborhood Watch Programs. In addition, this was our second year of raising money for Special Olympics and we raised over $6,000.
- Completed a comprehensive audit of our evidence room and inputted all stored evidence into the new RMS system.
- Added Accurint, a subscription-based service that provides information from many databases. This will be an asset for investigators in developing leads and exploring backgrounds.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Need to purchase a larger refrigerator for evidence storage and an additional digital camera for our investigators.
- Will be putting significant focus on building better relationships with our Spanish-speaking community.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

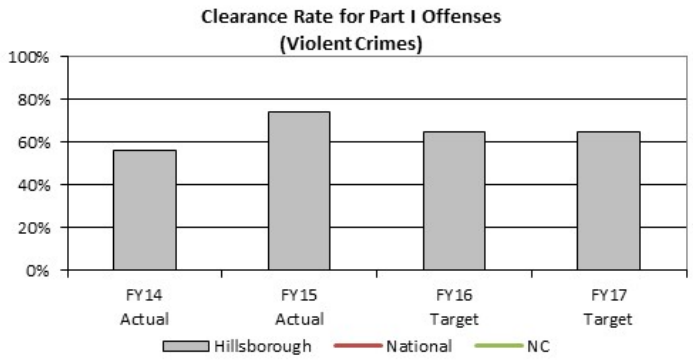
- Will need to explore technology upgrades in many areas as new technologies and resources become available.

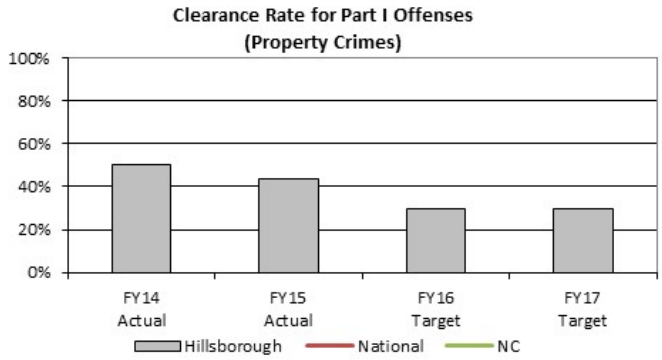
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continue to invest in training to keep our investigative staff ahead of emerging issues and up-to-date on current practices.
- Continually seek out new programs and ways to keep our current programs fresh. Examine ways to reach different groups and communities.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	519,430	450,227	563,513	570,532	578,150	*113,286*	*25.2%*	
Operations	54,054	75,062	72,549	60,989	58,289	*(2,513)*	*-3.3%*	
Capital Outlay	36,139	54,000	25,000	0	0	*(29,000)*	*-53.7%*	FY17 - Additional vehicle for Community
Debt Service	0	0	0	0	0	*0*	*0.0%*	Policing
Total	**$609,622**	**$579,289**	**$661,062**	**$631,521**	**$636,439**	***$ 81,773***	***14.1%***	
% Change	*8.1%*	*-5.0%*	*14.1%*	*-4.5%*	*0.8%*			
FTE	7.00	7.50	7.00	7.00	7.00			





POLICE - INVESTIGATIONS & COMMUNITY SERVICES

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	3,723	3,185	5,000	5,000	5,000	*1,815*	*57.0%*	
Salaries - Regular	383,751	336,004	408,395	408,395	408,395	*72,391*	*21.5%*	
FICA	28,164	25,301	31,625	31,625	31,625	*6,324*	*25.0%*	
Hospitalization	50,727	41,410	59,858	65,844	72,428	*18,448*	*44.5%*	
Life/Disability/Vision	2,234	2,275	2,634	2,634	2,634	*359*	*15.8%*	
Dental Insurance	2,165	1,906	2,259	2,259	2,259	*353*	*18.5%*	
Retirement	29,198	23,682	33,072	34,105	35,139	*9,390*	*39.7%*	
Supplemental Retirement - 401K	19,468	16,464	20,670	20,670	20,670	*4,206*	*25.5%*	
Personal Services Subtotal	519,430	450,227	563,513	570,532	578,150	*113,286*	*25.2%*	
Operations								
Training/Conferences/Conventions	4,150	4,300	3,500	3,500	3,500	*(800)*	*-18.6%*	
Homicide Conference 2 @ $500			*1,000*	*1,000*	*1,000*			
Narcotics Conference 1 @ $500			*500*	*500*	*500*			
COP Conference 1 @ $500			*500*	*500*	*500*			
Other Training			*1,500*	*1,500*	*1,500*			
Telephone/Internet	8,051	9,039	11,440	4,980	4,980	*2,401*	*26.6%*	
Telephone			*4,200*	*0*	*0*			FY18 - Expense moved to IT budget
Internet Service			*2,260*	*0*	*0*			FY18 - Expense moved to IT budget
Cell Phone Stipend (1)			*480*	*480*	*480*			$40/mo per stipend
Smart Phone Stipend (5)			*4,200*	*4,200*	*4,200*			$70/mo per stipend
Cell Phone Service			*300*	*300*	*300*			
License Fees	15	1,435	1,500	1,500	1,500	*65*	*4.5%*	
O365		*1,435*	*0*	*0*	*0*			FY17 - Expense moved to IT budget
Accurint		*0*	*1,500*	*1,500*	*1,500*			
Utilities	4,080	4,500	4,500	4,500	5,000	*0*	*0.0%*	
Maintenance - Buildings	5,620	5,500	9,500	6,000	6,000	*4,000*	*72.7%*	
Miscellaneous Maintenance		*5,500*	*5,500*	*6,000*	*6,000*			
Re-Cable Substation		*0*	*4,000*	*0*	*0*			Replace inadequate and unreliable cabling
Maintenance - Grounds	2,524	3,000	3,000	3,000	3,000	*0*	*0.0%*	
Maintenance - Vehicles	0	0	500	500	500			FY17-Expenses previously charged to Misc.
Equipment Repair	131	500	500	500	500	*0*	*0.0%*	
Gasoline	8,894	7,336	7,500	8,000	8,500	*164*	*2.2%*	
Supplies - Office	2,194	3,043	3,000	3,000	3,000	*(43)*	*-1.4%*	
Supplies - Community Policing	2,249	2,031	2,500	2,500	2,500	*469*	*23.1%*	
Supplies - Departmental	4,559	1,841	4,500	2,500	2,500	*2,659*	*144.4%*	Increase for digital camera and evidence
Supplies - Special Response Team	0	0	0	0	0	*0*	*0.0%*	No expenses expected for this
Supplies - Data Processing	2,870	2,328	9,000	7,500	4,500	*6,672*	*286.6%*	
Computer Replacements (x2)		*0*	*3,000*					FY17- Replace WS009 and WS010
Computer Repalcements (x5)		*0*	*0*	*7,500*	*0*			FY18- Replace LT009, LT010, LT011, LT012, LT023
Computer Replacements (x3)		*0*	*0*	*0*	*4,500*			FY19- Replace LT013, LT014, LT015
Replace Computer HPD-WS009		*2,328*	*0*	*0*	*0*			FY16- Replace HPD-WS009
Replace POE Switch		*0*	*6,000*	*0*	*0*			
Supplies - Disaster	0	0	0	0	0	*0*	*0.0%*	
Uniforms	2,637	2,500	2,500	3,900	3,200	*0*	*0.0%*	
Uniforms		*2,500*	*2,500*	*2,500*	*2,500*			
Body Armor		*0*	*0*	*1,400*	*700*			Replace vests (5-year replacement cycle)
Contract Services - NCSBI-DCI	1,464	2,300	1,400	1,400	1,400	*(900)*	*-39.1%*	
Contract Services - Alarm	777	350	350	350	350	*0*	*0.0%*	Alarm for property room
Data Processing Services	0	359	359	359	359	*0*	*0.0%*	
Dues & Subscriptions	0	300	300	300	300	*0*	*0.0%*	
Miscellaneous	2,833	5,200	1,500	1,500	1,500	*(3,700)*	*-71.2%*	FY16-Secure covered facility for short-term
Vehicle Tax & Tags	1,005	200	200	200	200	*0*	*0.0%*	storage of vehicles and large items
Drug Enforcement Operations	0	19,000	5,000	5,000	5,000	*(14,000)*	*-73.7%*	FY16-Partner with Orange County
Operations Subtotal	54,054	75,062	72,549	60,989	58,289	*(2,513)*	*-3.3%*	
Capital Outlay								
Capital - Vehicles	36,139	0	25,000	0	0	*25,000*	*0.0%*	FY16 - No vehicles purchased because existing vehicles repurposed
Additional Vehicle for COP		*0*	*25,000*	*0*	*0*			FY17 - Expansion of COP office
Capital - Buildings & Improvements	0	54,000	0	0	0	*(54,000)*	*-100.0%*	
Pave Substation Parking Lot		*54,000*	*0*	*0*	*0*			
	36,139	54,000	25,000	0	0	*(29,000)*	*-53.7%*	
Police - Invest. & Comm. Services Total	**$ 609,622**	**$ 579,289**	**$ 661,062**	**$ 631,521**	**$ 636,439**	***$ 81,773***	***14.1%***	
% Change	*8.1%*	*-5.0%*	*14.1%*	*-4.5%*	*0.8%*			

Town of Hillsborough

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FIRE MARSHAL & EMERGENCY MANAGEMENT

FIRE MARSHAL & EMERGENCY MANAGEMENT – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Fire Marshal and Emergency Management Department provides efficient and effective education, inspection, and investigation services to reduce the loss of life and property, and to improve the quality-of-life for the citizens and visitors of the Town of Hillsborough. The division accomplishes this goal through the conducting of fire inspections, permit issuances, general plans review, managing data reports, education/training programs, emergency response, and addressing code complaints.

FY16 MAJOR ACCOMPLISHMENTS:

- Conducted 87 formal fire inspections in calendar year 2015. Not included in this number are the numerous visits and consultations provided during construction, remodels and up-fits that are underway. Occupancies are inspected on either an annual, biennial or triennial schedule. Over a three-year period, there are an estimated 493 mandated fire inspections. For the last three calendar years, 524 inspections have been conducted. The additional 31 inspections were either re-inspections or our efforts to inspect the triennial occupancies more frequently where repeat violations occur most.
- Added six sprinklered buildings and five sprinklered homes in town, adding no additional fire load.
- Completed all inspections and systems testing for the main building and bed-tower on UNC Hospitals Hillsborough Campus.
- Coordinated the onboarding of Everbridge "Hillsborough Alerts," a mass notification system, to replace the current CodeRed system.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- N/A

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

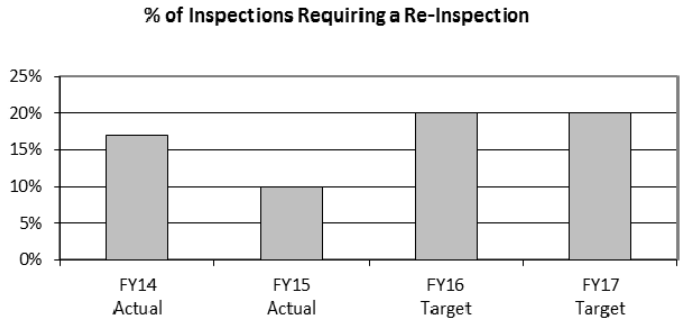
- Implementation of a sprinkler ordinance requiring that all new commercial structures have sprinkler systems installed, regardless of size.

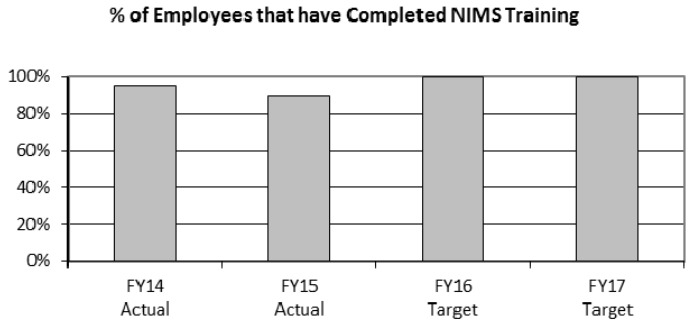
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- NC State mandated fire inspection schedule.
- Continue goal of more frequent inspections among occupancies that need to be inspected on a triennial basis.

BALANCED SCORECARD: ANALYSIS & RESPONSES:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY18 Projection	*$ Change*	*% Change*	Comments
Personal Services	112,565	117,368	121,554	122,679	123,895	*4,186*	*3.6%*	
Operations	14,302	25,476	24,140	19,840	27,860	*(1,336)*	*-5.2%*	
Capital Outlay	0	0	0	0	30,000	*0*	*0.0%*	FY19-Replace vehicle
Debt Service	0	0	0	0	0	*0*	*0.0%*	
Total Expenditures	**$126,867**	**$142,844**	**$145,694**	**$142,519**	**$181,755**	***$ 2,850***	***2.0%***	
% Change	*-5.9%*	*12.6%*	*2.0%*	*-2.2%*	*27.5%*			
Total Revenues	**$ 12,068**	**$ 14,000**	**$ 14,000**	**$ 14,000**	**$ 14,000**	***$ -***	***0.0%***	
Net Costs	**$114,799**	**$128,844**	**$131,694**	**$128,519**	**$167,755**	***$ 2,850***	***2.2%***	
FTE	1.38	1.38	1.38	1.38	1.38			





FIRE MARSHAL & EMERGENCY MANAGEMENT

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Salaries - Regular	88,933	92,663	93,258	93,258	93,258	*595*	*0.6%*	
FICA	6,518	7,121	7,134	7,134	7,134	*13*	*0.2%*	
Hospitalization	7,200	7,590	8,923	9,815	10,797	*1,333*	*17.6%*	
Life/Disability/Vision	400	545	492	492	492	*(53)*	*-9.7%*	
Dental Insurance	333	341	323	323	323	*(18)*	*-5.3%*	
Retirement	5,428	5,273	6,761	6,994	7,228	*1,488*	*28.2%*	
Supplemental Retirement - 401K	3,753	3,835	4,663	4,663	4,663	*828*	*21.6%*	
Personal Services Subtotal	112,565	117,368	121,554	122,679	123,895	*4,186*	*3.6%*	
Operations								
Training/Conferences/Conventions	807	1,000	1,000	1,200	1,500	*0*	*0.0%*	
Telephone/Internet	9,461	16,359	16,740	11,740	11,740	*381*	*2.3%*	
Telephone/Internet		*5,000*	*5,000*	*0*	*0*			FY18 - Expense moved to IT budget
EOC Internet & Satelite Phones		*4,600*	*4,600*	*4,600*	*4,600*			
Everbridge Alert System		*6,759*	*7,140*	*7,140*	*7,140*			
Postage	72	200	200	200	200	*0*	*0.0%*	
License Fees	408	408	0	0	0	*(408)*	*-100.0%*	FY17-O365 expense moved to IT budget
Equipment Repair	0	300	300	300	300	*0*	*0.0%*	
Gasoline	2,219	1,509	2,000	2,200	2,420	*491*	*32.5%*	
Supplies - Office	678	600	750	750	750	*150*	*25.0%*	
Supplies - Departmental	166	1,000	1,100	1,300	1,300	*100*	*10.0%*	
Supplies - Educational	0	300	300	300	300	*0*	*0.0%*	
Supplies - Data Processing	0	2,000	0	0	6,000	*(2,000)*	*-100.0%*	
Replace Computer NC86-WS017		*2,000*	*0*	*0*	*0*			Due in FY16
Replace Computer NC86-LT001		*0*	*0*	*0*	*1,500*			Due in FY19
Replace Computer NC86-LT002		*0*	*0*	*0*	*1,500*			Due in FY19
Replace Computer NC86-WS001		*0*	*0*	*0*	*1,000*			Due in FY19
Replace Computer NC86-WS002		*0*	*0*	*0*	*1,000*			Due in FY19
Replace Computer NC86-WS004		*0*	*0*	*0*	*1,000*			Due in FY19
Uniforms	280	300	400	450	450	*100*	*33.3%*	Replacement of uniforms & safety shoes
Laundry & Dry Cleaning	0	200	200	200	200	*0*	*0.0%*	
Contract Services - Printing	0	300	300	300	300	*0*	*0.0%*	
Dues & Subscriptions	209	350	350	400	400	*0*	*0.0%*	
Miscellaneous	2	650	500	500	500	*(150)*	*-23.1%*	
Vehicle Tax & Tags	0	0	0	0	1,500	*0*	*0.0%*	
Operations Subtotal	14,302	25,476	24,140	19,840	27,860	*(1,336)*	*-5.2%*	
Capital Outlay								
Capital - Vehicles	0	0	0	0	30,000	*0*	*0.0%*	Replace '09 fire marshal vehicle
Capital - Equipment	0	0	0	0	0	*0*	*0.0%*	
Capital - Buildings & Improvements	0	0	0	0	0	*0*	*0.0%*	
Capital Outlay Subtotal	0	0	0	0	30,000	*0*	*0.0%*	
Fire Marshal & Emerg. Mgmt. Total	**$ 126,867**	**$ 142,844**	**$ 145,694**	**$ 142,519**	**$ 181,755**	***$ 2,850***	***2.0%***	
% Change	*-5.9%*	*12.6%*	*2.0%*	*-2.2%*	*27.5%*			

FIRE MARSHAL & EMERGENCY MGMT. – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Results
Serve the Community	Increase Citizen & Community Safety	Ensure that occupancies are in compliance with the NC Fire Prevention Code	% of annual inspections completed	100%	100%	100%	100%	30 due each year.
			% of biennial inspections completed	100%	100%	100%	100%	8 due each year.
			% of triennial inspections completed	100%	100%	100%	100%	110 due each year.
		Increase the inspection frequency of occupancies on the biannual and triennial schedules to reduce need for re-inspections	% of inspections for occupancies on the biennial and triennial schedule conducted ahead of schedule	5%	3%	5%	5%	Eliminate problem facilities in a more timely fashion.
			% of inspections requiring a re-inspection	17%	10%	<20%	<20%	
		Provide fire prevention education within the Town's jurisdiction FY17 Action Steps • Teach fire prevention class to 4th graders • Conduct Disaster Preparedness Fair and/or TV event • Continue posting on Fire Marshal's Office Facebook page	# of fires started by juveniles	2	1	1	0	Of total # of fires due to or suspected of arson that were investigated.
			# of persons injured or killed by fire	1 Fatality	0	0	0	FY14 had 1 fatality
		Investigate suspicious fires within the Town's jurisdiction	# of accidental fires investigated	9	6	On demand basis	On demand basis	FY14 –12 fires investigated.
			# of fires due to or suspected of arson investigated	3	0	On demand basis	On demand basis	
		Run chemical release scenarios on each facility storing 55 gallons or 500 pounds or more of chemicals and publish the results for use by first responders and planners	# of facilities storing 55 gallons or 500 pounds or more of chemicals, documented and entered into the Computer Aided Management of Emergency Operations (CAMEO) system	2	2	2	1	A review of all facilities will take place in FY16 for changes that have occurred. New facilities will be added as needed.
			% of scenarios reviewed and updated if necessary within the last 5 years	40%	50%	100%	100%	There are currently 15 completed scenarios on file. Participating on the Critical Infrastructure Committee formed by Orange County. Working with state and federal agencies on the Automated Critical Asset Management System (ACAMS), used for management of critical infrastructure.

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Results
Run the Operations	Enhance Emergency Preparedness	Ensure the authorized operators launch Everbridge practice calls quarterly	% of quarterly calls launched by operators (6)	Quarterly -11 Actual-1	Quarterly -16 Actual-1	100%	100%	FY15 and 16 targets have changed to percentage of required calls launched.
Manage Resources	Maintain Fiscal Strength	Maintain an up-to-date inspection fee schedule that adequately recovers departmental costs.	% of operation costs recovered through fees	10%	12%	10%	10%	FY-16 on track to exceed goal.
Develop Know-How	Develop a Skilled and Diverse Workforce	Have all Town employees fully trained to meet National Incident Management System (NIMS) requirements	% of employees that have completed NIMS training	95%	90%	100%	100%	
			% of upper management/dept. heads that have completed NIMS training	90%	90%	100%	100%	
			% of field supervisors that have completed NIMS training	100%	100%	100%	100%	
			% of line crews / patrol officers that have completed NIMS training	90%	80%	85%	100%	
		Attend training to stay current and maintain certifications FY17 Action Steps • Attend Fire & Life Safety Conference bi-annually • Attend Fire Prevention School annually • Attend Arson Investigators School annually	# of hours of continuing education attended annually	6hrs	6hrs	6hrs	9hrs	Not required for Fire & Life Safety Educator Certification.

Town of Hillsborough

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FIRE PROTECTION

FIRE PROTECTION – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Town contracts for fire protection services with the Orange Rural Fire Department (ORFD). Each year ORFD submits requests to the Town Board to cover the cost of 1) providing fire protection within the Town limits of Hillsborough, and 2) maintenance and necessary upgrades to the station that is owned by the Town.

FY16 MAJOR ACCOMPLISHMENTS:

- Developed trail-marking system for emergency response on Riverwalk.
- Hired three additional firefighters.
- Presented for Hillsborough Citizens Academy.
- Became certified in Heavy Recue, Confined Space Rescue and High Angle Rescue.
- Made financial process changes to comply with auditor findings.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Replace radios.
- Replace out-of-date fire hose.
- Purchase new monitoring equipment for air monitoring.
- Purchase a meter to measure CO_2 in the blood stream.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- Orange Rural Fire Department and the Town are doing an analysis to study the feasibility of transferring ORFD personnel to the Town. The primary purpose is to provide participation in the Local Government Retirement System. This has been identified as a problem in retaining firefighters. The placeholder estimate figure for the Town is $150,000 in FY18.

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Serve the citizens and visitors of Hillsborough in a safe, efficient and professional manner.
- Constantly re-evaluate department operations for efficiency and progress.
- Review and update emergency response plans to keep up with changing risks in the town.
- Develop a Training Academy for new members, drivers and officers for career development.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	0	0	0	0	0	*0*	*0.0%*	
Operations	861,860	891,981	968,672	1,024,699	1,054,900	*76,691*	*8.6%*	Contract w/ORFD, equip. depreciation,
Capital Outlay	0	0	0	0	0	*0*	*0.0%*	station maintenance, & utilities
Debt Service	126,233	176,256	226,457	226,457	226,457	*50,201*	*28.5%*	Ladder truck; FY16-engine truck
Transfers	0	0	39,240	39,240	39,240	*39,240*	*0.0%*	FY17s-19 - Fire Station Design
Total	**$988,092**	**$ 1,068,237**	**$ 1,234,369**	**$ 1,290,396**	**$ 1,320,597**	***$ 166,132***	***15.6%***	
% Change	*11.0%*	*8.1%*	*15.6%*	*4.5%*	*2.3%*			
FTE	0.00	0.00	0.00	0.00	0.00			

FIRE PROTECTION

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Operations								
Telephone/Internet	3,973	4,129	4,500	4,500	4,500	*371*	*9.0%*	Telephone service
Utilities	8,429	8,661	9,550	10,500	10,500	*889*	*10.3%*	Electric and gas
Orange Rural Fire Department	849,457	872,691	924,622	978,886	1,008,249	*51,931*	*6.0%*	Fire protection for Hillsborough
Fire Protection		*797,691*	*821,622*	*846,271*	*871,659*			
50% of 3 New FTEs - Start 7/1/14		*50,000*	*51,500*	*53,045*	*54,636*			
50% of 3 New FTEs - Start 1/1/16		*25,000*	*51,500*	*53,045*	*54,636*			
50% of 3 New FTEs - Start 1/1/18		*0*	*0*	*26,525*	*27,318*			
Maintenance - Buildings	0	5,000	5,000	5,000	5,000	*0*	*0.0%*	
Miscellaneous	0	0	25,000	25,813	26,651	*25,000*	*0.0%*	FY17 - To fund salary study
Misc. - Vehicle Tax & Tag	0	1,500	0	0	0	*(1,500)*	*-100.0%*	
Operations Subtotal	861,860	891,981	968,672	1,024,699	1,054,900	*76,691*	*8.6%*	
Capital Outlay								
Capital - Vehicles	0	0	0	0	0	*0*	*0.0%*	FY16-Engine purchase is bugeted in GF
Capital - Buildings & Improvements	0	0	0	0	0	*0*	*0.0%*	Capital Project Fund
Capital Outlay Subtotal	0	0	0	0	0	*0*	*0.0%*	
Debt Service								
Capital Lease	126,233	176,256	226,457	226,457	226,457	*50,201*	*28.5%*	
Ladder Truck		*126,054*	*126,054*	*126,054*	*126,054*			Debt retired in FY19
Engine Truck		*50,202*	*100,403*	*100,403*	*100,403*			Debt retired in FY21
Debt Service Subtotal	126,233	176,256	226,457	226,457	226,457	*50,201*	*28.5%*	
Transfers								
Transfer to Capital Project Fund	0	0	39,240	39,240	39,240	*39,240*	*0.0%*	
Fire Station		*0*	*39,240*	*39,240*	*39,240*			Design
Transfers Subtotal	0	0	39,240	39,240	39,240	*39,240*	*0.0%*	
Fire Protection Total	**$ 988,092**	**$1,068,237**	**$1,234,369**	**$1,290,396**	**$1,320,597**	***$ 166,132***	***15.6%***	
% Change	*11.0%*	*8.1%*	*15.6%*	*4.5%*	*2.3%*			

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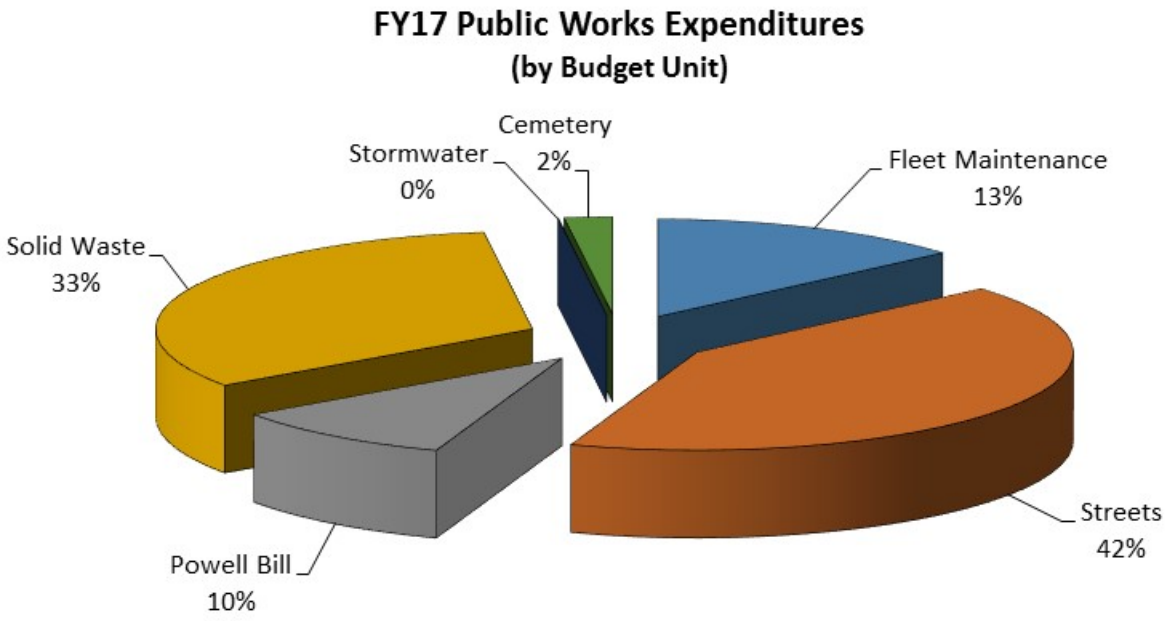
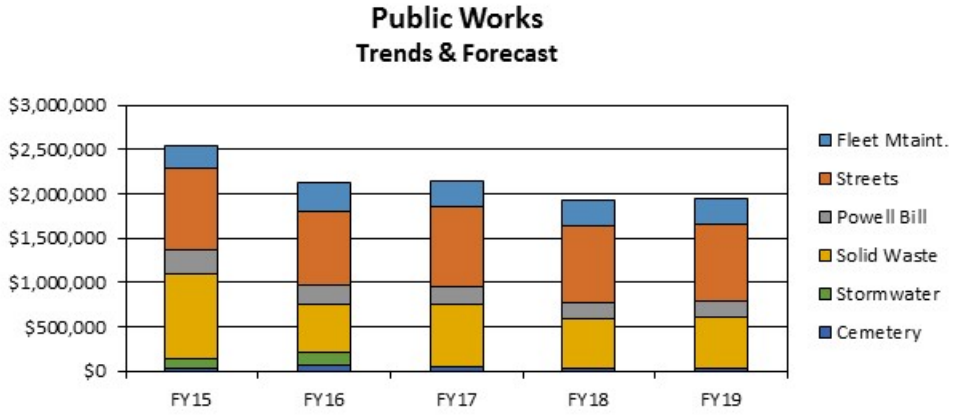
PUBLIC WORKS

PUBLIC WORKS

By Budget Unit	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
Fleet Maintenance	253,019	312,226	292,757	290,371	290,567	*(19,469)*	*-6.2%*
Streets	920,913	834,122	894,703	862,300	866,076	*60,581*	*7.3%*
Powell Bill	278,790	210,000	210,000	180,000	180,000	-	*0.0%*
Solid Waste	950,714	543,706	701,737	551,838	568,046	*158,031*	*29.1%*
Stormwater	119,037	159,281	0	0	0	*(159,281)*	*-100.0%*
Cemetery	24,224	58,326	44,175	36,775	37,775	*(14,151)*	*-24.3%*
Total Expenditures	**$2,546,697**	**$2,117,661**	**$2,143,372**	**$1,921,284**	**$1,942,464**	***$ 25,711***	***1.2%***
% Change	*-5.1%*	*-16.8%*	*1.2%*	*-10.4%*	*1.1%*		





FLEET MAINTENANCE

FLEET MAINTENANCE – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Fleet Maintenance Division conducts and manages a scheduled maintenance program for all Town equipment and vehicles. It also maintains a parts inventory, conducts emergency and standard repairs to vehicles and equipment, assists departments with equipment purchases, auctions surplus equipment for all departments in the Town, provides a wash pit area for other departments, and maintains all equipment records.

FY16 MAJOR ACCOMPLISHMENTS:

- Purchased an automotive air conditioning reclaimer/recycler. The EPA mandates this machine for any repair facility that performs air conditioning repairs. Without this equipment, outside vendors would be needed to perform a/c work on Town vehicles. Implementing this service has reduced repair costs and the amount of time our vehicles are out of service while being repaired.
- Replaced vehicle #592 – a 1995 Chevrolet 3/4 ton 4-wheel-drive truck with 210,000 miles – with a 2015 Ford 1/2 ton truck with a v6 engine (the replaced truck had a v8 engine). This truck is used for retrieving parts and transporting employees during inclement weather.
- Replaced vehicle #458 – a 1990 Chevrolet 3/4 ton truck with 188,000 miles – with a 2016 Ford one-ton 4-wheel-drive truck. The new truck was purchased with a utility body that is made to support an electric crane. This service truck is used to respond to service calls and to repair equipment remotely.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Purchase an electric crane that will be mounted on the department's service truck. The crane will be used for the repair of heavy equipment, helping to prevent back injuries while working on large components.
- Relinquish the maintenance and repair of standby generators to an outside vendor, overseen by the Water & Sewer Department. There are over 30 generators owned by the Town. Previously, all the work on the engine side of the units was performed by Fleet Maintenance. Work on the electrical side of the units was always performed by qualified outside vendors. Most of the generators are reaching the age that increased maintenance will be required. Fleet Maintenance currently maintains 84 vehicles, 16 of which are heavy duty (trash, leaf, and dump trucks), as well as 28 pieces of major equipment. The heavy workload the department currently faces will eventually cause a conflict with the repair of the generators. These generators supply back up electrical power to the sewer pump stations. If not maintained and repaired in a timely manner, sewer spills are probable, resulting in fines from the state.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

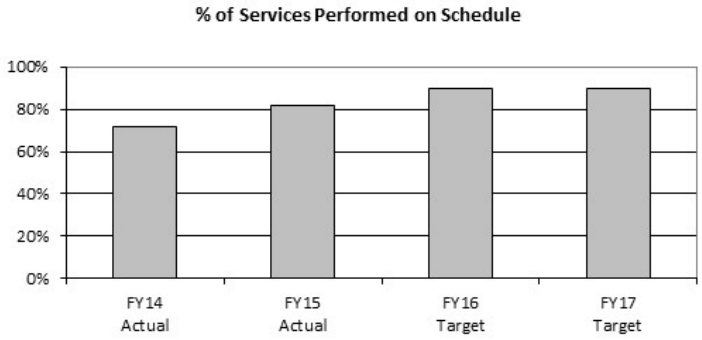
- Replace the drill press in FY18 for $5,500. The current machine is not large enough to handle the projects with which our department is tasked. Electrical wiring in the shop will need to be run to the location of the new machine.

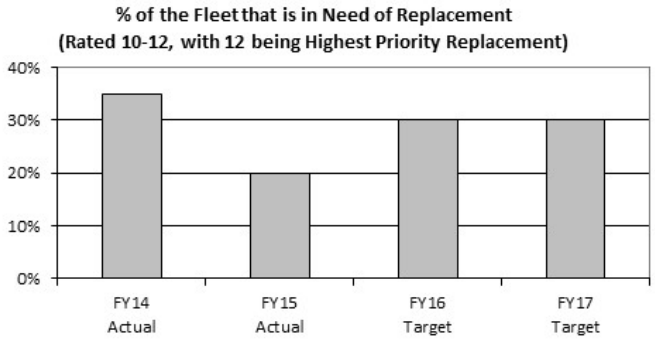
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continue to improve service by purchasing the latest service manuals and diagnostic tools.
- Continue to provide NC state safety and emission vehicle inspections in-house.
- List all Town surplus equipment and vehicles for sale on Govdeals.com.
- Fleet personnel complete continuing education classes on late model vehicle systems.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	240,265	244,998	247,067	248,995	252,111	*2,069*	*0.8%*	
Operations	168,138	184,266	198,500	199,491	202,845	*14,234*	*7.7%*	
Capital Outlay	0	68,105	12,500	5,500	0	*(55,605)*	*-81.6%*	FY16-AC recycler & replc 2 vehicles
Debt Service	91,212	89,432	87,652	85,872	84,092	*(1,780)*	*-2.0%*	Fleet Maint. Facility - debt retired FY25
Transfers	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations	(246,596)	(274,575)	(252,962)	(249,487)	(248,481)	*21,613*	*-7.9%*	Costs allocated to Water & Sewer Fund
Total	**$253,019**	**$312,226**	**$292,757**	**$290,371**	**$290,567**	***$ (19,469)***	***-6.2%***	and Stormwater Fund
% Change	*-77.1%*	*23.4%*	*-6.2%*	*-0.8%*	*0.1%*			
FTE	3.00	3.00	3.00	3.00	3.00			





FLEET MAINTENANCE

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	6,239	5,064	8,000	7,210	7,210	2,936	58.0%	Continuing education classes are at night
Salaries - Regular	173,212	179,544	176,159	176,159	176,159	(3,385)	-1.9%	
FICA	13,151	13,807	14,088	14,028	14,028	281	2.0%	
Hospitalization	23,844	22,881	24,168	26,585	29,243	1,287	5.6%	
Life/Disability/Vision	1,023	1,247	1,124	1,124	1,124	(123)	-9.9%	
Dental	999	1,024	968	968	968	(56)	-5.5%	
Retirement	12,919	12,406	13,352	13,753	14,211	946	7.6%	
Supplemental Retirement - 401K	8,878	9,025	9,208	9,168	9,168	183	2.0%	
Personal Services Subtotal	240,265	244,998	247,067	248,995	252,111	2,069	0.8%	
Operations								
Training/Conferences/Conventions	2,381	1,000	1,340	1,000	1,340	340	34.0%	
NC State Inspection Class		0	340	0	340			NC vehicle inspection recertification classes
Napa Continuing Education Classes		1,000	1,000	1,000	1,000			Continuing education classes for all 3 techs
Telephone/Internet	4,614	4,282	4,750	250	250	468	10.9%	
Telephone/Internet		4,000	4,500	0	0			FY18 - Expense moved to IT budget
On-Call Cell Phone		282	250	250	250			
License Fees	1,676	3,904	4,600	4,600	4,600	696	17.8%	All software annual fees moved to this line
O365		204	0	0	0			FY17 - Expense moved to IT budget
Update Auto Ingenuity Tool		150	150	150	150			
JPRO Heavy Duty Software		400	400	400	400			
Matco Scan Tool Update		150	150	150	150			
Next Step Heavy Truck Software		1,500	1,500	1,500	1,500			
Alldatapro Repair Software		1,500	1,500	1,500	1,500			
Mack and Freightliner Software		0	900	900	900			Brand specific diagnostic software
Utilities	10,554	9,770	11,000	12,000	13,000	1,230	12.6%	
Maintenance - Buildings	6,582	6,160	6,210	6,366	6,366	50	0.8%	
Cleaning Services		2,760	2,760	2,842	2,842			
Pest Control		600	600	620	620			
Miscellaneous		1,000	1,050	1,050	1,050			
Remove Oil & Sludge from Separator		1,800	1,800	1,854	1,854			Clean oil water separator
Maintenance - Equipment	0	0	1,000	1,000	1,000	1,000	0.0%	Fleet Maintenance generator maintenance
Maintenance - Grounds	1,576	1,800	1,800	1,854	1,854	0	0.0%	Mowing and spraying weed killer on lot
Police Vehicle Repair	23,833	20,000	26,000	26,520	27,050	6,000	30.0%	Increasing tIre and parts costs
Street Vehicle Repair	9,986	13,000	18,000	18,360	18,727	5,000	38.5%	Bucket truck and salt spreader costs
Solid Waste Vehicle Repair	23,660	38,000	38,000	38,760	39,535	0	0.0%	
Fleet Maintenance Vehicle Repair	1,005	1,250	1,250	1,250	1,250	0	0.0%	
Water/Sewer Vehicle Repair	43,464	43,000	43,500	44,000	44,000	500	1.2%	
Fire Marshal Vehicle Repair	115	702	400	400	400	(302)	-43.0%	
Safety & Risk Mgmt. Vehicle Repair	81	200	700	700	700	500	250.0%	
Ruffin-Roulhac Generator Repair	0	200	0	0	0	(200)	-100.0%	Water Dept. taking over generator repair
Stormwater Vehicle Repair	7	75	500	500	500	425	566.7%	FY17 - Possibly replace tires
Data Processing Services	0	0	1,000	1,000	1,000	1,000	0.0%	
RTA Software Technical Support		0	1,000	1,000	1,000			
Gasoline	1,940	1,472	2,420	2,650	2,900	948	64.4%	
Supplies - Office	780	525	550	560	570	25	4.8%	
Supplies - Departmental	19,867	23,000	23,450	23,944	23,944	450	2.0%	
Oil & Fluids		14,000	14,250	14,468	14,468			
Filters, Wiper Blades, Brake Parts & Bulbs		9,000	9,200	9,476	9,476			
Supplies - Data Processing	8,511	2,328	750	2,250	2,250	(1,578)	-67.8%	
Replace Computer NC86-LT004			0	1,500	0			Due FY18 - 4yr replacement cycle
Replace Computer NC86-LT011			0	0	0			Due FY20 - 4yr replacement cycle
Replace Computer NC86-LT012			0	0	1,500			Due FY19 - 4yr replacement cycle
Miscellaneous			750	750	750			Repair inspection machine if needed
Supplies - Small Tools	1,755	3,600	3,700	3,811	3,811	100	2.8%	Powerstroke repair requires new tools
Misc. Tools & Minor Equipment		3,600	3,700	3,811	3,811			
Uniforms	4,074	4,400	4,480	4,560	4,642	80	1.8%	
Uniforms		3,950	4,030	4,110	4,192			2% annual increase
Safety Shoes		450	450	450	450			
Rental Equipment	0	200	200	206	206	0	0.0%	Change vat fluid twice per year
Contract Services - Alarm	1,711	1,783	1,900	1,950	1,950	117	6.6%	
Dues & Subscriptions	0	0	0	0	0	0	0.0%	
Tax & Tags	0	3,500	0	0	0	(3,500)	-100.0%	Tax and tags for new trucks
Miscellaneous	(34)	115	1,000	1,000	1,000	885	769.6%	
Operations Subtotal	168,138	184,266	198,500	199,491	202,845	14,234	7.7%	

Capital Outlay								
Capital - Data Processing Equipment	0	0	0	0	0	*0*	*0.0%*	
Capital - Equipment	0	0	12,500	5,500	0	*12,500*	*0.0%*	
Replc. Drill Press & Wiring in the Shop		*0*	*0*	*5,500*	*0*			
Crane for Service Truck		*0*	*12,500*	*0*	*0*			Mount on truck purchased in FY16
Capital - Buildings & Improvements	0	0	0	0	0	*0*	*0.0%*	
Capital - Vehicles	0	68,105	0	0	0	*(68,105)*	*-100.0%*	
Replace Vehicle #458		*44,912*	*0*	*0*	*0*			2016 F-350 4x4 with crane body
Replace Vehicle #592		*23,193*	*0*	*0*	*0*			2015 F-150 4x4 v6 gas engine
Capital Outlay Subtotal	0	68,105	12,500	5,500	0	*(55,605)*	*-81.6%*	
Debt Service								
Capital Lease	91,212	89,432	87,652	85,872	84,092	*(1,780)*	*-2.0%*	Fleet Maint. Facility - Debt retired FY25
Debt Service Subtotal	91,212	89,432	87,652	85,872	84,092	*(1,780)*	*-2.0%*	
Transfers								
Transfer to General Cap Improv Fund	0	0	0	0	0	*0*	*0.0%*	
Transfers Subtotal	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations								52% of op costs, 100% of applc maint costs
Service Charge to Water/Sewer Fund	(246,596)	(274,575)	(245,694)	(242,349)	(241,389)	*28,881*	*-10.5%*	& 33% of Fleet Maint. facility debt
Service Charge to Stormwater Fund	0	0	(7,268)	(7,138)	(7,092)	*(7,268)*	*0.0%*	1.5% of op costs, 100% of applc maint costs
Cost Allocations Subtotal	(246,596)	(274,575)	(252,962)	(249,487)	(248,481)	*21,613*	*-7.9%*	& 2% of Fleet Maint. Facility debt
Fleet Maintenance Total	**$ 253,019**	**$ 312,226**	**$ 292,757**	**$ 290,371**	**$ 290,567**	***$ (19,469)***	***-6.2%***	
% Change	*-77.2%*	*23.4%*	*-6.2%*	*-0.8%*	*0.1%*			

FLEET MAINTENANCE – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Serve the Community	Conserve Cultural & Natural Resources	Protect air quality, increase fuel efficiency, and lower emission levels	% of police department vehicles that have engines with 6 cylinders or less	66%	65%	70%	70%	Vehicles are equipped with 4 or 6 cylinder engines when practical to reduce pollution levels.
			% of fleet comprised of passenger vehicles	37%	31%	41%	35%	Town is striving to utilize smaller vehicles when practical.
Run the Operations	Excel at Staff & Logistical Support	Manage an efficient and effective preventative maintenance program	% of services performed on schedule	72%	82%	90%	90%	Fleet Maintenance is using the fuel records to send out reminders that service is due.
	Provide responsive and dependable services	Improve our service by updating shop equipment, such as manuals and diagnostic tools	% of needed electronic manuals and diagnostic tools obtained	100%	100%	100%	100%	These technical tools are necessary to correctly diagnose vehicles
	Enhance Emergency Preparedness	Prepare vehicles and equipment for emergency use	% of snow removal equipment and vehicles ready for use by December 1st	100%	100%	100%	100%	Equipment readiness is vital for department success.
Manage Resources	Deliver Services Efficiently	Determine replacement of vehicles and equipment replacement by using a rating system, with 1 being new and 12 being excessively worn.	% of vehicles and equipment rated 1 to 9	65%	80%	≥70%	≥70%	1 – 6 Low priority replacement 7 – 9 Medium priority replacement
			% of vehicles and equipment rated 10 to 12	35%	20%	≤30%	≤30%	Vehicles and equipment rated 10-12 are high priority replacements.
	Maintain Fiscal Strength	Sell surplus equipment on GovDeals.com providing a means to recover funds from equipment taken out of service	% of items sold on GovDeals.com within 90 days of being declared surplus	100%	100%	100%	100%	Selling replaced vehicles and equipment helps to recover funds for the Town.
Develop Know-How	Develop a Skilled & Diverse Workforce	Complete continuing education classes on late model vehicle systems	# of classes attended by Fleet Maintenance employees	6	5	9	9	FY15 – new measure.

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STREETS

STREETS – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Streets Department conducts street and curb and gutter repair, pavement resurfacing, and ice and snow removal/control. The department also repairs street cuts made by private contractors and the Water and Sewer Department. Signs and rights-of-way are maintained by the department.

FY16 MAJOR ACCOMPLISHMENTS:

- Repaired sidewalks on West King St. and North Hassel St.
- Worked with Police Department to deploy traffic monitoring devices in neighborhoods.
- Reported streetlight outages to Duke Energy and requested installation of streetlights in low light areas.
- Plowed all streets within 24 hours during applicable snow events.
- Removed unsafe and fallen trees from streets and public rights-of-way.
- Resurfaced 1.77 miles (3.54 lane miles) as part of a four-year resurfacing plan (See Powell Bill for street listing).
- Installed replacement warning and regulatory signs to meet federal standards.
- Provided assistance to Town departments and contributed equipment and staff time to assist with Stickwork project on Riverwalk.
- Purchased excavator in lieu of a replacement backhoe to utilize in street and stormwater repairs, saving an estimated $20,000.
- Purchased salt spreader for de-icing capability on Waterstone Drive to provide hospital access for emergency vehicles.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Continue to develop an active role in the plan review process.
- Increase the amount of staff training and review of emergency preparedness.
- Continue to resurface streets to maintain a Pavement Condition Rating of "good" or "better".

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

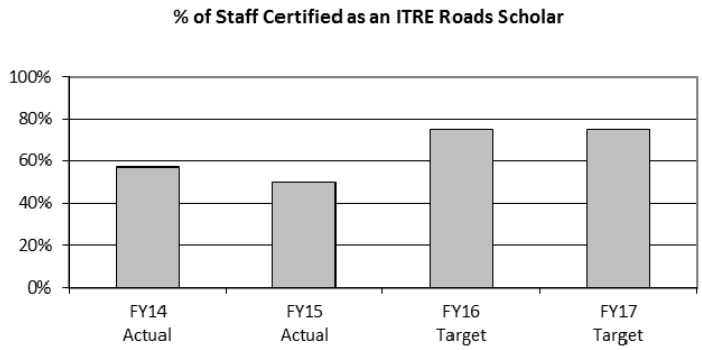
- N/A

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continue incorporation of contract engineering, design, and field monitoring and inspection services into Town and private projects, spanning from planning to construction, through inspection.
- Review new Pavement Resurfacing Survey to establish new re-paving priorities based on the updated condition ratings.
- Participate in Town Technical Review Committee and other planning processes affecting transportation and maintenance.
- Continue to participate in the Institute for Transportation Research and Education (ITRE) "Roads Scholar" Program.
- Continue to train all staff in emergency preparedness, review emergency preparedness plans.

BUDGET AND BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	215,198	244,024	263,286	267,324	271,720	*28,826*	*13.4%*	
Operations	207,915	235,941	253,084	268,834	243,214	*28,026*	*13.5%*	
Capital Outlay	492,300	304,157	353,333	225,000	250,000	*(188,143)*	*-38.2%*	Street Resurfacing Project
Debt Service	0	0	0	101,142	101,142	*0*	*0.0%*	FY18-Public Works facility
Transfers	5,500	50,000	25,000	0	0	*44,500*	*809.1%*	Public Works facility design & vehicle
Cost Allocations	0	0	0	0	0	*0*	*0.0%*	shelters
Total	**$920,913**	**$834,122**	**$ 894,703**	**$ 862,300**	**$ 866,076**	***$ 60,581***	***7.3%***	
% Change	*43.3%*	*-9.4%*	*7.3%*	*-3.6%*	*0.4%*			
FTE	3.50	3.60	4.00	4.00	4.00			



STREETS

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	670	3,543	4,000	4,000	4,000	*457*	*12.9%*	
Salaries - Regular	156,772	177,139	183,749	183,749	183,749	*6,610*	*3.7%*	FY15 - Equip Operator split 60% Streets &
FICA	11,515	12,609	14,363	14,363	14,363	*1,754*	*13.9%*	40% Parks & Recreation
Hospitalization	25,326	27,804	35,690	39,259	43,185	*7,886*	*28.4%*	
Life/Disability/Vision	955	1,417	1,194	1,194	1,194	*(223)*	*-15.7%*	
Dental Insurance	1,016	1,249	1,291	1,291	1,291	*42*	*3.4%*	
Retirement	11,167	11,765	13,612	14,081	14,551	*1,847*	*15.7%*	FY16- Reduction in employer contribution rate
Supplemental Retirement - 401K	7,778	8,498	9,387	9,387	9,387	*889*	*10.5%*	
Personal Services Subtotal	215,198	244,024	263,286	267,324	271,720	*19,262*	*7.9%*	
Operations								
Training/Conferences/Conventions	762	3,750	3,750	3,750	3,750	*0*	*0.0%*	
Telephone/Internet	2,003	1,957	3,075	2,005	2,005	*1,118*	*57.1%*	
Telephone			*650*	*0*	*0*			FY18 - Expense moved to IT Budget
Internet			*420*	*0*	*0*			FY18 - Expense moved to IT Budget
Pager			*85*	*85*	*85*			
Cell Phone Stipends @ $40/mo (4)			*1,920*	*1,920*	*1,920*			Cell phone stipends for PW staff
Postage	86	200	200	200	200	*0*	*0.0%*	
License Fees	143	345	0	0	0	*(345)*	*-100.0%*	FY17 - O365 License Fee moved to IT Budget
Advertising	0	100	100	100	100	*0*	*0.0%*	
Utilities	113,827	115,000	120,000	125,000	125,000	*5,000*	*4.3%*	New streetlights in Waterstone & Corbin
Landscaping	13	1,000	1,000	1,000	1,000	*0*	*0.0%*	Creek Woods
Misc. Landscaping		*1,000*	*1,000*	*1,000*	*1,000*			
Maintenance - Buildings	1,076	1,800	1,000	1,000	1,000	*(800)*	*-44.4%*	Miscellaneous repairs
Misc. Maintenance		*1,800*	*1,000*	*1,000*	*1,000*			
Holiday Decorations	19	500	10,500	500	500	*10,000*	*2000.0%*	
Misc. Decorations/Repairs		*500*	*500*	*500*	*500*			
Replace Holiday Decorations		*0*	*10,000*	*0*	*0*			$20k w/request for Tourism Board to fund 50%
Maintenance - Grounds	19,707	17,500	0	0	0	*(17,500)*	*-100.0%*	FY17-Right-of-way mowing now in Public Space
Fuel	12,931	12,000	13,200	14,520	16,000	*1,200*	*10.0%*	
Supplies - Office	238	500	500	500	500	*0*	*0.0%*	
Supplies - Departmental	16,903	40,000	30,000	30,000	26,000	*(10,000)*	*-25.0%*	
Miscellaneous		*11,900*	*10,000*	*10,000*	*10,000*			
Road Salt		*11,000*	*10,000*	*10,000*	*10,000*			Additional funds for salt spreading and snow
Gravel		*3,000*	*3,000*	*3,000*	*3,000*			plowing on Waterstone Dr for hospital
Street Sign Replacement		*7,000*	*7,000*	*7,000*	*3,000*			Signs replacement mandate - MUTCD
Traffic Data Recorders (2)		*7,100*	*0*	*0*	*0*			Replace 12-year-old traffic recorders
Supplies - Safety	*0*	*0*	*2,100*	*0*	*0*	*2,100*	*0.0%*	
AED (1)		*0*	*2,100*	*0*	*0*			Maintain AED in pick-up truck
Supplies - Disaster	255	500	500	500	500	*0*	*0.0%*	
Supplies - Data Processing	1,354	2,000	2,000	0	0	*0*	*0.0%*	
Replace Computers (2)		*2,000*	*2,000*	*0*	*0*			Due in FY17
Rental - Uniform	678	1,300	1,300	1,300	1,300	*0*	*0.0%*	
Rental - Building	0	0	5,000	3,100	0	*5,000*	*0.0%*	Office Trailer - Initial set-up & monthly rent
C.S. - RR Crossings	1,059	1,059	1,059	1,059	1,059	*0*	*0.0%*	
C.S. - Bridge	426	4,000	2,000	4,000	4,000	*(2,000)*	*-50.0%*	Fees for bridge inspection and repairs
C.S. - Sidewalks	2,825	3,000	25,000	25,000	25,000	*22,000*	*733.3%*	Connectivity
C.S. - Engineering Services	28,862	25,000	25,000	25,000	25,000	*0*	*0.0%*	
Misc. Engineering Services		*25,000*	*25,000*	*25,000*	*25,000*			Roads, traffic, site plan review, surveys, etc.
Dues & Subscriptions	261	800	800	800	800	*0*	*0.0%*	
Miscellaneous	4,487	3,500	3,500	28,500	8,500	*0*	*0.0%*	
Miscellaneous		*3,500*	*3,500*	*3,500*	*3,500*			
Replace Town Banners		*0*	*0*	*5,000*	*5,000*			$10k w/request for Tourism Board to fund 50%
Feasibility Study		*0*	*0*	*20,000*	*0*			Churton/Corbin intersection & ped. improv
Vehicle Tax & Tags	0	130	1,500	1,000	1,000	*1,370*	*1053.8%*	assoc. with new public safety facility
Operations Subtotal	207,915	235,941	253,084	268,834	243,214	*17,143*	*7.3%*	
Capital Outlay								
Capital - Infrastructure	492,300	222,900	170,000	200,000	200,000	*(52,900)*	*-23.7%*	Street resurfacing; addl. money is budgeted
Street Resurfacing		*155,000*	*155,000*	*185,000*	*185,000*			in Powell Bill; Need to resurface approx.
Traffic Calming		*7,900*	*15,000*	*15,000*	*15,000*			2mi/yr to maintain street conditions
Downtown Improvements-Ph 3		*60,000*	*0*	*0*	*0*			Margaret Ln loading zone & other improv.
Capital - Vehicles	0	0	110,000	25,000	0	*110,000*	*0.0%*	
Replc. Vehicle #127		*0*	*0*	*25,000*	*0*			FY18-$25k, '04 F-250 pickup w/240,00k miles
Replace Dump Truck #147		*0*	*110,000*	*0*	*0*			Replace '07 dump truck Jan/Feb 2017

Capital - Equipment	0	81,257	73,333	0	50,000	*(7,924)*	*-9.8%*	as primary truck
Snow Plow		7,890	0	0	0			
Mini Excavator & Trailer		*58,692*	*0*	*0*	*0*			
Salt Spreader		*14,675*	*0*	*0*	*0*			
Replace Asphalt Roller #1030		*0*	*52,000*	*0*	*0*			Replace '01 asphalt roller Jan/Feb 2017
4WD Enclosed Tractor		*0*	*21,333*	*0*	*0*			Split 1/3 with W Collection & WW Distribution
Replc. Mower #465		*0*	*0*	*0*	*50,000*			FY19- $50k; consider contracting out mowing
Capital Outlay Subtotal	492,300	304,157	353,333	225,000	250,000	*49,176*	*16.2%*	
Debt Service								
Capital Lease	0	0	0	101,142	101,142	*0*	*0.0%*	
Public Works Facility		*0*	*0*	*64,752*	*64,752*			FY18 - $500k @ 5% for 10yrs = $64,752/yr
Dump Truck		*0*	*0*	*24,709*	*24,709*			FY18 - $110k @ 4% for 5 years
Vibratory Asphalt Roller		*0*	*0*	*11,681*	*11,681*			FY18 - $52k @ 4% for 5 years
Debt Service Subtotal	0	0	0	101,142	101,142	*0*	*0.0%*	
Transfers								
Transfer to PW Facility Proj. Fund	0	50,000	25,000	0	0	*(25,000)*	*-50.0%*	
Transfer to Dwntwn Access Improv.	5,500	0	0	0	0	*0*	*0.0%*	
Transfers Subtotal	5,500	50,000	25,000	0	0	*(25,000)*	*-50.0%*	
Cost Allocations								
Cost Allocation - Stormwater	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations Subtotal	0	0	0	0	0	*0*	*0.0%*	
Streets Total	**$ 920,913**	**$ 834,122**	**$ 894,703**	**$ 862,300**	**$ 866,076**	***$ 60,581***	***7.3%***	
% Change	*43.3%*	*-9.4%*	*7.3%*	*-3.6%*	*0.4%*			

STREETS & POWELL BILL – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Serve the Community	Expand Recreation, Walkability, & Connectivity	Maintain/repair current sidewalks for public safety	% of sidewalks rated in good or better condition	99%	99%	99%	99%	
		Construct new sidewalks according to Community Connectivity Plan	Total linear feet of new town-constructed sidewalk	0	0	1,600	1,320	FY16 Target – Churton St. Access Improvements Project
Run the Operations	Provide Responsive & Dependable Services	Utility cuts are repaired on a consistent basis	% of utility cuts repaired within four weeks	14%	69%	50%	50%	FY13 & FY14 based on 2-week time period.
	Enhance Emergency Preparedness	Complete National Incident Management System training courses	% of employees successfully completing courses	100%	87%	100%	100%	
		Provide annual street resurfacing per plan	% of lane miles resurfaced	6%	6%	5%	5%	A 5% resurfacing target translates to streets being resurfaced on a 20-year cycle.
Manage Resources	Invest in Infrastructure	Provide annual street resurfacing per plan Maintain stormwater conveyances Emphasize the completion of the Institute of Transportation Research and Education (ITRE) Roads Scholar Program	% of streets rated in good or better condition	85%	88.7%	91%	92%	Improved street conditions due to increase in resurfacing.
			% of staff receiving certification	57%	50%	75%	75%	Staff continues ITRE training.
Develop Know-How	Develop a Skilled and Diverse Workforce	Invest in Employee Training to Increase Skill and Experience	% of department promoted above Equipment Operator I	43%	37%	50%	50%	

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POWELL BILL

POWELL BILL – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- Powell Bill funds are used to maintain and enhance Town streets and pedestrian systems for the benefit and welfare of the traveling public through the restricted local use state-shared gasoline tax.

FY16 MAJOR ACCOMPLISHMENTS:

- Continued repair and replacement of sidewalks.
- Resurfaced all or part of the following streets: Old Dogwood St., West Union St., West Queen St., West Orange St., North Wake St., Cedar St., Millstone Dr., North Hassel St.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Continue to utilize Powell Bill funds in combination with Street Department funds for asphalt resurfacing. Any unused FY16 Streets and Powell Bill funds will be encumbered and used in FY17. Based on available funding, Public Works tentatively plans to resurface all or part of the following Streets in FY17:
  - East Queen Street from N. Churton St. to N. Cameron St.
  - East Union Street from N. Churton St. to N. Cameron St.
  - Hardwood Drive
  - Myrtle Lane
  - Lafayette Drive
  - County Seat Drive
  - Hooper Court
  - Sweet Gum Drive

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- Ongoing review of the Pavement Condition Survey.
- Continue repair and replacement of sidewalks to improve the condition rating.

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Review Pavement Condition Survey to assess and resurface Town streets based on condition rating and other variables.
- Utilize Sidewalk Condition Survey as a guide to replace sidewalk.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Operations	278,790	205,000	205,000	175,000	175,000	*0*	*0.0%*	Street resurfacing
Capital Outlay	0	5,000	5,000	5,000	5,000	*0*	*0.0%*	Sidewalk improvement/repair
Debt Service	0	0	0	0	0	*0*	*0.0%*	
Transfers	0	0	0	0	0	*0*	*0.0%*	N. Churton St. crosswalks
Total	**$278,790**	**$210,000**	**$210,000**	**$180,000**	**$180,000**	***$ -***	***0.0%***	
% Change	*62.4%*	*-24.7%*	*0.0%*	*-14.3%*	*0.0%*			
Total Revenues	**$187,682**	**$184,863**	**$180,000**	**$180,000**	**$180,000**	***$ (4,863)***	***-2.6%***	Surplus revenues revert to Powell Bill
Net Costs	**$ 91,108**	**$ 25,137**	**$ 30,000**	**$ -**	**$ -**	***$ 4,863***	***19.3%***	fund balance at year end; Shortfalls are made up with PB fund balance monies
FTE	0.00	0.00	0.00	0.00	0.00			

POWELL BILL

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Operations								
Supplies - Departmental	13,869	8,000	8,000	8,000	8,000	*0*	*0.0%*	
Miscellaneous	0	2,000	2,000	2,000	2,000	*0*	*0.0%*	
Patch & Resurface	264,921	195,000	195,000	165,000	165,000	*0*	*0.0%*	Resurfacing per Pavement Condition Survey;
Paving	0	0	0	0	0	*0*	*0.0%*	FYs16-17 include $30k PB fund balance
Operations Subtotal	278,790	205,000	205,000	175,000	175,000	*0*	*0.0%*	
Capital Outlay								
Capital Improvement - Sidewalks	0	5,000	5,000	5,000	5,000	*0*	*0.0%*	
Sidewalk Improvement & Repair		*5,000*	*5,000*	*5,000*	*5,000*			
Capital - Equipment	0	0	0	0	0	*0*	*0.0%*	
Capital - Unpaved Street Construction	0	0	0	0	0	*0*	*0.0%*	
Capital Outlay Subtotal	0	5,000	5,000	5,000	5,000	*0*	*0.0%*	
Transfers								
Transfer to General Capital Improv.	0	0	0	0	0	*0*	*0.0%*	
Transfers Subtotal	0	0	0	0	0	*0*	*0.0%*	
Debt Service								
Capital Lease	0	0	0	0	0	*0*	*0.0%*	
Debt Service Subtotal	0	0	0	0	0	*0*	*0.0%*	
Powell Bill Total	**$ 278,790**	**$ 210,000**	**$ 210,000**	**$ 180,000**	**$ 180,000**	***$ -***	***0.0%***	
% Change	*62.4%*	*-24.7%*	*0.0%*	*-14.3%*	*0.0%*			

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SOLID WASTE

SOLID WASTE – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Solid Waste Department provides residential garbage, yard waste, and bulk item pick-up and disposal. Solid Waste also monitors the commercial waste franchise agreement to ensure that the franchise hauler complies with the precepts of the agreement.

FY16 MAJOR ACCOMPLISHMENTS:

- Residential solid waste was collected on schedule except during snow and ice events.
- Supported downtown special events including staff support at the Holiday Parade and the Handmade Parade.
- Provided staff support for the annual Big Sweep community clean-up event.
- Distributed over 90 loads of leaves to Hillsborough residents and local farmers for use as compost.
- In cooperation with the Public Information Officer, a video was developed demonstrating the correct method to place a rollout cart by the side of the road.
- Public Information Officer created a video about how to place leaves for curbside collection.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Replace 1999 knuckleboom truck #611. It has over 130,000 miles.
- Plan for anticipated solid waste service demands of future developments (ex. Forest Ridge and Waterstone).
- Maintain continuity of high overall service whenever an automated truck is out-of-service.
- Continue to cross-train employees to support the scope of program needs including Streets, Solid Waste, Cemetery, Stormwater, and Public Space.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

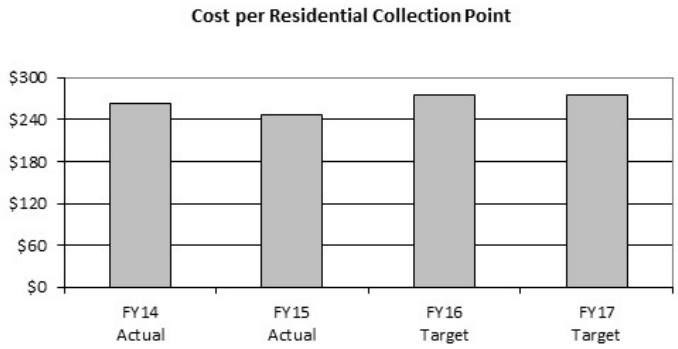
- Continue effort to address service demands of new residential and commercial developments, as well as Town facilities.
- Continue assessment and realignment of trash, brush, and other routes for efficiency and effectiveness.
- Continue monitoring replacement and acquisition of equipment and residential rollout carts, particularly for new developments and special events.
- Continue assessment of the effectiveness of the commercial solid waste franchise.
- Continue to enhance pedestrian solid waste receptacles and monitoring of collection, particularly for special events.

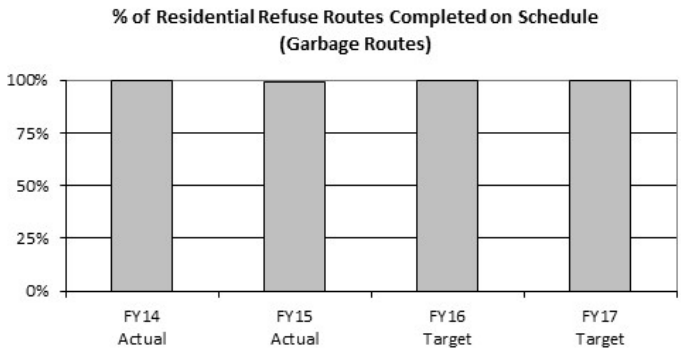
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Provide parks maintenance support to Gold Park and Riverwalk in addition to current support to existing facilities.
- Cross-train staff to help support continuity of operations.
- Replace equipment and vehicles according to the Vehicle Replacement Schedule to maintain service reliability.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY18 Projection	*$ Change*	*% Change*	Comments
Personal Services	250,937	248,553	258,401	262,547	267,062	*9,848*	*4.0%*	
Operations	120,946	136,739	162,930	168,583	180,276	*26,191*	*19.2%*	
Capital Outlay	434,871	0	145,000	0	0	*145,000*	*0.0%*	FY15-Replace garbage truck and leaf truck
Debt Service	143,960	158,414	135,406	120,708	120,708	*(23,008)*	*-14.5%*	FY15-Rear Loader, Knuckleboom & 2 Garbage
Cost Allocations	0	0	0	0	0	*0*	*0.0%*	Trucks; FY17-New Knuckleboom
Total	**$950,714**	**$543,706**	**$ 701,737**	**$ 551,838**	**$ 568,046**	***$ 158,031***	***29.1%***	
% Change	*64.6%*	*-42.8%*	*29.1%*	*-21.4%*	*2.9%*			
FTE	4.50	4.50	4.50	4.50	4.50			





SOLID WASTE

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	4,114	3,943	4,000	4,000	4,000	*57*	*1.4%*	Potential additional event/weekend
Salaries - Regular	176,862	175,660	178,545	178,545	178,545	*2,885*	*1.6%*	coverage
FICA	12,870	13,237	13,965	13,965	13,965	*728*	*5.5%*	
Hospitalization	32,766	32,567	36,902	40,592	44,651	*4,335*	*13.3%*	
Life/Disability/Vision	1,151	1,023	1,175	1,175	1,175	*152*	*14.9%*	
Dental Insurance	1,360	1,462	1,452	1,452	1,452	*(10)*	*-0.7%*	
Retirement	12,881	11,920	13,235	13,691	14,147	*1,315*	*11.0%*	
Supplemental Retirement - 401K	8,932	8,741	9,127	9,127	9,127	*386*	*4.4%*	
Personal Services Subtotal	250,937	248,553	258,401	262,547	267,062	*9,848*	*4.0%*	
Operations								
Training/Conferences/Conventions	1,505	3,000	3,000	3,000	3,000	*0*	*0.0%*	
Telephone / Internet	1,442	1,446	1,550	480	480	*104*	*7.2%*	
Telephone			*650*	*0*	*0*			FY18 - Expense moved to IT Budget
Internet			*420*	*0*	*0*			FY18 - Expense moved to IT Budget
Cell Phone Stipend @ $40/mo (1)			*480*	*480*	*480*			Cell phone stipend for PW staff
Utilities	1,932	2,016	2,650	2,700	2,750	*634*	*31.4%*	
Gasoline	24,537	17,214	27,500	30,250	33,275	*10,286*	*59.8%*	Increase due to Forest Ridge & Waterstone
Supplies - Office	161	300	500	500	500	*200*	*66.7%*	
Supplies - Departmental	1,356	3,000	3,000	3,000	3,000	*0*	*0.0%*	
Supplies - Disaster	0	200	200	200	200	*0*	*0.0%*	
Supplies - Data Processing	0	221	2,000	0	0	*1,779*	*805.0%*	
Replace Computer AUX-WS015		*221*	*2,000*	*0*	*0*			
Rental - Uniform	260	1,200	1,200	1,200	1,200	*0*	*0.0%*	
Landfill Fees	62,967	71,000	75,000	82,500	90,750	*4,000*	*5.6%*	
Landfill Fees - Yard Waste	8,868	14,300	15,730	17,303	17,303	*1,430*	*10.0%*	New development in FY15 & future years
Cont. Services/Roll-Out Containers	6,619	10,000	12,000	12,000	12,000	*2,000*	*20.0%*	Additional roll-outs for new development
Cont. Services/Comm. Dump. Coll.	0	0	1,500	1,500	1,500	*1,500*	*0.0%*	
Cont. Services/Bulk Item Containers	4,958	6,300	7,000	7,350	7,718	*700*	*11.1%*	Container rental and collection fee
Engineering	0	0	2,000	0	0	*2,000*	*0.0%*	Study to evaluate & realign routes
Dues & Subscriptions	531	542	600	600	600	*58*	*10.7%*	
Miscellaneous	693	2,000	2,000	2,000	2,000	*0*	*0.0%*	
Miscellaneous - Public Info Materials	2,588	4,000	4,000	4,000	4,000	*0*	*0.0%*	Outreach-brochures, franchise ads
Vehicle Tax &Tags	2,528	0	1,500	0	0	*1,500*	*0.0%*	
Operations Subtotal	120,946	136,739	162,930	168,583	180,276	*26,191*	*19.2%*	
Capital Outlay								
Capital - Equipment	0	0	0	0	0	*0*	*0.0%*	
Capital - Vehicles	434,871	0	145,000	0	0	*0*	*0.0%*	
Repl. Knuckleboom #811		*0*	*145,000*	*0*	*0*			
Capital Outlay Subtotal	434,871	0	145,000	0	0	*145,000*	*0.0%*	
Debt Service								
Capital Lease	143,960	158,414	135,406	120,708	120,708	*(23,008)*	*-14.5%*	
Knuckleboom Truck		*23,008*	*0*	*0*	*0*			Debt Retired in FY16
Garbage Truck		*47,269*	*47,269*	*0*	*0*			Debt Retired in FY17
Garbage Truck & Leaf Truck		*88,137*	*88,137*	*88,137*	*88,137*			Debt Retired in FY20
Replc. Knuckleboom #811		*0*	*0*	*32,571*	*32,571*			FY18 - $145k @ 4% for 5 years
Debt Service Subtotal	143,960	158,414	135,406	120,708	120,708	*(23,008)*	*-14.5%*	
Cost Allocations								
Cost Allocation - Stormwater	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations Subtotal	0	0	0	0	0	*0*	*0.0%*	
Solid Waste Total	**$ 950,714**	**$ 543,706**	**$ 701,737**	**$ 551,838**	**$ 568,046**	***$ 158,031***	***29.1%***	
% Change	*42.1%*	*-42.8%*	*29.1%*	*-21.4%*	*2.9%*			

SOLID WASTE – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Serve the Community	Strengthen Citizen Engagement	Provide public with informational materials	# of unique public information materials distributed to residents annually	4	4	4	4	Collection schedules, Town website, public service announcements, and door hangers.
Run the Operations	Provide Responsive & Dependable Services	Complete work orders in a timely manner	% of work orders completed within 2 business days	97%	82%	90%	90%	Time frame decreased from 1 week to 2 business days in FY14
		Ensure that residential refuse collection routes are serviced on a consistent basis	% of garbage routes completed on schedule	100%	99%	100%	100%	This does not include delays due to inclement weather
			% of brush routes completed on schedule	81%	92%	95%	95%	FY14 – large amount of brush during ice storm altered brush collection schedule.
Manage Resources	Deliver Services Efficiently	Increase route productivity for leaf collection	Truckloads of leaves collected per FTE hour	0.39	0.41	0.50	0.50	Distance to local resident sites affects efficiency.
		Emphasize route productivity for residential refuse collection	Costs per collection point	$263	$246	<$275	<$275	Hillsborough will use Durham Transfer Station in FY14. SOG Benchmarking Project Average 2013: $72
		Seek out sources to compost leaves and minimize trips to the landfill	% of leaves composted via delivery to farms and other sources	100%	100%	100%	100%	

STORMWATER

STORMWATER – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Stormwater Division implements the NPDES Phase II Stormwater Permit requirements to reduce the amount of pollutants entering local streams and lakes, and ensures that new development meets or exceeds development standards in an effort to reduce potential adverse impacts to property owners from stormwater runoff.

FY16 MAJOR ACCOMPLISHMENTS:

- Completed a stormwater utility rate analysis and generated a detailed report outlining steps to adopt the utility.
- Conducted another campaign to increase compliance of stormwater control measures (SCMs), formally referred to as stormwater BMPs. The campaign included a mail out, regulatory changes to the Town's Unified Development Ordinance and staff inspections of approximately 1/3 of all SCMs. As a result, compliance has increased to over 71% as compared to approximately 13% in 2013.
- Successfully migrated SCM data to the Utility Cloud system and created an online workflow for inspections. Also added other field workflows to the Utility Cloud which include illicit discharge inspections, surface water identification, and stormwater good housekeeping inspections. The online workflows have been tested and used successfully. It is estimated that migrating these workflows to Utility Cloud has increased productivity 10-30%.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- It is anticipated that Stormwater will become a separate enterprise fund in FY17. Stormwater revenues and expenditures will no longer be tracked in the General Fund, but rather in a separate standalone fund.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

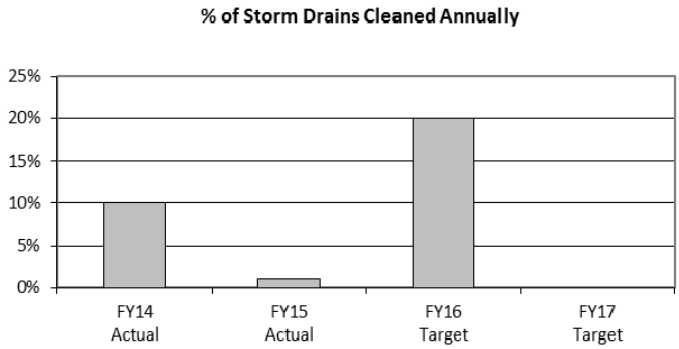
- N/A

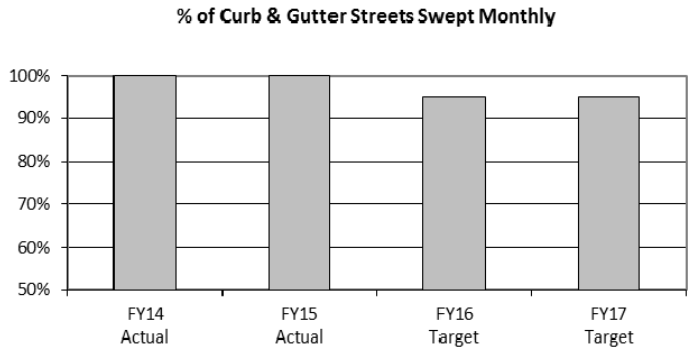
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- N/A

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	90,694	92,959	0	0	0	*(92,959)*	*-100.0%*	
Operations	42,832	66,322	0	0	0	*(66,322)*	*-100.0%*	Maintain stormwater infrastructure
Capital Outlay	0	0	0	0	0	*0*	*0.0%*	4x4 vehicle
Cost Allocations	(14,489)	0	0	0	0	*0*	*0.0%*	W&S costs for providing FOG services
Total	**$119,037**	**$159,281**	**$ -**	**$ -**	**$ -**	***$ (159,281)***	***-100.0%***	FY17-Stormwater to become seprate
% Change	*-18.3%*	*33.8%*	*-100.0%*	*0.0%*	*0.0%*			enterprise fund
FTE	1.00	1.00	0.00	0.00	0.00			





STORMWATER

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Salaries - Regular	69,940	71,490	0	0	0	*(71,490)*	*-100.0%*	FY17-Stormwater becomes an enterprise fund
FICA	4,520	4,759	0	0	0	*(4,759)*	*-100.0%*	
Hospitalization	7,200	7,590	0	0	0	*(7,590)*	*-100.0%*	
Life/Disability/Vision	379	504	0	0	0	*(504)*	*-100.0%*	
Dental Insurance	333	341	0	0	0	*(341)*	*-100.0%*	
Retirement	4,877	4,754	0	0	0	*(4,754)*	*-100.0%*	
Supplemental Retirement - 401K	3,444	3,521	0	0	0	*(3,521)*	*-100.0%*	
Personal Services Subtotal	90,694	92,959	0	0	0	*(92,959)*	*-100.0%*	
Operations								
Travel & Training	60	1,000	0	0	0	*(1,000)*	*-100.0%*	
License Fees	143	205	0	0	0	*(205)*	*-100.0%*	O365
Telephone/Internet	0	780	0	0	0	*(780)*	*-100.0%*	Smartphone stipend
Maintenance - Infrastructure	30,783	41,600	0	0	0	*(41,600)*	*-100.0%*	Street sweeping, stormdrain pipe replc, etc.
Monthly Street Sweeping			*0*	*0*	*0*			FY16-increase due to adding additional streets and for required nutrient reductions
Pipe Replacement & Other Sys Maint.			*0*	*0*	*0*			
Fuel	296	255	0	0	0	*(255)*	*-100.0%*	
Supplies - Office	180	200	0	0	0	*(200)*	*-100.0%*	
Supplies - Departmental	0	250	0	0	0	*(250)*	*-100.0%*	
Supplies - Data Processing	0	0	0	0	0	*0*	*0.0%*	
Uniforms	0	100	0	0	0	*(100)*	*-100.0%*	
Data Processing Services	153	1,500	0	0	0	*(1,500)*	*-100.0%*	Utility Cloud fee & application development
Storm Drain Cleaning	1,750	5,000	0	0	0	*(5,000)*	*-100.0%*	Need to start increasing amount cleaned
C.S. Stormwater/FOG Enforcement	1,243	8,000	0	0	0	*(8,000)*	*-100.0%*	Contract assistance for field inspections
Dues & Subscriptions	3,656	1,170	0	0	0	*(1,170)*	*-100.0%*	FY14-15 - Nutrient "Tool Box" Study
Miscellaneous	2,311	4,000	0	0	0	*(4,000)*	*-100.0%*	
Vehicle Tax & Tags	0	0	0	0	0	*0*	*0.0%*	
Clean Water Education Partnership	2,258	2,262	0	0	0	*(2,262)*	*-100.0%*	
Operations Subtotal	42,832	66,322	0	0	0	*(66,322)*	*-100.0%*	
Capital Outlay								
Capital - Vehicles	0	0	0	0	0	*0*	*0.0%*	
Capital - Equipment	0	0	0	0	0	*0*	*0.0%*	
Capital - Infrastructure	0	0	0	0	0	*0*	*0.0%*	
Biodock/Floating Wetland		*0*	*0*	*0*	*0*			Release these funds and will move forward with biodock along with other KHP improvements in future years
Cost Allocations Subtotal	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations								
Cost Allocation - WW Collections	(14,489)	0	0	0	0	*0*	*0.0%*	10% of expenses (except storm drain cleaning) allocated to Wastewater Collections; eliminated in FY16 with addition of Water Quality Control Tech to administer FOG program
Cost Allocations Subtotal	(14,489)	0	0	0	0	*0*	*0.0%*	
Stormwater Total	**$ 119,037**	**$ 159,281**	**$ -**	**$ -**	**$ -**	***$ (159,281)***	***-100.0%***	
% Change	*-18.3%*	*33.8%*	*-100.0%*	*0.0%*	*0.0%*			

Town of Hillsborough

Since 1754

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CEMETERY

CEMETERY – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Cemetery Division identifies and marks gravesites for funerals and monument installation. The Town has discontinued sales of gravesites. The Division maintains the Town's cemeteries located on Margaret Lane, Corbin Street, and Tryon Street. The Town has also contributed funds to maintain a private, abandoned cemetery on Cedar Grove Road.

FY16 MAJOR ACCOMPLISHMENTS:

- Provide burial site information on the Town's website.
- Updated cemetery maps.
- Continued use of a contractor for lawn maintenance. The contractor maintains cemeteries and a significant portion of other public rights-of-way and Town facilities. Each facility is budgeted by department/division.
- Hillsborough Cemetery Committee organized the general cleanup of the Old Town Cemetery grounds using volunteers. Volunteers cleaned some monuments, removing dirt and debris, which made inscriptions legible.
- A professional conservationist repaired damaged grave markers in the cemetery.
- Repaired collapsing rock walls inside the cemetery.
- Created new brochure for the Old Town Cemetery.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

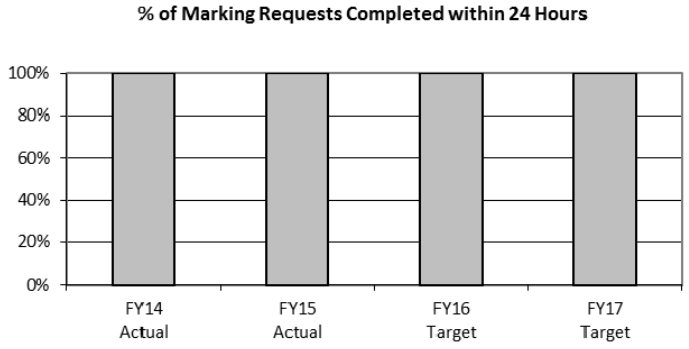
- Continue repair and cleaning of gravestones in the Old and New Town Cemetery.
- Maintenance of trees and grounds in the New Town Cemetery.
- Continue repair of rock walls in the Old Town Cemetery.
- Organize volunteer clean-up days in the cemeteries.
- Locate unmarked gravesites.
- Perpetual care of the cemeteries to address on-going maintenance needs.
- Maintain cemetery records and update cemetery maps.
- Hillsborough Cemetery Committee will continue to work to conserve town cemeteries.

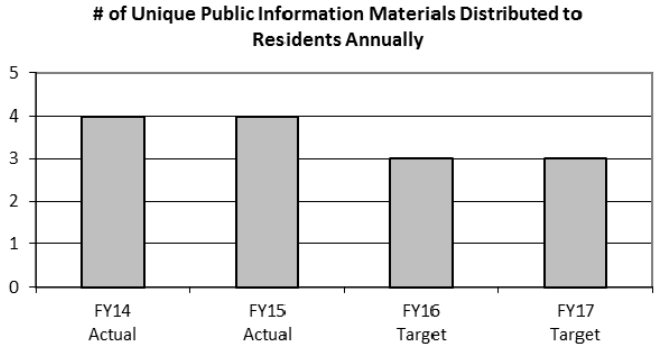
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continue focus of quality service to funeral homes, families, and genealogists for identifying and marking gravesites and locating historic records.
- Continue toward goal of responding to requests for damaged headstones from grounds maintenance within three days of the damage being identified.
- The Hillsborough Cemetery Committee will continue to oversee the condition of the Town cemeteries.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	0	0	0	0	0	*0*	*0.0%*	
Operations	24,224	58,326	44,175	36,775	37,775	*(14,151)*	*-24.3%*	FY17 - Repair at New Town Cemetery
Capital Outlay	0	0	0	0	0	*0*	*0.0%*	
Debt Service	0	0	0	0	0	*0*	*0.0%*	
Total	**$ 24,224**	**$ 58,326**	**$ 44,175**	**$ 36,775**	**$ 37,775**	***$ (14,151)***	***-24.3%***	
% Change	*-73.8%*	*140.8%*	*-24.3%*	*-16.8%*	*2.7%*			
FTE	0.00	0.00	0.00	0.00	0.00			





CEMETERY

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Operations								
Utilities	403	565	625	625	625	*60*	*10.6%*	
Maintenance & Repair	273	1,361	1,500	1,500	1,500	*139*	*10.2%*	
Maintenance - Infrastructure	0	15,800	10,000	0	0	*(5,800)*	*-36.7%*	
Monument Repair		*11,000*	*10,000*	*0*	*0*			FY17 - Repair at New Town Cemetery
Stone Wall Repair		*4,800*	*0*	*0*	*0*			
Fuel	0	0	150	150	150	*150*	*0.0%*	
Supplies - Departmental	180	1,500	1,500	1,500	1,500	*0*	*0.0%*	
Supplies - Data Processing	0	0	0	0	1,000	*0*	*0.0%*	
Replace Computer TH-WS009		*0*	*0*	*0*	*1,000*			Due FY19
C.S. - Grounds Maintenance	18,487	33,000	22,000	28,600	28,600	*(11,000)*	*-33.3%*	
Mowing		*22,000*	*22,000*	*28,600*	*28,600*			Increase in future yrs reflects new contract
Tree Maintenance		*11,000*	*0*	*0*	*0*			New Town Cemetery
C.S. - Data Processing Services	3,886	1,400	1,400	1,400	1,400	*0*	*0.0%*	Pontem Cemetery Software; Online access
Miscellaneous	267	3,400	5,000	1,000	1,000	*1,600*	*47.1%*	for burial search
Miscellaneous		*1,000*	*1,000*	*1,000*	*1,000*			
Cemetery Brochures		*900*	*0*	*0*	*0*			
Historically Significant Person Info Sign		*1,500*	*0*	*0*	*0*			
Locate Gravesites		*0*	*4,000*	*0*	*0*			
Margaret Lane Cemetery Committee	728	1,300	2,000	2,000	2,000	*700*	*53.8%*	
Operations Subtotal	24,224	58,326	44,175	36,775	37,775	*(14,151)*	*-24.3%*	
Capital Outlay								
Capital - Vehicles	0	0	0	0	0	*0*	*0.0%*	
Capital - Infrastructure	0	0	0	0	0	*0*	*0.0%*	
Capital - Buildings & Improvements	0	0	0	0	0	*0*	*0.0%*	
Capital Outlay Subtotal	0	0	0	0	0	*0*	*0.0%*	
Cemetery Total	**$ 24,224**	**$ 58,326**	**$ 44,175**	**$ 36,775**	**$ 37,775**	***$ (14,151)***	***-24.3%***	
% Change	*-73.8%*	*140.8%*	*-24.3%*	*-16.8%*	*2.7%*			

CEMETERY – BALANCED SCORECARD

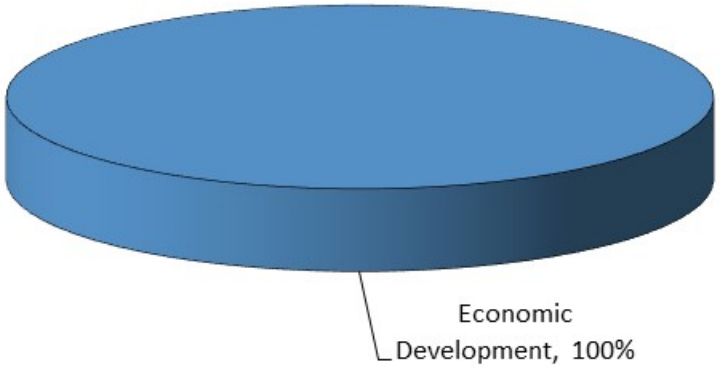
Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Serve the Community	Strengthen Citizen Engagement	Provide public with informational materials including historical information, map of gravesites and cemetery guidelines	# of unique public information materials distributed to residents annually	4	4	3	3	Margaret Lane Cemetery and Town Cemetery brochures.
Run the Operations	Provide Responsive & Dependable Services	Ensure timely and accurate response to grave and monument marking	% of marking requests completed within 24 hours	100%	100%	100%	100%	

ECONOMIC & PHYSICAL DEVELOPMENT

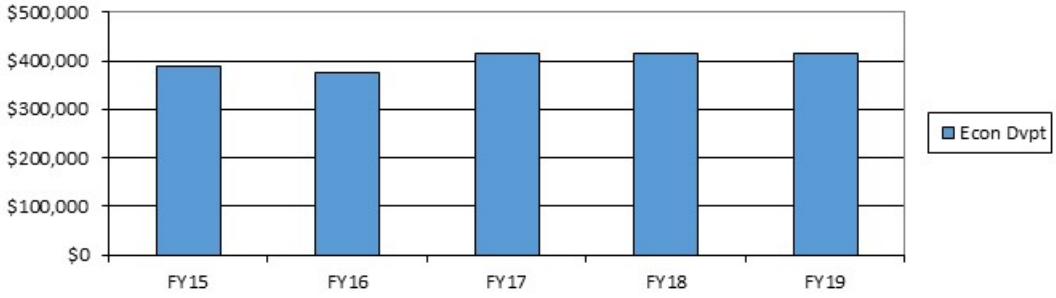
ECONOMIC & PHYSICAL DEVELOPMENT

By Budget Unit	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
Economic Development	388,611	375,824	414,295	415,028	416,151	*38,471*	*0.0%*
Total Expenditures	**$ 388,611**	**$ 375,824**	**$ 414,295**	**$ 415,028**	**$ 416,151**	***$ 38,471***	***0.0%***
% Change	*-0.6%*	*-3.3%*	*0.0%*	*0.0%*	*0.0%*		

FY17 Economic & Physical Development Expenditures
(By Budget Unit)



Economic & Phsyical Development
Trends & Forecast



ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT– BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- Funding for these services comes from the 1% sales tax levied by the Town on prepared food and beverages. Special legislation was passed by the North Carolina General Assembly allowing the Town to levy the Food & Beverage Tax and to fund tourism related activities. The Town receives 6% of these funds for administering the financial management of these monies. Of the remaining funds, 60% is provided to the Alliance for Historic Hillsborough to run the Visitor Center downtown in the historic Dickson House. And, 40% is used to promote tourism and historic attractions in Hillsborough. The Town's Tourism Board decides each year which applicants projects or activities will be awarded funds. The amount of funding each year depends on the amount of the 1% tax receipts collected by the Town.

FY16 MAJOR ACCOMPLISHMENTS:

- Hired a full-time position in September (joint effort by Town, Tourism Board, and Tourism Development Authority).
- Tourism Board completely revised its grant process including updating grant project requirements, applications, and creating a standard scoring system.
- The Town started providing contract administration and oversight over $180,000 contract with The Alliance for Historic Hillsborough for visitor services.
- Tourism Board and Tourism Development Authority contracted the updating and modernization of www.visithillsboroughnc.com
- Tourism Board contracted the development of a Visit Hillsborough NC logo/design for marketing materials.
- Provided funding for 12 local special events and programs from FY15 grants including the Arts Council's 'Stickwork' installation and the Chamber's 'Hometown Holidays' festival.
- Started data collection for the Arts & Economic Prosperity 5 project, which will provide a report in FY17 on the economic impact of the arts.
- Joined the Chamber's newly created Business Roundtable group, which will meet monthly to organize and put on quarterly special interest economic development and business relations forums that include both presentations and business feedback.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Tourism Board is going to offer funding from three different areas for the remaining 40% of tax funds collected. FY17 budget has been modified to reflect the change from offering only grants to now offering grants, contract services, and special projects/partnerships.
- Tourism Board has budgeted funds for the development of a strategic tourism plan in FY17.
- Tourism Board is moving and planning to use Streetscape Reserve Funds in FY17.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- N/A

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- N/A

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	0	47,244	25,195	26,228	27,351	*(22,049)*	*-46.7%*	
Operations	388,611	380,580	389,100	388,800	388,800	*8,520*	*2.2%*	Payment to TB & TDA of revenues minus
Capital Outlay	0	0	0	0	0	*0*	*0.0%*	admin costs
Cost Allocations	0	(52,000)	0	0	0	*52,000*	*-100.0%*	
Total	**$388,611**	**$375,824**	**$414,295**	**$415,028**	**$416,151**	***$ 38,471***	***10.2%***	
% Change	*6.6%*	*-3.3%*	*10.2%*	*0.2%*	*0.3%*			
Total Revenues	**$400,145**	**$400,000**	**$406,915**	**$406,915**	**$406,915**	***$ 6,915***	***1.7%***	
Net Costs	**$ (11,535)**	**$ (24,176)**	**$ 7,380**	**$ 8,113**	**$ 9,236**	***$ 31,556***	***-130.5%***	
FTE	0.00	0.70	1.00	1.00	1.00			Split with Tourism Board & TDA

ECONOMIC DEVELOPMENT

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Salaries - Regular	0	34,386	4,370	4,370	4,370	*(30,016)*	*-87.3%*	Position split between Econ. Develop.,
Full Cost			*56,370*	*56,370*	*56,370*			Tourism Board ($28K) and Tourism
TB/TDA Reimb.			*(52,000)*	*(52,000)*	*(52,000)*			Development Authority ($24K)
FICA	0	2,232	4,312	4,312	4,312	*2,080*	*93.2%*	
Hospitalization	0	6,117	8,923	9,815	10,797	*2,806*	*45.9%*	FY17 - 30% town portion previously in
Life/Disability/Vision	0	234	370	370	370	*136*	*58.1%*	Planning moved to Econ Development
Dental Insurance	0	235	314	314	314	*79*	*33.6%*	
Retirement	0	2,321	4,087	4,228	4,369	*1,766*	*76.1%*	
Supplemental Retirement - 401K	0	1,719	2,819	2,819	2,819	*1,100*	*64.0%*	
Personal Services Subtotal	0	47,244	25,195	26,228	27,351	*(22,049)*	*-46.7%*	
Operations								
Training/Conferences/Conventions	0	0	600	600	600	*600*	*0.0%*	
Telephone/Internet	0	780	900	900	900	*120*	*15.4%*	
Advertising	0	200	0	0	0	*(200)*	*-100.0%*	
Supplies - Office	0	1,000	1,300	1,000	1,000	*300*	*30.0%*	FY17-filing cabinet
Supplies - Data Processing	0	1,800	0	0	0	*(1,800)*	*-100.0%*	Computer, replace every 5 years
C.S. - Minute Preparer	0	0	3,000	3,000	3,000	*3,000*	*0.0%*	Transfer portion from Planning
Dues & Subscriptions	0	300	300	300	300	*0*	*0.0%*	
Miscellaneous	0	500	500	500	500	*0*	*0.0%*	
Payments - Tourism Board	318,075	305,500	312,000	312,000	312,000	*6,500*	*2.1%*	
Payments - TDA	70,536	70,500	70,500	70,500	70,500	*0*	*0.0%*	
Operations Subtotal	388,611	380,580	389,100	388,800	388,800	*8,520*	*2.2%*	
Cost Allocations								
Cost Allocation - Tourism Board	0	(28,000)	0	0	0	*28,000*	*-100.0%*	FY17- TB & TDA cost allocation applied
Cost Allocation - Tourism Dev Auth	0	(24,000)	0	0	0	*24,000*	*-100.0%*	directly to salary & benefits
Cost Allocations Subtotal	0	(52,000)	0	0	0	*52,000*	*-100.0%*	
Tourism Total	**$ 388,611**	**$ 375,824**	**$ 414,295**	**$ 415,028**	**$ 416,151**	***$ 38,471***	***10.2%***	
% Change	*6.6%*	*-3.3%*	*10.2%*	*0.2%*	*0.3%*			

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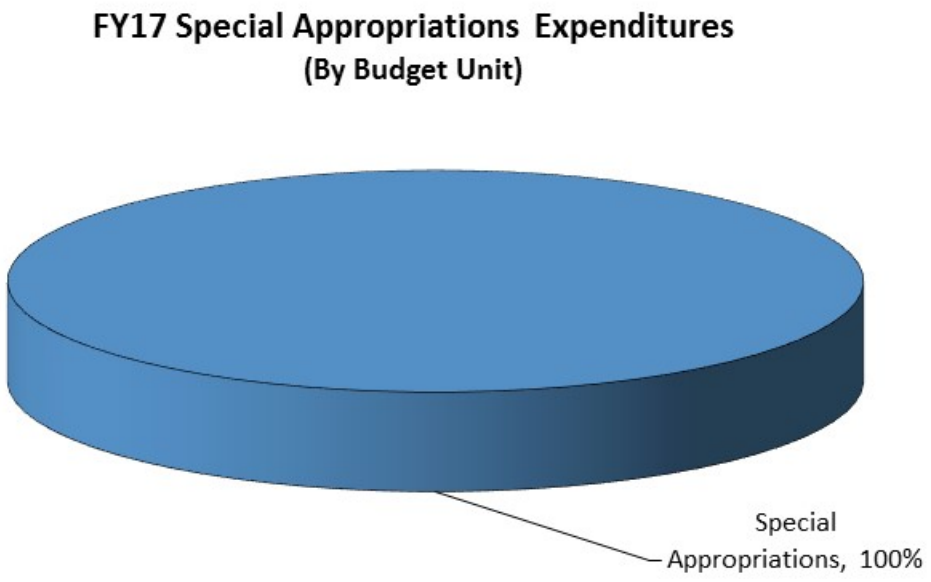
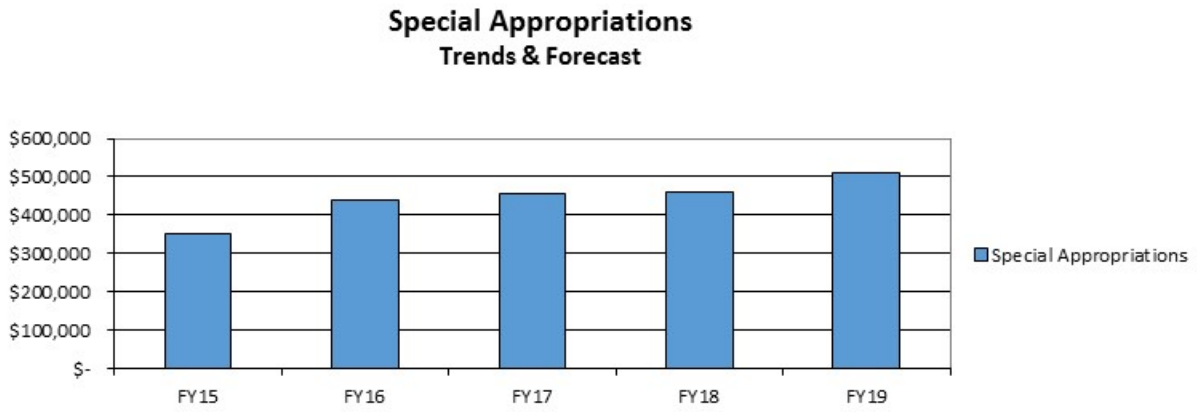
SPECIAL APPROPRIATIONS

SPECIAL APPROPRIATIONS

By Budget Unit	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
Special Appropriations	351,599	438,066	457,716	461,631	510,424	*19,650*	*4.5%*
Total Expenditures	**$ 351,599**	**$ 438,066**	**$ 457,716**	**$ 461,631**	**$ 510,424**	*$ 19,650*	*4.5%*
% Change	*228.6%*	*24.6%*	*4.5%*	*0.9%*	*10.6%*		





SPECIAL APPROPRIATIONS

SPECIAL APPROPRIATIONS – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- Special Appropriations is an area where non-departmental costs are included in the annual budget. Traditionally, funding is provided for the Orange County Historical Museum since the Town owns this building, the Hillsborough Arts Council, and contributions to organizations that provide services that are available to Hillsborough residents.
- Funding for tree maintenance and new trees is governed by the Tree Board and included in this budget unit.
- The Town Clock is maintained in this budget unit.

FY16 MAJOR ACCOMPLISHMENTS:

- To protect the public, removed unhealthy trees from the public right-of-way.
- Received renewed Tree City status from the Arbor Day foundation (Tree Board).
- Accepted two new Treasure Trees and updated Treasure Tree map/brochure (Tree Board).
- Developed Forest Management Plan for Gold Park and Riverwalk with NC Forest Service (Tree Board).
- Conducted public outreach about appropriate pruning and tree care at April Last Fridays (Tree Board).
- Conducted public outreach about pollinators at May Last Fridays (Tree Board).
- Partnered with Cemetery Commission to prune and tidy Margaret Lane Cemetery (Tree Board).
- Attended training on Emerald Ash Borer-invasive pest (Tree Board).

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Merit raises are funded at 3.25%. As needed, funds will be transferred to departments. Water and Sewer merit raises are funded in Administration of Enterprise.
- Conduct and fund Compensation and Classification Study.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- Continue to monitor trees located in the public right-of-way.

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- N/A

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	0	0	0	0	0	*0*	*0.0%*	Museum & Clock maint./Tree Board/
Operations	62,806	74,761	216,424	282,319	349,220	*141,663*	*189.5%*	community investment funding
Capital Outlay	162,022	153,930	15,200	14,000	14,000	*(138,730)*	*-90.1%*	
Debt Service	126,770	125,375	141,419	139,312	137,204	*16,044*	*12.8%*	Debt on land for future municipal
Cost Allocations	0	0	0	0	0	*0*	*0.0%*	operations sites (3 properties)
Transfers	0	84,000	84,673	26,000	10,000	*673*	*0.8%*	Downtown access improvements
Total	**$351,599**	**$438,066**	**$457,716**	**$461,631**	**$510,424**	***$ 19,650***	***4.5%***	
% Change	*-36.8%*	*24.6%*	*4.5%*	*0.9%*	*10.6%*			
FTE	0.00	0.00	0.00	0.00	0.00			

SPECIAL APPROPRIATIONS

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Operations								
Telephone/Internet	360	1,920	2,400	0	0	*480*	*25.0%*	New properties; FY18 - moved to IT budget
Utilities	1,177	2,676	3,000	3,000	3,000	*324*	*12.1%*	New properties
Orange Country Historical Museum	9,354	11,115	10,000	10,000	10,000	*(1,115)*	*-10.0%*	Museum maintenance stipend
Maintenance - Buildings	10,736	1,100	3,000	3,000	3,000	*1,900*	*172.7%*	Maintenance at 2 new properties
Rental - Land	0	1,080	1,124	1,169	1,215	*44*	*4.1%*	
C.S./Alarm	359	400	400	400	400	*0*	*0.0%*	New properties
Miscellaneous	198	26,900	165,000	233,250	301,605	*138,100*	*513.4%*	Funded at 3.25% average
Merit Raises for General Fund		*0*	*65,000*	*130,000*	*195,000*			Cummulative totals incl benefits
Compensation & Classification Study		*0*	*100,000*	*103,250*	*106,605*			FYs18-19 3.25% increase
Space Study		*0*	*0*	*0*	*0*			
Economic Development	8,500	0	0	0	0	*0*	*0.0%*	
Town Clock Maint. & Repair	1,003	1,500	1,500	1,500	1,500	*0*	*0.0%*	Annual maintenance
Orange County Park & Ride Lot	1,200	400	0	0	0	*(400)*	*-100.0%*	Site has moved outside of town
Fairview Live Event	1,399	1,500	1,500	1,500	0	*0*	*0.0%*	Bi-annual event
Tree Board Public Information	100	1,000	1,000	1,000	1,000	*0*	*0.0%*	Articles in News of Orange & info pamplets
Community Home Trust	0	0	2,500	2,500	2,500	*2,500*	*0.0%*	
Hillsborough Arts Council	4,500	4,500	5,000	5,000	5,000	*500*	*11.1%*	FY17 - increase in funding
Agency Contributions	23,920	20,670	0	0	0	*(20,670)*	*-100.0%*	Funding for non-profit agencies
Community Reinvestment	0	0	20,000	20,000	20,000	*20,000*	*0.0%*	New line item for contracts/appropriations
Hillsborough Arts Council		*0*	*5,000*	*0*	*0*			Platinum sponsorship for strat. obj. efforts
Other		*0*	*15,000*	*20,000*	*20,000*			
Operations Subtotal	62,806	74,761	216,424	282,319	349,220	*141,663*	*189.5%*	
Capital Outlay								
Capital - Infrastructure	142,391	5,806	0	0	0	*(5,806)*	*-100.0%*	Bank of America parking lot improvements
Capital - Buildings & Improvements	4,992	136,244	0	0	0	*(136,244)*	*-100.0%*	
1st Property Down Payment		*136,244*	*0*	*0*	*0*			
Tree Maintenance	8,090	9,530	10,000	10,000	10,000	*470*	*4.9%*	Funds for Tree Board and tree maintenance
General Maintenance		*9,530*	*10,000*	*10,000*	*10,000*			
New Trees	1,112	2,350	5,200	4,000	4,000	*2,850*	*121.3%*	Contractor will purchase & plant new trees;
Bad Debts	5,438	0	0	0	0	*0*	*0.0%*	some trees unavail. in FY16 & will
Debt Service Subtotal	162,022	153,930	15,200	14,000	14,000	*(138,730)*	*-90.1%*	be acquired & planted in FY17
Debt Service								
Capital Lease	126,770	125,375	141,419	139,312	137,204	*16,044*	*12.8%*	
Collins Field/Rail Station Property		*49,361*	*48,435*	*47,509*	*46,583*			Debt retired in FY24
604 & 618 N. Churton St.		*57,862*	*56,680*	*55,499*	*54,317*			Debt Retired in FY30
101 E. Corbin St.		*18,152*	*36,304*	*36,304*	*36,304*			Debt Retired in FY31
Debt Service Subtotal	126,770	125,375	141,419	139,312	137,204	*16,044*	*12.8%*	
Cost Allocations								
Cost Allocation - Water/Sewer	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations Subtotal	0	0	0	0	0	*0*	*0.0%*	
Transfers								
Transfer to Rail Station Project Fund	0	54,000	0	10,000	10,000	*(54,000)*	*-100.0%*	
Miscellaneous		*54,000*	*0*	*10,000*	*10,000*			
Transfer to Capital Project Fund	0	30,000	84,673	16,000	0	*54,673*	*182.2%*	
Downtown Access Improvements		*30,000*	*84,673*	*16,000*	*0*			FY18 - Stamped crosswalks
Transfers Subtotal	0	84,000	84,673	26,000	10,000	*673*	*0.8%*	
Special Appropriations Total	**$ 351,599**	**$ 438,066**	**$ 457,716**	**$ 461,631**	**$ 510,424**	***$ 19,650***	***4.5%***	
% Change	*-36.8%*	*24.6%*	*4.5%*	*0.9%*	*10.6%*			

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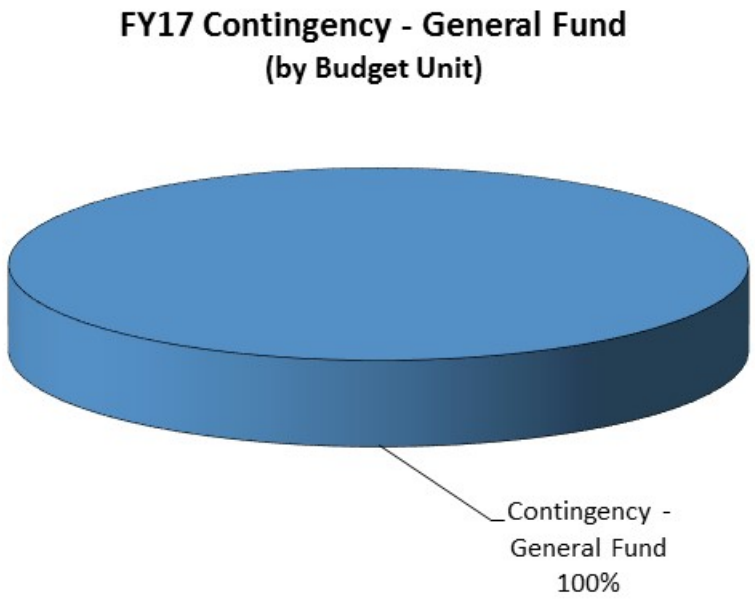
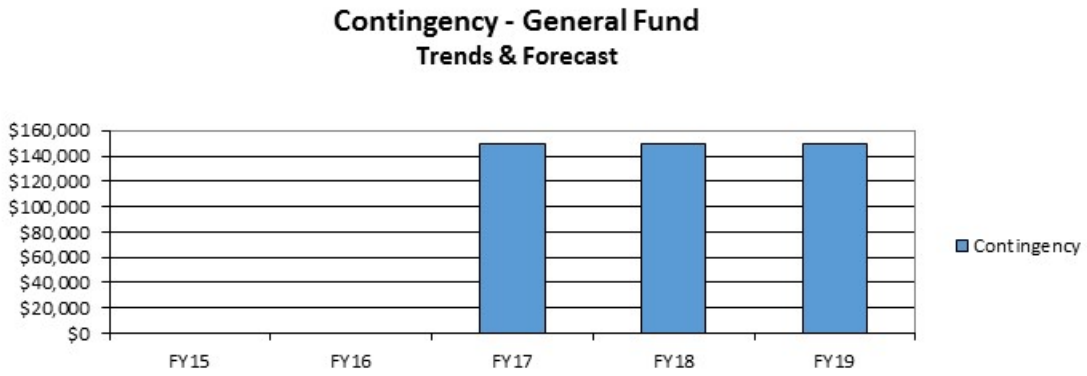
CONTINGENCY

CONTINGENCY

By Budget Unit	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
Contingency - General Fund	0	0	150,000	150,000	150,000	*150,000*	*0.0%*
Total Expenditures	**$ -**	**$ -**	**$150,000**	**$150,000**	**$150,000**	***$ 150,000***	***0.0%***
% Change	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*		





CONTINGENCY

CONTINGENCY – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTIONS:

- The Contingency budget unit is designed to assist the Town in covering any unanticipated expenditures. It also allows the Town to take advantage of opportunities that arise during the fiscal year that may not be available at a later date.
- Contingency allocation cannot exceed 5% of all other appropriations in the same fund.

FY16 MAJOR ACCOMPLISHMENTS:

- N/A

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- N/A

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- N/A

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- N/A

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	0	0	0	0	0	*0*	*0.0%*	
Operations	0	0	150,000	150,000	150,000	*150,000*	*0.0%*	Can't exceed 5% of all other appropriations in the same fund
Capital Outlay	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations	0	0	0	0	0	*0*	*0.0%*	
Total	**$ -**	**$ -**	**$150,000**	**$150,000**	**$150,000**	***$ 150,000***	***0.0%***	
% Change	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*			
FTE	0.0	0.0	0.0	0.0	0.0			

CONTINGENCY - GENERAL FUND

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Operations								
Contingency	0	0	150,000	150,000	150,000	*150,000*	*0.0%*	
Operations Subtotal	0	0	150,000	150,000	150,000	*150,000*	*0.0%*	
ContingencyTotal	**$ -**	**$ -**	**$ 150,000**	**$ 150,000**	**$ 150,000**	***$ 150,000***	***0.0%***	
% Change	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*			

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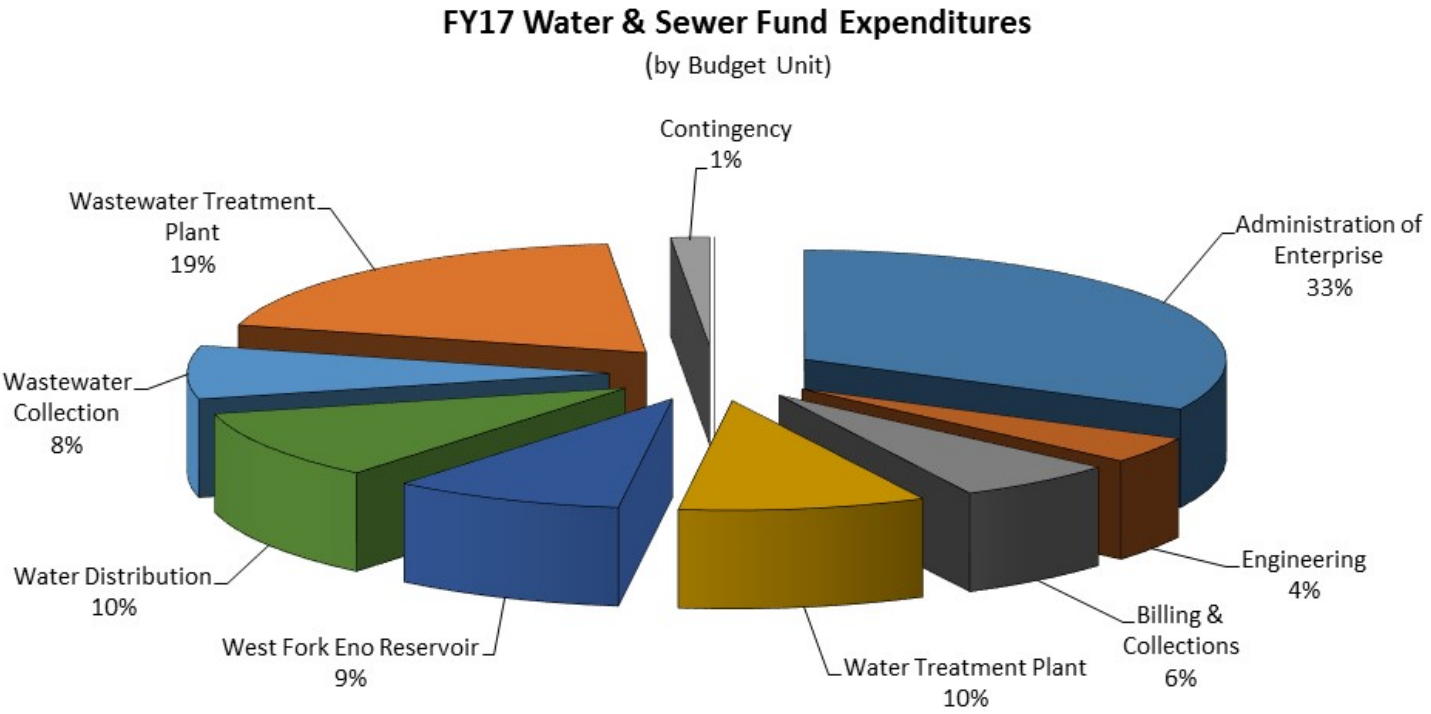
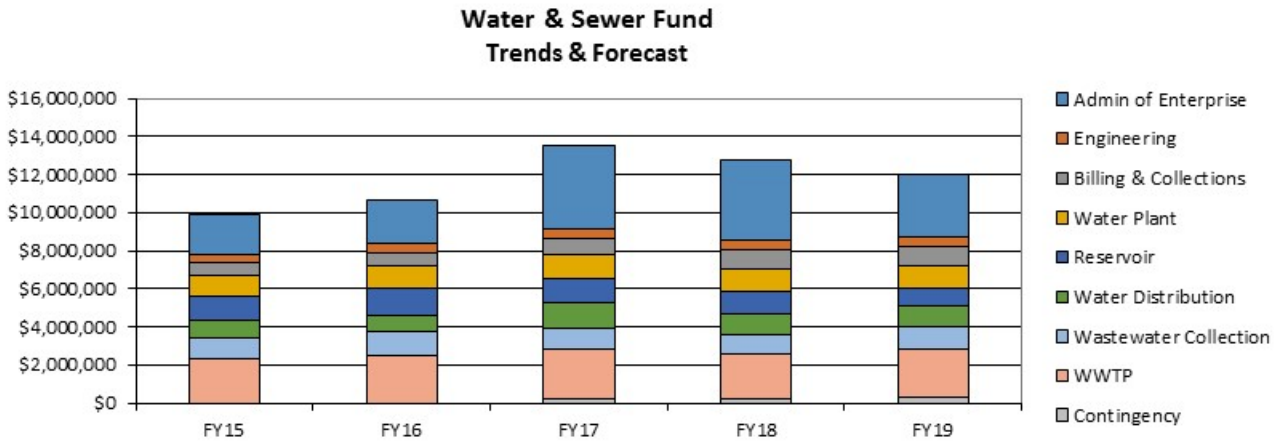
WATER & SEWER FUND

WATER & SEWER FUND

By Budget Unit	FY15 Actual	FY16 Estimated	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change
Administration of Enterprise	2,112,470	2,276,305	4,396,390	4,253,586	3,269,287	*2,120,085*	*93.1%*
Engineering	463,608	499,152	525,345	500,059	506,446	*26,193*	*5.2%*
Billing & Collections	660,586	674,591	834,082	992,239	995,924	*159,491*	*23.6%*
Water Treatment Plant	1,044,210	1,198,800	1,281,456	1,169,305	1,157,412	*82,656*	*6.9%*
West Fork Eno Reservoir	1,311,911	1,413,501	1,204,792	1,196,076	950,637	*(208,709)*	*-14.8%*
Water Distribution	885,011	880,242	1,387,913	1,094,049	1,093,908	*507,671*	*57.7%*
Wastewater Collection	1,128,457	1,256,225	1,064,244	1,017,093	1,184,835	*(191,981)*	*-15.3%*
Wastewater Treatment Plant	2,301,476	2,455,819	2,627,912	2,292,179	2,511,277	*172,093*	*7.0%*
Contingency	0	0	200,000	250,000	300,000	*200,000*	*0.0%*
Total Expenditures	**$ 9,907,729**	**$10,654,635**	**$13,522,134**	**$12,764,586**	**$11,969,726**	*$ 2,867,499*	*26.9%*
% Change	*4.5%*	*7.5%*	*26.9%*	*-5.6%*	*-6.2%*		





ADMINISTRATION OF ENTERPRISE – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Run the Operations	Provide Responsive & Dependable Services	Respond to citizen requests in a timely manner	% of work orders completed within 48 hours	100%	99%	100%	100%	This measure is a combination of both Water Distribution & Wastewater Collection.
		Utilize the Citizen Survey approval ratings to improve customer satisfaction	"I feel the water and wastewater services received are of good quality" - Average rating of Citizen Survey respondents	7.67	N/A Bi-Annual Survey	>7	N/A Bi-Annual Survey	Bi-Annual Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
			"I feel the water and wastewater services received are of good value" - Average rating of Citizen Survey respondents	6.67	N/A Bi-Annual Survey	>6	N/A Bi-Annual Survey	Bi-Annual Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
	Improve Communication & Collaboration	Utilize the Employee Survey results by increasing awareness and communication with employees	"Management listens to employee ideas" – Average rating of Employee Survey respondents	N/A Bi-Annual Survey	7.64	N/A Bi-Annual Survey	7.7	Bi-Annual Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
			"Information and knowledge are shared with employees" – Average rating of Employee Survey respondents	N/A Bi-Annual Survey	7.45	N/A Bi-Annual Survey	7.5	10 point rating scale: 1 = strongly disagree 10 = strongly agree
			"Communication is encouraged between departments" – Average rating of Employee Survey respondents	N/A Bi-Annual Survey	6.82	N/A Bi-Annual Survey	6.9	10 point rating scale: 1 = strongly disagree 10 = strongly agree
Manage Resources	Develop Long-Term Financial Planning	Maintain or retained earnings >25% of total annual expenditures	Retained earnings as % of total annual expenditures	61%	54% Est.	>33%	>33%	Target Range: 20-60%
Develop Know-How	Develop a Skilled & Diverse Workforce	Provide ongoing training opportunities	% of employees that have obtained higher, or additional certifications, or have reached the maximum certification level for their department	78%	78%	75%	75%	Continual certification advancement ensures a well-qualified workplace.
			"I receive the training I need to do my job well" – Average rating of Employee Survey respondents	N/A Bi-Annual Survey	8.36	N/A Bi-Annual Survey	8.4	10 point rating scale: 1 = strongly disagree 10 = strongly agree
		Encourage professional development	"My supervisor encourages and supports my professional development" – Average rating of Employee Survey respondents	N/A Bi-Annual Survey	7.91	N/A Bi-Annual Survey	7.95	10 point rating scale: 1 = strongly disagree 10 = strongly agree
			"I'm encouraged to learn from my mistakes" – Average rating of Employee Survey respondents	N/A Bi-Annual Survey	7.91	N/A Bi-Annual Survey	7.95	10 point rating scale: 1 = strongly disagree 10 = strongly agree

WATER SERVICES – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Run the Operations	Provide Responsive & Consistent Services	Consistently and reliably provide safe drinking water	# of State issued "Notices of Violation"	1	1	0	0	Great progress has been made on TTHM levels.
		Improve customer satisfaction	# of complaints about water quality per 1,000 meters *UNC Benchmarking Average*	0.9	1.2	1.5	1.5	UNC Benchmarking report results for FY13 = 2.54
Manage Resources	Invest in Infrastructure	Increase the emphasis placed on water services infrastructure	# of water line breaks on 6" and larger lines	14	16	<20	<20	Hope to show decrease in main breaks with replacement and upgrades to distribution system.
		Replace and/or rehabilitate pipes in a sustainable manner	Rolling 5-year average of linear feet of water mains replaced/rehabilitated	N/A	N/A	N/A	9,900 ft /year	New Measure for FY17 Replace/rehab all pipes every 80 years = 9,869 ft/year
		Assess condition of distribution system	% of water mains in good or better condition	N/A	N/A	N/A	80%	May need modification for a practical way to accurately determine
	Deliver Efficient Services	Optimize efficiency of water services provided	Water treatment cost per 1,000 gallons treated	$1.81	$1.83	1.85	1.90	WTP costs only, calculation does not include capital depreciation.
			Billed potable water as % of finished water *UNC Benchmarking Average*	90% *N/A*	90%	90% *N/A*	*90%*	
			AWWA water infrastructure leakage index	0.56	TBD	<3.0	<3.0	Target range: 1-3 (1= exceptional, >8 = poor)
		Provide customers with quality services at an affordable cost	Water bills as % of Median Household Income (MHI)	0.99%	0.95%	<1%	<1%	Per UNC School of Government, affordability becomes a concern once indicator surpasses 1%.

WASTEWATER SERVICES – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Target	Status/Result
Serve the Community	Conserve Cultural & Natural Resources	Protect the water quality of the Eno River	% of permitted nitrogen discharged to the Eno River	36.5% (CY13)	4.41% (CY14)	<80%	<80%	The allowable Nitrogen and Phosphorous discharge is significantly reduced in CY16. The 80% target is a trigger for the next plant upgrade.
			% of permitted phosphorous discharged to the Eno River	48.3% (CY13)	53.5% (CY14)	<80%	<80%	
			Wastewater biochemical oxygen demand removal efficiency	99% (CY13)	99.12% (CY14)	>99%	>99%	>95% = Excellent 95-90% = Good <90% = Poor
			Wastewater suspended solids removal efficiency	99.9% (CY13)	99.84% (CY14)	>99%	>99%	>95% = Excellent 95-90% = Good <90% = Poor
			# of sanitary sewer overflows	0 (CY13)	1 (CY14)	<3	<3	
Run the Operations	Provide Responsive & Dependable Services	Proactively work to reduce sewer back-ups	Sewer back-ups as a % of sewer accounts	0.01% (CY13)	0.02% (CY14)	<2%	<2%	The 2% target is the industry average.
		Consistently and reliably protect water quality of the Eno River	State issued "Notices of Violations" for wastewater services	0	0	0	0	No violations received in FY11, FY12, FY13, FY14 or FY15.
		Minimize sewer system odors	# of odor complaints at pump stations	1	3	<5	<5	
			# of odor complaints at the WWTP	0	0	0	0	
Manage Resources	Invest in Infrastructure	Increase the emphasis placed on wastewater services infrastructure	Peak monthly demand as % of wastewater treatment capacity	38% (CY13)	43.2% (CY14)	<80%	<80%	When 80% of permit capacity is reached, design of the next upgrade must begin (State requirement).
		Replace and/or rehabilitate pipes in a sustainable manner	Rolling 5-year average of linear feet of sewer mains replaced/rehabilitated	N/A	N/A	N/A	6,400 ft/year	Replace/rehab all pipes every 80 years = 6,352 ft/year
		Assess condition of collection system	% of sewer mains in good or better condition	N/A	N/A	N/A	70%	May need modification for practical way to accurately determine
	Deliver Services Efficiently	Optimize efficiency of wastewater services provided	Wastewater treatment cost per 1,000 gallons treated	$2.74	$2.83 Est.	<$3.30	<$3.30	Calculation includes personnel and operations costs only.
		Provide customers with quality services at an affordable cost	Wastewater bills as % of Median Household Income (MHI)	1.26%	1.26%	<1%	<1%	Per UNC School of Government, affordability becomes a concern once indicator surpasses 1%.
			Number of dry tons of residuals (sludge) produced per million gallons wastewater treated	0.62	0.69	<0.65	<0.65	Reductions in residuals produced can greatly decrease overall treatment costs.
			Costs of process chemicals per million gallons treated	$189.69	$139.83	<$140	<$140	Inventive or frugal operations can sometimes result in chemical cost reductions.

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ADMINISTRATION OF ENTERPRISE

ADMINISTRATION OF ENTERPRISE – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- This budget unit is used to account for costs in the General Fund that directly benefit the Water and Sewer fund.

FY16 MAJOR ACCOMPLISHMENTS:

- N/A

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Merit raises are budgeted here and assume an average of 3.25%. Funds will be transferred out to departments as needed.
- Fund compensation and classification study salary adjustments.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- N/A

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- N/A

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	0	0	0	0	0	*0*	*0.0%*	
Operations	2,019	4,000	69,000	104,975	140,982	*65,000*	*1625.0%*	Merit raises; assume 3.25% average
Capital Outlay	0	0	0	0	0	*0*	*0.0%*	
Debt Service	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations	1,270,331	1,444,842	1,494,230	1,523,806	1,508,055	*49,388*	*3.4%*	Water & Sewer Fund's portion of
Transfers	840,120	827,463	2,833,160	2,624,805	1,620,250	*2,005,697*	*242.4%*	General Fund expenditures
Total	**$ 2,112,470**	**$ 2,276,305**	**$ 4,396,390**	**$ 4,253,586**	**$ 3,269,287**	***$ 2,120,085***	***93.1%***	
% Change	*-9.2%*	*7.8%*	*93.1%*	*-3.2%*	*-23.1%*			
FTE	0.00	0.00	0.00	0.00	0.00			

ADMINISTRATION OF ENTERPRISE

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Salaries - Regular	0	0	0	0	0	*0*	*0.0%*	No salaries paid out of Admin of Enterprise
Personal Services Subtotal	0	0	0	0	0	*0*	*0.0%*	
Operations								
Customer Service/Innovation Award	0	4,000	4,000	4,000	4,000	*0*	*0.0%*	
Safety Awards Program	2,019	0	0	0	0	*0*	*0.0%*	
Miscellaneous	0	0	65,000	100,975	136,982	*65,000*	*0.0%*	
Merit Raises		*0*	*35,000*	*70,000*	*105,000*			Merit raises for W&S Fund (assume 3.25%)
Comp & Class Study		*0*	*30,000*	*30,975*	*31,982*			Fund salary adjustments per study
Operations Subtotal	2,019	4,000	69,000	104,975	140,982	*65,000*	*1625.0%*	
Cost Allocations								
Cost Alloc - Governing Body	116,138	124,048	136,246	144,496	138,746	*12,198*	*9.8%*	
Cost Alloc - Administration	450,981	538,526	561,431	567,341	569,320	*22,905*	*4.3%*	Increase due to 2 new positions
Cost Alloc - Finance	263,563	294,297	278,560	278,435	279,660	*(15,737)*	*-5.3%*	Increase due to new position & new facility
Cost Alloc - Fleet Maintenance	246,596	274,575	245,694	242,349	241,389	*(28,881)*	*-10.5%*	debt service
Cost Alloc - Ruffin-Roulhac	40,125	65,266	20,480	15,200	12,992	*(44,786)*	*-68.6%*	Increase due to renovations to the Barn
Cost Alloc - Special Appropriations	0	0	0	0	0	*0*	*0.0%*	
Cost Alloc - Safety & Wellness	71,809	74,770	80,652	74,439	75,827	*5,882*	*7.9%*	Safety Officer shared with General Fund
Cost Alloc - Stormwater	0	0	0	0	0	*0*	*0.0%*	
Cost Alloc - Information Services	81,119	73,360	171,167	201,546	190,121	*97,807*	*133.3%*	
Cost Alloc - Streets	0	0	0	0	0	*0*	*0.0%*	
Cost Allocations Subtotal	1,270,331	1,444,842	1,494,230	1,523,806	1,508,055	*49,388*	*3.4%*	
Transfers								
Transfer to Water Cap Reserve Fund	371,135	381,240	1,577,480	1,212,165	748,250	*1,196,240*	*313.8%*	FY17-19 are based on estimated growth
Cap Fees from New Development		*381,240*	*1,077,480*	*1,212,165*	*748,250*			
Reimburse CRF w/Debt Proceeds		*0*	*500,000*	*0*	*0*			Used to Pay for WFER Road Improv in FY16
Transfer to Sewer Cap Reserve Fund	468,985	446,223	1,255,680	1,412,640	872,000	*809,457*	*181.4%*	FY17-19 are based on estimated growth
Transfers Subtotal	840,120	827,463	2,833,160	2,624,805	1,620,250	*2,005,697*	*242.4%*	
Administration of Enterprise Total	**$2,112,470**	**$2,276,305**	**$4,396,390**	**$4,253,586**	**$3,269,287**	***$ 2,120,085***	***93.1%***	
% Change	*-9.2%*	*7.8%*	*93.1%*	*-3.2%*	*-23.1%*			

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ENGINEERING

ENGINEERING – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Engineering Department manages the utilities operations for the Town. It monitors requirements of the NC Division of Water Quality and NC Division of Water Resources-Public Water Supply Section to ensure that the utility system is operating properly. The Department also reviews all proposed expansions of the utility system, administers development projects, manages Town-funded utilities construction projects, and provides engineering advice to Town departments as needed.

FY16 MAJOR ACCOMPLISHMENTS:

- Managed construction of the Waterstone Elevated Tank project and the New South Zone Water Main Interconnections project.
- Managed West Fork Eno Reservoir Phase II dam and roadway design projects, and new South Zone Booster Pump Station (Forest Ridge BPS) project (construction anticipated Spring 2016).
- Completed As-Built Scanning project, resulting in better records retention and easy referencing of past projects.
- Town Engineer served on the NC Rural Water Association Board of Directors.
- Town Engineer served as Chair of the Triangle Area Water Supply Monitoring Project Steering Committee.
- Town Engineer served on the Professional Engineers in Government Committee of Professional Engineers of NC.
- Assistant Utilities Director served as Chairman of the Orange/Chatham Utility Coordinating Committee, served on 2 committees of the NC American Water Works Association/Water Environment Association (Education Committee & Distribution/Collection Committee), and taught at water certification schools.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Replace Utilities Inspector's vehicle #154, $30,000 – Existing vehicle is 10 years old, has a high service factor, and is very fuel inefficient (large SUV).

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

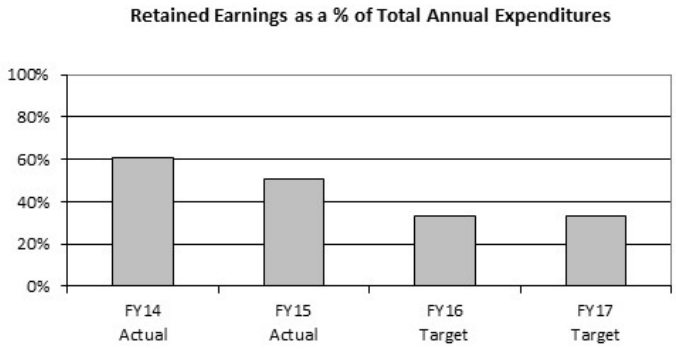
- Replace Assistant Utilities Director's vehicle #179 in FY20 (approx. $30,000).

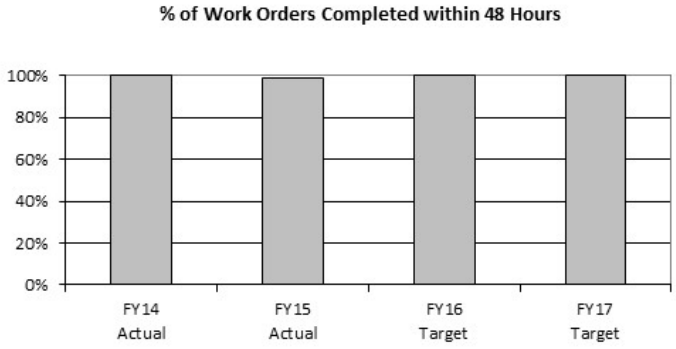
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Focus on managing existing and proposed utilities design and construction projects, updating policies and procedures, and compiling reports as required by regulatory agencies. Current and upcoming projects include the WFER Phase II project, New South Zone Booster Pump Station (Forest Ridge BPS), Magnolia Sewer Outfall, Critical North Water Zone Loops, and Water Plant Expansion planning.
- Participate in the NC Rural Water Association Board of Directors & Orange County Information Technology committee with other agencies, Triangle Area Water Supply Monitoring Project, TJCOG Water Resources Advisory Committee, Jordan Lake Partnership/Triangle Water Partnership, Professional Engineers of NC - Professional Engineers in Government Committee, and Regional Water Efficiency and Conservation Committee.
- The Water Quality Report and Wastewater Quality Report will be made available to customers via the Town website, at Town Hall, and Town Hall Annex.
- Annual update to the 20-year Utilities Capital Improvement Plan and Technical Specifications.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	393,974	401,952	410,125	414,339	418,896	*8,173*	*2.0%*	
Operations	69,634	97,200	85,220	85,720	87,550	*(11,980)*	*-12.3%*	FY16 - Update capital facility fees
Capital Outlay	0	0	30,000	0	0	*30,000*	*0.0%*	FY17 - Replc '07 Expedition
Debt Service	0	0	0	0	0	*0*	*0.0%*	
Total	**$463,608**	**$499,152**	**$525,345**	**$500,059**	**$506,446**	***$ 26,193***	***5.2%***	
% Change	*2.9%*	*7.7%*	*5.2%*	*-4.8%*	*1.3%*			
FTE	4.00	4.00	4.00	4.00	4.00			





ENGINEERING

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	232	1,000	1,000	1,000	1,000	*0*	*0.0%*	Utility Inspector subject to OT compensation
Salaries - Regular	300,969	304,878	309,811	309,811	309,811	*4,933*	*1.6%*	
FICA	22,929	23,400	23,777	23,777	23,777	*377*	*1.6%*	
Hospitalization	29,922	33,683	34,390	37,829	41,612	*707*	*2.1%*	
Life/Disability/Vision	1,594	1,854	1,854	1,854	1,854	*0*	*0.0%*	
Dental Insurance	1,332	1,196	1,291	1,291	1,291	*95*	*7.9%*	
Retirement	21,923	20,647	22,461	23,236	24,010	*1,814*	*8.8%*	FY17 - Increase in employer contribution rate
Supplemental Retirement - 401K	15,073	15,294	15,541	15,541	15,541	*247*	*1.6%*	
Personal Services Subtotal	393,974	401,952	410,125	414,339	418,896	*8,173*	*2.0%*	
Operations								
Training/Conferences/Conventions	6,720	8,000	10,400	10,600	10,600	*2,400*	*30.0%*	
Prof. Engineers of NC Conference		*2,200*	*2,200*	*2,300*	*2,300*			Engineer
NCRWA Leadership Summit		*800*	*800*	*900*	*900*			Engineer
NC AWWA Conf & Schools		*1,500*	*1,700*	*1,700*	*1,700*			Engineer, Inspector, Util Analyst
NC Pretreatment Conference		*900*	*1,000*	*1,000*	*1,000*			Util Analyst
National & NC Rural Water Conf		*1,800*	*1,900*	*1,900*	*1,900*			Engineer (national & state), Inspector (state)
National Conferences (Misc/Varies)		*0*	*2,000*	*2,000*	*2,000*			Engineer
Misc. Workshops/Seminars		*800*	*800*	*800*	*800*			Engineer, Inspector, Utility Analyst
Telephone/Internet	3,191	2,800	3,020	3,020	3,020	*220*	*7.9%*	
3 smart phones @ $70/month & repl.		*2,340*	*2,520*	*2,520*	*2,520*			Engineer, Asst Utilities Director, Inspector
Mobile Internet, etc.		*460*	*500*	*500*	*500*			
License Fees	420	1,400	0	0	0	*(1,400)*	*-100.0%*	FY17 - O365 Licenses moved to IT budget
Travel/Vehicle Allotment	3,738	3,900	4,100	4,100	4,100	*200*	*5.1%*	Engineer vehicle allowance & misc travel expenses
Gasoline	4,240	2,700	3,000	3,300	3,630	*300*	*11.1%*	
Supplies - Office	2,481	2,500	2,600	2,600	2,600	*100*	*4.0%*	
Supplies - Departmental	150	2,000	2,000	2,000	2,000	*0*	*0.0%*	
Supplies - Data Processing	973	4,000	500	500	2,000	*(3,500)*	*-87.5%*	Replace computers per IT schedule (3 in dept)
Replace Computer WS-LT004		*2,000*	*0*	*0*	*0*			Due FY16 - Inspector
Replace Computer TH-LT007		*2,000*	*0*	*0*	*0*			Due FY16 - Analyst
Replace Computer TH-LT017		*0*	*0*	*0*	*2,000*			Due FY19 - Engineer
Miscellaneous		*0*	*500*	*500*	*0*			
Uniforms	126	900	1,000	1,000	1,000	*100*	*11.1%*	
C.S. - GIS	14,722	26,000	27,000	27,000	27,000	*1,000*	*3.8%*	Updates & maintenance of GIS maps & database
C.S. - Update Cap Fees/Rates	0	15,000	0	0	0	*(15,000)*	*-100.0%*	Update water/sewer capital facilities fees
C.S. - Scan As-Builts	0	0	0	0	0	*0*	*0.0%*	Electronically copy old paper record drawings
Dues & Subscriptions	5,214	5,500	5,500	5,500	5,500	*0*	*0.0%*	
Upper Neuse River Dues	14,824	16,900	18,000	18,000	18,000	*1,100*	*6.5%*	Will be moved to Stormwater Fund, date TBD
Miscellaneous	270	600	600	600	600	*0*	*0.0%*	
Jordan Lake Partnership/Allocation	12,565	5,000	7,500	7,500	7,500	*2,500*	*50.0%*	JLP membership & Level 2 JL Allocation (FY16)
Level 2 Allocation		*2,500*	*2,500*	*2,500*	*2,500*			Paid to State for JL Allocation, if approved
TWP Special Projects		*0*	*2,500*	*2,500*	*2,500*			TWP special water projects to benefit region
Membership Dues		*2,500*	*2,500*	*2,500*	*2,500*			Group continuing as Triangle Water Partnership
Operations Subtotal	69,634	97,200	85,220	85,720	87,550	*(11,980)*	*-12.3%*	
Capital Outlay								
Capital - Equipment	0	0	0	0	0	*0*	*0.0%*	
Capital - Vehicle	0	0	30,000	0	0	*30,000*	*0.0%*	
Replace Vehicle #154		*0*	*30,000*	*0*	*0*			'07 Expedition w/ 82k miles, rated 8 out of 12
Replace Vehicle #179		*0*	*0*	*0*	*0*			'09 Escape - anticiapted FY20 (Asst Utility Dir)
Capital Outlay Subtotal	0	0	30,000	0	0	*30,000*	*0.0%*	
Engineering Total	**$ 463,608**	**$ 499,152**	**$ 525,345**	**$ 500,059**	**$ 506,446**	***$ 26,193***	***5.2%***	
% Change	*2.9%*	*7.7%*	*5.2%*	*-4.8%*	*1.3%*			

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BILLING & COLLECTIONS

BILLING & COLLECTIONS – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- Billing and Collections gathers water usage data, produces monthly water and sewer bills, and collects utility bill payments as well as other revenues for Town departments. The department is also responsible for service connections, leak checks and the repair/upgrading/maintenance of water meters. Billing and Collections serves as the main information center for the Town, providing one-on-one customer service to Town residents.

FY16 MAJOR ACCOMPLISHMENTS:

- Recruited, hired, and trained two full-time collection clerks and one part-time collection clerk.
- Migrated to MyGovHub, a more customer friendly online bill pay site.
- Continued on-going staff training on SmartFusion software.
- Installed new credit card point of sale terminals which will help to prevent fraudulent charges.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- As part of salary study we expect to upgrade the Customer Service Representative and full-time Collection Clerk positions to accommodate present and anticipated growth and distribution of job duties.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

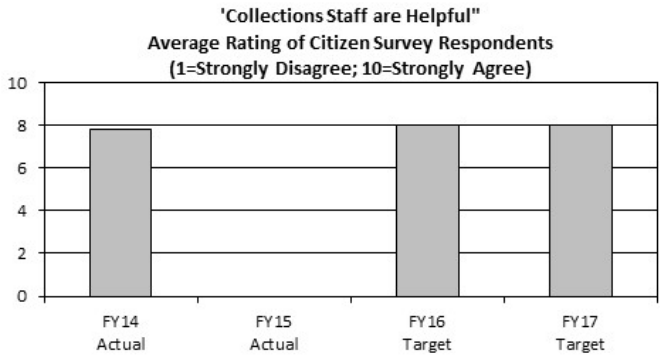
- Anticipated growth will require additional resources.

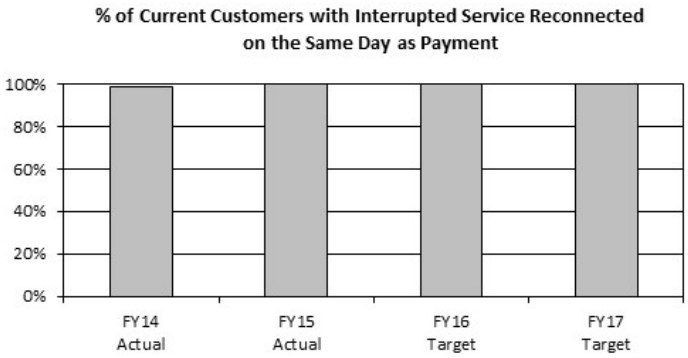
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Design and distribute a new customer information sheet to include rate information, frequently asked questions, billing information and noteworthy policies/procedures.
- Update service connection agreement to include all required information to ensure proper information is obtained for future collection purposes.
- Continue to enhance staff training on SmartFusion software to ensure proficiency and develop expertise.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	342,882	395,648	343,937	332,427	338,612	*(51,711)*	*-13.1%*	
Operations	129,009	265,329	434,917	556,584	554,084	*169,588*	*63.9%*	New meters & replacement registers
Capital Outlay	27,462	0	28,000	0	0	*28,000*	*0.0%*	FY17-Replace Truck #61
Debt Service	161,233	13,614	27,228	103,228	103,228	*13,614*	*100.0%*	101 E. Corbin St. acq. debt service
Transfers	0	0	0	0	0	*0*	*0.0%*	
Total	**$660,586**	**$674,591**	**$834,082**	**$ 992,239**	**$ 995,924**	***$ 159,491***	***23.6%***	
% Change	*8.9%*	*2.1%*	*23.6%*	*19.0%*	*0.4%*			
								FY17-PT Clerk position eliminated 7/16
FTE	7.00	7.00	5.92	5.50	5.50			FY17-B&C Clerk moved to Finance 12/2016





BILLING & COLLECTIONS

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	2,875	3,200	1,200	1,200	1,000	*(2,000)*	*-62.5%*	
Salaries - Regular	248,890	284,696	242,532	223,920	223,920	*(42,164)*	*-14.8%*	FY16-increase due to vacancies in FY15
FICA	18,708	21,833	18,645	17,222	17,206	*(3,188)*	*-14.6%*	FY17-move B&C Clerk to Finance 12/16 &
Hospitalization	41,049	48,615	48,391	58,634	64,498	*(224)*	*-0.5%*	eliminate PT Clerk position 7/16
Life/Disability/Vision	1,518	1,682	1,562	1,562	1,562	*(120)*	*-7.1%*	
Dental Insurance	1,665	1,794	1,749	1,749	1,749	*(45)*	*-2.5%*	
Retirement	16,639	19,433	17,671	16,884	17,431	*(1,762)*	*-9.1%*	
Supplemental Retirement - 401K	11,537	14,395	12,187	11,256	11,246	*(2,208)*	*-15.3%*	
Personal Services Subtotal	342,882	395,648	343,937	332,427	338,612	*(51,711)*	*-13.1%*	
Operations								
Training/Conferences/Conventions	1,703	4,250	3,000	3,000	3,000	*(1,250)*	*-29.4%*	Additional training on Fathom or CS
Postage	0	200	50	50	50	*(150)*	*-75.0%*	
Telephone - Meter Reading	2,935	3,620	3,800	3,800	3,800	*180*	*5.0%*	
1 Smart Phone Reimb. @ $70/mo		*780*	*840*	*840*	*840*			
2 Standard Phone Reimb. @ $40/mo		*840*	*960*	*960*	*960*			Added a Stipend for B&C Supervisor
Wireless for Tablets & Cell Service		*2,000*	*2,000*	*2,000*	*2,000*			Used by meter readers in the field
Postage - Meter Reading	305	175	50	50	50	*(125)*	*-71.4%*	
License Fees	528	1,000	2,000	2,000	2,000	*1,000*	*100.0%*	Neptune Reading Software
Maintenance - Buildings	600	1,000	1,000	1,000	1,000	*0*	*0.0%*	Placeholder for unplanned repairs
Miscellaneous		*1,000*	*1,000*	*1,000*	*1,000*			
Maintenance - Equipment	0	3,028	3,000	3,000	3,000	*(28)*	*-0.9%*	Keep handhelds/software as backup
Gasoline	4,272	2,900	3,000	3,000	3,000	*100*	*3.4%*	Using 4 & 6 cylinder daily; 4x4 once/week
Supplies - Office	2,709	2,900	1,500	1,500	1,500	*(1,400)*	*-48.3%*	
Dept Supplies - Billing & Collections	1,188	1,500	1,500	1,500	1,500	*0*	*0.0%*	
Dept Supplies - Meter Reading	42,702	133,000	150,000	150,000	150,000	*17,000*	*12.8%*	New meters & replacement registers
Supplies - Data Processing	3,138	1,372	1,000	2,500	0	*(372)*	*-27.1%*	
Replace Computer TA-CTR1		*0*	*0*	*1,500*	*0*			Due FY18
Replace Computer TA-LT005		*0*	*0*	*0*	*0*			Due FY20
Replace Comptuer TA-LT006		*0*	*0*	*0*	*0*			Due FY21
Replace Comptuer TA-LT007		*0*	*0*	*0*	*0*			Due FY21
Replace Comptuer TA-LT008		*0*	*0*	*0*	*0*			Due FY21
Replace Computer TA-LT020		*0*	*0*	*0*	*0*			Due FY16
Replace Computer TA-LT029		*0*	*0*	*0*	*0*			Due FY15; Overdue
Replace Computer TA-WS011		*0*	*1,000*	*0*	*0*			Due FY17
Replace Computer TA-WS013		*0*	*0*	*1,000*	*0*			Due FY18
Replace Computer TA-WS014		*0*	*0*	*0*	*0*			Due FY16
Replace Computer TA-WS015		*0*	*0*	*0*	*0*			Due FY20
Computer for Collections Clerk		*1,372*	*0*	*0*	*0*			Position added in FY15
Uniform Rental	367	350	350	350	350	*0*	*0.0%*	
C.S. - Meter Service	0	1,500	1,000	1,000	1,000	*(500)*	*-33.3%*	
C.S. - Online Utility	2,460	3,200	1,333	0	0	*(1,867)*	*-58.3%*	Credit inquires & coll costs; discontinue 12/16
C.S. - South Data/Billing Statements	33,728	36,000	15,000	0	0	*(21,000)*	*-58.3%*	Billing Statements - discontinue 12/16
C.S. - B&C Service	0	0	192,500	330,000	330,000			Begin service 12/16
Miscellaneous	527	15,700	200	200	200	*(15,500)*	*-98.7%*	
Misc.- Credit/Debit Card Fee	31,847	52,000	52,000	52,000	52,000	*0*	*0.0%*	
Utility Assistance	0	1,634	1,634	1,634	1,634	*0*	*0.0%*	Per WSAC recommendation: deposits held
Vehicle Tax & Tags	0	0	1,000	0	0	*1,000*	*0.0%*	times rate of interest
Operations Subtotal	129,009	265,329	434,917	556,584	554,084	*169,588*	*63.9%*	
Capital Outlay								
Capital - Buildings & Improvements	0	0	0	0	0	*0*	*0.0%*	
Capital - Data Processing	0	0	0	0	0	*0*	*0.0%*	
Capital - Equipment	5,155	0	0	0	0	*0*	*0.0%*	
Capital - Vehicles	0	0	28,000	0	0	*28,000*	*0.0%*	
Replace Truck #061		*0*	*28,000*	*0*	*0*			May not need to replace w/ Fathom
Capital - Software	22,307	0	0	0	0	*0*	*0.0%*	33% of Financial, Utility Billing & HR
Capital Outlay Subtotal	27,462	0	28,000	0	0	*28,000*	*0.0%*	software upgrade
Debt Service								
Capital Lease	161,233	13,614	27,228	103,228	103,228	*13,614*	*100.0%*	
AIM Infrastructure		*0*	*0*	*76,000*	*76,000*			15 year loan
101 E. Corbin Street - Renovation		*0*	*0*	*0*	*0*			$178,125k @ 4% for 10 years; unfunded
101 E. Corbin Street		*13,614*	*27,228*	*27,228*	*27,228*			Debt Retired FY31; B&C comprises 75% of
Debt Service Subtotal	161,233	13,614	27,228	103,228	103,228	*13,614*	*100.0%*	Fin/B&C portion of the building

Transfers								
Transfer to N. Campus Master Plan	0	0	0	0	0	*0*	*0.0%*	
Design		*0*	*0*	*0*	*0*			Relocate to 101 E. Corbin St.; unfunded
Transfers Subtotal	0	0	0	0	0	*0*	*0.0%*	
Billing & Collections Total	**$ 660,586**	**$ 674,591**	**$ 834,082**	**$ 992,239**	**$ 995,924**	***$ 159,491***	***23.6%***	
	8.9%	*2.1%*	*23.6%*	*19.0%*	*0.4%*			

BILLING & COLLECTIONS – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Serve the Community	Strengthen Citizen Engagement	Encourage citizens to contribute to the water assistance program	Dollars donated by citizens	$5,256	$4,437	N/A	N/A	
Run the Operations	Enhance Emergency Preparedness	Ensure that every utility customer has a current phone number on record for emergency notification. Staff will verify phone numbers each time a customer is assisted	% of accounts with phone numbers	98%	98%	100%	100%	
	Provide Responsive & Dependable Services	Connect and reconnect utility customers in a timely manner	% of new utility customers connected within 24 hours of request	100%	100%	100%	100%	
			% of current customers with interrupted service reconnected on the same day as payment	99%	100%	100%	100%	
		Provide quality service as perceived by utility customers	"Collections staff are helpful" – Average rating of Citizen Survey Respondents	7.85	N/A Bi-Annual Survey	8.00	8.00	Bi-Annual Survey 10 point rating scale: 1= strongly disagree 10 = strongly agree
Manage Resources	Deliver Services Efficiently	Expand the use of technology for receiving utility payments	% of utility customers on automatic bank draft	25.3%	24.6%	30%	30%	
		Expand the use of technology for receiving utility payments	% of utility customers using online payment portal	N/A	N/A	23%	23%	
	Maintain Financial Strength	Collect Delinquent utility accounts through Debt Setoff program	% of bad debt collected (cumulative) *% via Debt Setoff* *% via Collection Agency*	*(CY13)* 33% *27%* *6%*	(CY14) 37%	(CY15) 40%	N/A	
Develop Know-How	Develop a Skilled and Diverse Workforce	Provide customer service training on an annual basis	% of employees that have completed customer service training within the last 3 years	60%	100%	100%	100%	

Town of Hillsborough

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WATER TREATMENT PLANT

WATER TREATMENT PLANT – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Water Treatment Plant treats water from the Eno River to meet State drinking water standards as required by the NC Division of Water Resources – Public Water Supply Section. The Department also tests the drinking water in its in-house State certified laboratory in order to provide safe, quality drinking water to the citizens of Hillsborough.

FY16 MAJOR ACCOMPLISHMENTS:

- No notices of violation.
- Eliminated need for waste pump station and connected disposal ponds to gravity sewer with the help of the utility line crew.
- Rebuilt three Cla-Val pump control valves using funds that were no longer needed for rebuilding the waste pump station.
- Replaced filter control computer and software.
- Replaced 3 Turbidimeters that were 12 years old.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Replace old equipment, including four chemical pumps ($16,500).
- Install a generator at the raw water pump station to provide permanent emergency power ($80,000).
- Replace 3 sets of double doors at the plant due to decreased reliability ($15,000).
- Dredge sludge lagoons at Water Treatment Plant ($62,000).
- Hire a part-time Water Plant Operator. An operator we are considering hiring has 7 years of operational experience at the Plant. He is currently retired but would like to come back. He could be used to help cover vacations, sick leave or loss of personnel.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

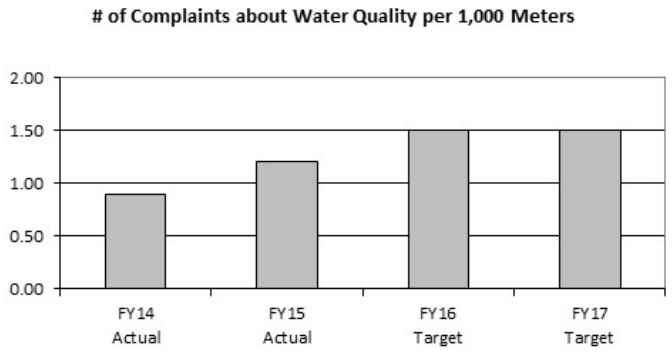
- Begin engineering work for the expansion of the Water Treatment Plant from 3 to 4.5 MGD. Work is anticipated to start in FY20 ($50,000) and continue in FY21 ($400,000). Construction is planned to start in FY22, with an estimated cost of $2,000,000 (cost is highly speculative at this point).
- The Water Treatment Plant upgrade was 12 years ago, and not every issue was addressed at that time. The main control panel that starts all raw, finished and chemical pumps in the plant, is the original panel from 1972. The price to replace it is around $95,000 currently (scheduled for replacement in FY18).
- The Plant is already short-staffed and with more development on the horizon, we will need an additional full-time Plant Operator. This position is currently unfunded.
- Add a maintenance position. This position would be trained on installation and upkeep of plant equipment, which is important as much of the equipment is aging and in need of replacement. This position would help free up plant operators to focus on water treatment. This position is currently unfunded.

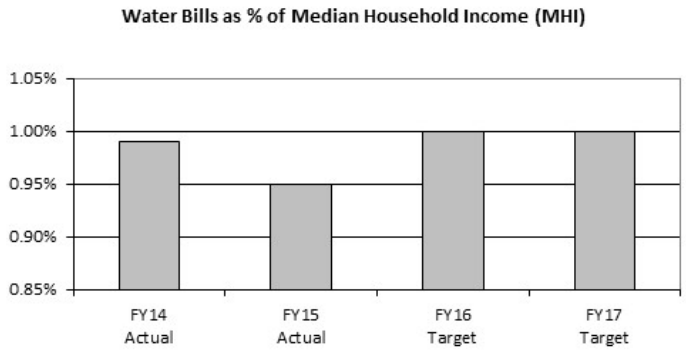
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Maintain current equipment to enhance the effectiveness of budget projections and keep operations cost efficient.
- Continue to run the Plant during off-peak hours to keep electrical costs down.
- Continue shopping around to find chemicals at the lowest cost.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	515,374	538,816	542,240	546,711	549,237	*3,424*	*0.6%*	
Operations	343,619	545,707	547,275	417,990	500,907	*1,568*	*0.3%*	FY17-Dredge Sludge Lagoons
Capital Outlay	68,012	0	80,000	95,000	0	*80,000*	*0.0%*	FY17-Generator; FY18-Replc. Control Panel
Debt Service	117,206	114,277	111,941	109,604	107,268	*(2,336)*	*-2.0%*	WTP Upgrade - debt retired FY26; Water
Transfers	0	0	0	0	0	*0*	*0.0%*	Sys Upgrades - debt retired FY22
Total	**$ 1,044,210**	**$ 1,198,800**	**$ 1,281,456**	**$ 1,169,305**	**$ 1,157,412**	***$ 82,656***	***6.9%***	
% Change	*1.0%*	*14.8%*	*6.9%*	*-8.8%*	*-1.0%*			
FTE	6.00	6.00	6.50	6.50	6.50			FY17-PT Operator





WATER TREATMENT PLANT

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	22,684	23,000	24,000	23,000	20,000	*1,000*	*4.3%*	
Salaries - Regular	363,018	386,226	362,999	362,999	362,999	*(23,227)*	*-6.0%*	FY16-Temp position covering coverage
FICA	28,764	31,306	29,605	29,529	29,299	*(1,701)*	*-5.4%*	gaps
Hospitalization	49,239	46,069	47,036	51,740	56,914	*967*	*2.1%*	
Life/Disability/Vision	2,068	2,337	2,344	2,344	2,344	*7*	*0.3%*	
Dental Insurance	1,970	1,794	1,936	1,936	1,936	*142*	*7.9%*	
Retirement	28,179	27,623	28,057	28,950	29,682	*434*	*1.6%*	
Supplemental Retirement - 401K	19,453	20,461	19,350	19,300	19,150	*(1,111)*	*-5.4%*	
Personnel Expansion - Personnel Exp	0	0	26,913	26,913	26,913	*26,913*	*0.0%*	
Part-Time Operator - FY17		*0*	*26,913*	*26,913*	*26,913*			Proposed new position
Personal Services Subtotal	515,374	538,816	542,240	546,711	549,237	*3,424*	*0.6%*	
Operations								
Training/Conferences/Conventions	3,119	3,800	4,500	4,900	5,100	*700*	*18.4%*	Training for more regulations by EPA
Telephone/Internet	5,852	5,980	6,100	960	960	*120*	*2.0%*	
Telephone		*4,300*	*4,300*	*0*	*0*			FY18 - Expense moved to IT budget
Internet		*840*	*840*	*0*	*0*			FY18 - Expense moved to IT budget
(2) Cell Phone Stipend @ $40/mo		*840*	*960*	*960*	*960*			
Postage	819	600	650	700	700	*50*	*8.3%*	
License Fees	143	404	0	0	0	*(404)*	*-100.0%*	FY17 - O365 Licenses moved to IT budget
Utilities	67,059	75,000	82,500	90,750	99,825	*7,500*	*10.0%*	Anticipate 10% incr. in electricity rates
Maintenance - Plant & Equipment	41,641	47,200	49,700	35,000	35,300	*2,500*	*5.3%*	
Misc. Maintenance		*16,000*	*26,000*	*32,000*	*32,000*			Small item replacements, etc.
Anthracite Replenishment		*0*	*4,500*	*0*	*0*			Periodic addition to filter media
Replace 4 Chemical Pumps		*0*	*16,500*	*0*	*0*			Replace units with high run times
Rebuild 1 Raw Water Pump		*15,000*	*0*	*0*	*0*			FY16 - Pump rebuild if needed
Replace 3 Turbidimeters		*8,000*	*0*	*0*	*0*			Existing equip outdated, no parts available
Rebuild 23 AUMA Actuators & Maint.		*8,200*	*2,700*	*3,000*	*3,300*			FY16 rebuild, FY17+ maint program
Maintenance - Buildings	4,943	1,640	20,630	6,000	63,000	*18,990*	*1157.9%*	
General Maintenance		*1,640*	*5,630*	*6,000*	*63,000*			Funds for repair/maint. of facilities
Replace 3 Sets of Double Doors		*0*	*15,000*	*0*	*0*			
Maintenance - Grounds	2,448	2,600	2,700	2,700	2,700	*100*	*3.8%*	Mowing services contract
Maintenance - Infrastructure	0	62,000	62,000	0	0	*0*	*0.0%*	
Pump Sludge Lagoons		*62,000*	*62,000*	*0*	*0*			1 lagoon per year
Gasoline	5,167	2,000	2,200	2,420	2,662	*200*	*10.0%*	Truck & generator (diesel)
Chemicals	124,212	155,200	159,855	164,650	172,050	*4,655*	*3.0%*	Fuel surcharges and increased costs
Supplies - Departmental	30,507	48,500	44,800	46,000	46,000	*(3,700)*	*-7.6%*	
General Expenses		*32,000*	*32,000*	*33,000*	*33,000*			
Replace Spectrophotometer		*4,000*	*0*	*0*	*0*			Current one outdated; no parts available
Misc. Plant & Lab Equipment		*12,500*	*12,800*	*13,000*	*13,000*			Periodic small pump & equip. replacement
Supplies - Safety	1,278	2,000	2,000	2,000	2,000	*0*	*0.0%*	
Supplies - Data Processing	2,736	17,700	2,000	0	0	*(15,700)*	*-88.7%*	New computer & software for filter control
Filter Control		*17,700*	*0*	*0*	*0*			
Replace Computer AUX-WS021		*0*	*0*	*0*	*0*			Due FY20
Replace Computer AUX-WS022		*0*	*2,000*	*0*	*0*			Due FY17
Outside Lab Services	11,759	28,000	15,000	16,000	16,000	*(13,000)*	*-46.4%*	FY16-LT2 Stage 2 tests ($11,600)
Uniform Rental	1,688	3,100	5,250	5,250	5,250	*2,150*	*69.4%*	
C.S. - Instrumentation Maintenance	5,700	4,500	4,700	4,900	5,100	*200*	*4.4%*	Calibrate & maintain various instruments
C.S. - PS Monitoring Mission Units	939	1,200	1,200	1,200	1,200	*0*	*0.0%*	Communication for hi svc & raw water PSs
C.S. - Generator Load Testing	3,448	4,950	5,000	10,000	10,000	*50*	*1.0%*	Generator maintenance for 2 units
C.S. - Filtration Controls Testing	0	0	8,000	0	8,000	*8,000*	*0.0%*	To calibrate filter controls every other year
Purchase Water & Resale	0	100	100	100	100	*0*	*0.0%*	
Dues & Subscriptions	3,250	5,000	5,000	5,000	5,000	*0*	*0.0%*	
Alum Sludge Removal	25,000	73,183	62,000	18,000	18,500	*(11,183)*	*-15.3%*	
General Sludge Removal		*11,183*	*0*	*18,000*	*18,500*			Remove treatment residuals annually
Dredge Sludge Lagoons		*62,000*	*62,000*	*0*	*0*			
Miscellaneous	1,010	550	600	650	650	*50*	*9.1%*	
Miscellaneous - Tax, Tags, Etc.	647	0	0	0	0	*0*	*0.0%*	
Consumer Confidence Report	250	500	530	550	550	*30*	*6.0%*	EPA mandated annual water quality report;
Personnel Expansion - Op Costs	0	0	260	260	260	*260*	*0.0%*	now online
Part-Time Operator - FY17		*0*	*260*	*260*	*260*			Training and Dues & Subscriptions
Operations Subtotal	343,619	545,707	547,275	417,990	500,907	*1,568*	*0.3%*	
Capital Outlay								
Capital - Infrastructure	0	0	0	0	0	*0*	*0.0%*	
Capital - Buildings & Improvements	0	0	0	0	0	*0*	*0.0%*	

Capital - Equipment	46,643	0	80,000	95,000	0	*80,000*	*0.0%*	
Generator for Raw Water Pump Station		*0*	*80,000*	*0*	*0*			Permanent emergency power for intake
Replace Chem. Main Control Panel		*0*	*0*	*95,000*	*0*			Current panel from 1972; no parts available
Capital - Vehicles	21,369	0	0	0	0	*0*	*0.0%*	FY15-Replace #850, a 2001 truck
Capital Outlay Subtotal	68,012	0	80,000	95,000	0	*80,000*	*0.0%*	
Debt Service								
Revolving Loan	117,206	114,277	111,941	109,604	107,268	*(2,336)*	*-2.0%*	
WTP Upgrade		*98,525*	*96,498*	*94,470*	*92,443*			Debt Retired in FY26
Water System Upgrade		*15,752*	*15,443*	*15,134*	*14,825*			Debt Retired in FY22
WTP Expansion		*0*	*0*	*0*	*0*			FY23-$2M @ 5% for 20 years ($160,500/yr)
Debt Service Subtotal	117,206	114,277	111,941	109,604	107,268	*(2,336)*	*-2.0%*	
Transfers								
Transfer to WTP Capital Proj Fund	0	0	0	0	0	*0*	*0.0%*	
WTP Expansion Design		*0*	*0*	*0*	*0*			FY20-Prelim. Design ($50k); FY21-Design
Transfers Subtotal	0	0	0	0	0	*0*	*0.0%*	($400k); FY22-Construction ($2M est.)
Water Treatment Plant Total	**$1,044,210**	**$1,198,800**	**$1,281,456**	**$1,169,305**	**$1,157,412**	***$ 82,656***	***6.9%***	
% Change	*1.0%*	*14.8%*	*6.9%*	*-8.8%*	*-1.0%*			

WEST FORK ENO RESERVOIR

WEST FORK ENO RESERVOIR – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The West Fork Eno Reservoir provides a supply of water for treatment and distribution by the Town. The WFER supplements stream flow in the Eno River and boosts water availability during dry periods, typically June through November.

FY16 MAJOR ACCOMPLISHMENTS:

- Continued WFER Phase II design work (road improvements, permitting work, and dam design). Partnered with NCDOT on the realignment of Efland-Cedar Grove Road (construction to take place Summer 2016).
- Continued monitoring of wetlands at water quality impoundments (WQI) in order to comply with permit requirements.
- Continued participation in the NC Aquatic Weed Control program to control the growth of hydrilla in the West Fork Eno Reservoir and areas downstream. This project has been expanded to include the entire Eno River to Durham.
- Operated the WFER, conducted weekly inspections, and provided periodic email updates on the WFER's status.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Video Surveillance & Security System - $15,000 – Install multiple CCTV cameras, alarm system, and internet connection to monitor activity at the WFER remotely. The system will also add $1,500 annually for alarm and internet services.
- Phase II construction is planned to begin in late FY17 with the first debt service payment coming online in FY18.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- Phase II Construction (FY17) – $8,300,000 estimated. Phase II capacity will likely not be needed before FY18, but construction must be completed by December 31, 2018 when the existing USACE permit expires in order to avoid starting a new permitting process (which would require significantly more engineering and construction work). Phase II will consist of adding a 10 foot higher overflow weir to the dam, dam spillway structure improvements, modifications to 3 NCDOT roads, and clearing of timber.
- Drawdown Frequency Matrix (FY19) – $30,000. A consultant, or the UNC Water Resource Engineering & Management Department, will be brought in to examine the WFER, Lake Orange, and Eno River data to develop a matrix to be used to calculate the probability of the Town running out of source water. This matrix will help the Town determine when to begin and end water restrictions. The State has developed the Neuse River Basin Hydrologic Model, which will likely be helpful in the development of our matrix. OWASA has developed their own matrix for their reservoirs, and the Town's matrix will likely be very similar.
- The largest on-going budget issue of the WFER is the payment of debt for its construction. We currently have 4 years remaining to retire all current WFER debt (FY20). Phase II debt service will likely overlap the original debt service by 3 years (payments anticipated to start in FY18).

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continue weekly monitoring of the WFER.
- Check monitoring wells and slope drain manholes twice yearly.
- Check wetlands/water quality impoundments periodically.
- Closely monitor changes to the WFER/Lake Orange water release management to avoid threats to the quantity of water available to the Town.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	0	0	0	0	0	*0*	*0.0%*	
Operations	46,878	64,140	64,125	51,035	81,050	*(15)*	*0.0%*	Reservoir maintenance
Capital Outlay	0	0	0	0	0	*0*	*0.0%*	
Debt Service	665,033	649,361	640,667	1,145,041	869,587	*(8,694)*	*-1.3%*	Reservoir constr.; Debt retired FY20
Transfers	600,000	700,000	500,000	0	0	*(200,000)*	*-28.6%*	WFER Ph II design & construction
Total	**$ 1,311,911**	**$ 1,413,501**	**$ 1,204,792**	**$1,196,076**	**$ 950,637**	***$ (208,709)***	***-14.8%***	
% Change	*40.6%*	*7.7%*	*-14.8%*	*-0.7%*	*-20.5%*			
FTE	0.00	0.00	0.00	0.00	0.00			

WEST FORK ENO RESERVOIR

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Operations								
Utilities	805	840	925	935	950	*85*	*10.1%*	
Equipment Repair	31	500	500	500	500	*0*	*0.0%*	
Maintenance - Infrastructure	9,253	17,000	7,500	7,500	7,500	*(9,500)*	*-55.9%*	Nuisance animal removal, etc.
Maintenance - Grounds	0	0	10,000	10,000	10,000	*10,000*	*0.0%*	Mowing
Aquatic Weed Control Program	1,958	7,200	10,000	10,000	10,000	*2,800*	*38.9%*	Hydrilla control, in WFER and Eno River
Supplies - Departmental	0	800	800	800	800	*0*	*0.0%*	
C.S./Monitoring Mission Unit	0	600	700	700	700	*100*	*16.7%*	Telemetry unit for control & monitoring
C.S./Alarm Service	0	0	1,500	1,500	1,500	*1,500*	*0.0%*	Live monitoring of security cameras
C.S./Drawdown Frequency Matrix	0	0	0	0	30,000	*0*	*0.0%*	Model drought conditions & refilling
Miscellaneous	119	100	15,100	100	100	*15,000*	*15000.0%*	
Miscellaneous		*100*	*100*	*100*	*100*	*0*	*0.0%*	
Security Cameras		*0*	*15,000*	*0*	*0*	*15,000*	*0.0%*	Monitored Security System & CCTV
Dams Inspection & Evaluation	0	0	0	0	0	*0*	*0.0%*	Inspect facilities every 10 years or so
Water Quality Monitoring (Raw H20	17,007	17,100	17,100	19,000	19,000	*0*	*0.0%*	TAWSMP Ph. 7 began in FY13
Wetlands WQI Monitoring	17,705	20,000	0	0	0	*(20,000)*	*-100.0%*	Monitoring req'd thru FY16 by permit
Operataions Subtotal	46,878	64,140	64,125	51,035	81,050	*(15)*	*0.0%*	& risk after Ph 2 constructed
Capital Outlay								
Capital - Infrastructure	0	0	0	0	0	*0*	*0.0%*	
Capital - Equipment	0	0	0	0	0	*0*	*0.0%*	
Capital Outlay Subtotal	0	0	0	0	0	*0*	*0.0%*	
Debt Service								
Debt Service	665,033	649,361	640,667	1,145,041	869,587	*(8,694)*	*-1.3%*	
Reservoir Ph I - 1st Issuance		*428,824*	*416,993*	*279,300*	*0*			Debt retired in FY18
Reservoir Ph I - 2nd Issuance		*220,537*	*223,674*	*227,669*	*231,515*			Debt retired in FY20
Reservoir Ph II		*0*	*0*	*638,072*	*638,072*			FY18-$8.3M @ 4.5% for 20 yrs; use $500k/yr
Debt Service Subtotal	665,033	649,361	640,667	1,145,041	869,587	*(8,694)*	*-1.3%*	of Cap Fees to offset debt
Transfers								
Transfer to Capital Improv Fund	600,000	700,000	500,000	0	0	*(200,000)*	*-28.6%*	FY15&16-design; FY17-construction, road & dam design, plans & permits; 1st debt pymt anticpated FY18
WFER Phase II Design		*700,000*	*0*	*0*	*0*			
WFER Sediment Survey		*0*	*0*	*0*	*0*			FY22 - $100,000
WFER Phase II Road Improv.		*0*	*500,000*	*0*	*0*			Pymt to DOT to raise rd; will reimb Water
Transfers Subtotal	600,000	700,000	500,000	0	0	*(200,000)*	*-28.6%*	CRF 1/17 when issue debt for Ph II construction
Reservoir Total	**$1,311,911**	**$1,413,501**	**$1,204,792**	**$1,196,076**	**$ 950,637**	***$ (208,709)***	***-14.8%***	
% Change	*40.6%*	*7.7%*	*-14.8%*	*-0.7%*	*-20.5%*			

Town of Hillsborough

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WATER DISTRIBUTION

WATER DISTRIBUTION – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- Maintain the water distribution system, booster pump stations, and water storage tanks, to ensure water quality for the Town of Hillsborough and its customers as well as meet or exceed all state, federal and NC Division of Water Resources regulations and requirements.

FY16 MAJOR ACCOMPLISHMENTS:

- Installed 250 feet of pipe and looped 2'' water line in Joppa Oaks to remove dead ends.
- Installed 2 isolation valves and a blow-off for the Byrdsville MHP, in preparation for a NCDOT project.
- Completed 1 of 2 road bores and 1 connection for the 16'' water line on Churton Street. Anticipate having the second road bore done by March 2016, and a new meter vault and additional system connections installed by June 2016.
- Made 1 of 2 road bores and begun the new installation of 6'' water main on US-70 to loop the North Pressure Zone. Anticipate project completion by March 2016.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- NC-86 Water Improvements ($90,000). Install a 12" water line loop from I-85 crossing to Hampton Pointe, approximately 2,500 feet.
- Purchase a new enclosed 4 wheel drive tractor ($64,000 total), which would be split 3 ways between Water Distribution, Wastewater Collections and Streets for shared usage.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

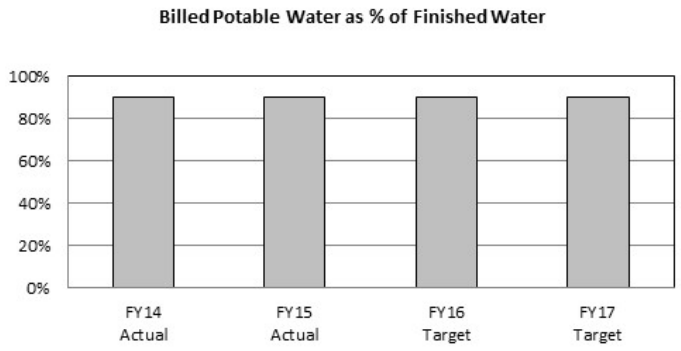
- Design expansion/addition to the Old Water Plant (FY18 - $50,000; split 50/50 with Wastewater Collection) to accommodate existing personnel, anticipated additional personnel, and possibility of Engineering division moving to the facility.
- Construction of expansion/addition to the Old Water Plant in FY19 ($280,000; split 50/50 with Wastewater Collection).
- Tank Disinfection Monitors (FY18 - $30,000) have been on our unfunded list for several years now. The cost estimates have risen considerably since we first began requesting them.

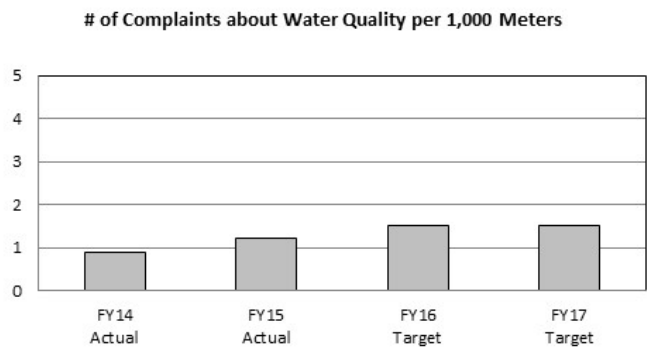
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continue to renew small water lines, and extend and loop water mains when possible.
- Continue to replace galvanized and plastic water services with new, more reliable services.
- Continue to increase training opportunities for personnel.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	390,456	411,205	421,917	428,021	434,661	*10,712*	*2.6%*	
Operations	220,429	297,054	361,905	356,245	362,439	*64,851*	*21.8%*	
Capital Outlay	73,505	97,000	178,833	40,000	32,500	*81,833*	*84.4%*	NC-86 Water Improv; Veh & Equip Replc
Debt Service	25,621	74,983	125,258	124,783	124,308	*50,275*	*67.0%*	FY15-South Zone Water Tank
Transfers	175,000	0	300,000	145,000	140,000	*300,000*	*0.0%*	FY16-17-N.Zone Loop; FY18-19-Old WTP
Cost Allocations	0	0	0	0	0	*0*	*0.0%*	Renovations
Total	**$ 885,011**	**$ 880,242**	**$ 1,387,913**	**$ 1,094,049**	**$ 1,093,908**	***$ 507,671***	***57.7%***	
% Change	*12.9%*	*-0.5%*	*57.7%*	*-21.2%*	*0.0%*			
FTE	5.50	6.00	6.00	6.00	6.00			FY16-Backflow/FOG Specialist





WATER DISTRIBUTION

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	32,673	23,000	23,000	23,000	23,000	*0*	*0.0%*	
Salaries - Regular	249,492	277,125	281,200	281,200	281,200	*4,075*	*1.5%*	
FICA	20,930	22,960	23,271	23,271	23,271	*311*	*1.4%*	
Hospitalization	50,148	49,252	53,448	58,792	64,671	*4,196*	*8.5%*	FY17-Includes retiree health insurance
Life/Disability/Vision	1,603	1,810	1,797	1,797	1,797	*(13)*	*-0.7%*	
Dental Insurance	1,818	1,794	1,936	1,936	1,936	*142*	*7.9%*	
Retirement	19,990	20,258	22,055	22,815	23,576	*1,797*	*8.9%*	
Supplemental Retirement - 401K	13,802	15,006	15,210	15,210	15,210	*204*	*1.4%*	
Personal Services Subtotal	390,456	411,205	421,917	428,021	434,661	*10,712*	*2.6%*	
Operations								
Training/Conferences/Conventions	3,338	4,500	4,800	5,000	5,000	*300*	*6.7%*	
NCAWWA Training 5 @ $400 ea.		*2,000*	*2,000*	*2,000*	*2,000*			
NCRWA leadership conference		*400*	*400*	*400*	*400*			(1/2 Dist; 1/2 Coll)
Misc. Training		*2,100*	*2,400*	*2,600*	*2,600*			
Telephone/Internet	3,753	8,150	10,480	8,380	8,380	*2,330*	*28.6%*	
Telephone		*1,600*	*1,600*	*0*	*0*			FY18 - Expense moved to IT budget
Internet		*500*	*500*	*0*	*0*			FY18 - Expense moved to IT budget
Smart Phone Reimb 3 @ $70/mo		*1,560*	*2,520*	*2,520*	*2,520*			Maint Supv, Util Sys Supv, & B/FOG Spec
Cell Phone Reimb 9 @ $40/mo		*1,890*	*2,160*	*2,160*	*2,160*			All staff split 50/50 with WW Coll
Wireless for Utility Cloud Devices		*2,600*	*3,700*	*3,700*	*3,700*			Adding staff to utility cloud access
Postage	5	25	25	25	25	*0*	*0.0%*	
Utilities	35,982	42,679	70,000	73,000	73,000	*27,321*	*64.0%*	FY16- increase due to new S. Zone BPS
Buildings Maintenance/Repairs	6,465	6,400	12,000	8,000	8,000	*5,600*	*87.5%*	Increase to upgrade HVAC FY17
Equipment Repair	186	7,000	7,000	7,000	7,000	*0*	*0.0%*	
Maintenance - Infrastructure	5,432	7,000	7,000	7,000	7,000	*0*	*0.0%*	
Tanks & Booster Pump Stations		*5,000*	*5,000*	*5,000*	*5,000*			Repair pumps at Durham BPS
Generator Maintenance/Parts		*2,000*	*2,000*	*2,000*	*2,000*			
Gasoline	16,295	14,000	15,400	16,940	18,634	*1,400*	*10.0%*	
Supplies - Departmental	96,821	104,000	106,000	108,000	110,000	*2,000*	*1.9%*	Hydrants, valves, tapping sleeves, pipe, etc
Supplies - Safety	2,387	2,500	7,500	2,500	2,500	*5,000*	*200.0%*	
Miscellaneous		*2,500*	*2,500*	*2,500*	*2,500*			
(4) AED Units		*0*	*5,000*	*0*	*0*			Split 50/50 with Wastewater Collection
Patching	4,071	18,000	18,000	18,000	18,000	*0*	*0.0%*	Contracting out repairs, which is more expensive
Supplies - Data Processing	926	2,500	2,000	500	2,500	*(500)*	*-20.0%*	Replace computer - add tablets for cloud
Replace Computer AUX-LT001		*0*	*0*	*0*	*0*			Due FY21
Replace Computer AUX-LT002		*0*	*0*	*0*	*0*			Due FY21
Replace Computer AUX-LT003		*0*	*0*	*0*	*0*			Due FY21
Replace Computer AUX-WS001		*0*	*0*	*0*	*0*			Due FY21
Replace Computer AUX-WS012		*0*	*0*	*0*	*0*			Due FY15; Overdue
Replace Computer NC86-LT017		*0*	*0*	*0*	*2,000*			Due FY19
Replace Computer NC86-WS010		*0*	*1,500*	*0*	*0*			Due FY17
Replace Computer NC86-WS013		*2,000*	*0*	*0*	*0*			Due FY16
Replace Tablets		*500*	*500*	*500*	*500*			
Rental - Uniform	1,520	3,500	3,500	3,500	3,500	*0*	*0.0%*	
Rental - Equipment	0	20,000	40,000	40,000	40,000	*20,000*	*100.0%*	Additional funds for outfall clearing
C.S. - Inmates	511	700	700	700	700	*0*	*0.0%*	
C.S. - Alarm	1,428	1,500	1,600	1,600	1,600	*100*	*6.7%*	
C.S. - Pump State Monitoring	2,817	2,950	3,000	3,100	3,100	*50*	*1.7%*	
C.S. - Tank Maint. Program	26,774	34,000	34,000	34,000	34,000	*0*	*0.0%*	FY16 - increase due to new S. Zone Water Tank
C.S. - NC One Call Center	2,000	2,200	2,500	2,600	2,600	*300*	*13.6%*	Increase in transmission fees
Data Processing Services	3,840	8,550	10,000	10,500	11,000	*1,450*	*17.0%*	Utility Cloud Asset Mgmt Sys; FY16 add addl. staff
Dues & Subscriptions	270	900	900	900	900	*0*	*0.0%*	Increase in certifiation renewals
Miscellaneous	5,055	5,000	5,000	5,000	5,000	*0*	*0.0%*	
Miscellaneous		*5,000*	*5,000*	*5,000*	*5,000*			
Vehicle Tax & Tags	553	1,000	500	0	0	*(500)*	*-50.0%*	FY17 - 2 replacement vehicles
Operations Subtotal	220,429	297,054	361,905	356,245	362,439	*64,851*	*21.8%*	
Capital Outlay								
Capital - Infrastructure	50,229	12,000	100,000	10,000	10,000	*88,000*	*733.3%*	
NC-86 Water Improvements		*0*	*90,000*	*0*	*0*			Water loop through truck stop property
Small Water Line Replacements		*12,000*	*10,000*	*10,000*	*10,000*			Ongoing small line replace/repair program
Capital - Buildings & Improvements	8,500	0	0	0	0	*0*	*0.0%*	
Capital - Vehicles	14,776	55,000	35,000	0	0	*(20,000)*	*-36.4%*	
Replc Truck #58 (Crane Truck)		*27,500*	*0*	*0*	*0*			Split 50/50 w/WW Collection; rated 10 of 12

Small Pickup Truck (Fleet Addition)		*15,000*	*0*	*0*	*0*			Split 50/50 w/WW Collection
New SUV for Backflow/FOG Spec		*12,500*	*0*	*0*	*0*			Split 50/50 w/WW Collection
Replc Truck # 128		*0*	*17,500*	*0*	*0*			Split 50/50 w/WW Collection
Replc Truck # 744		*0*	*17,500*	*0*	*0*			Split 50/50 w/WW Collection
Capital - Equipment	0	30,000	43,833	30,000	22,500	*13,833*	*46.1%*	
Leak Detection Equipment		*30,000*	*0*	*0*	*0*			
4WD Enclosed Tractor		*0*	*21,333*	*0*	*0*			Split 1/3 w/ WW Collection & Streets
Replace '08 Mini Excavator		*0*	*22,500*	*0*	*0*			Replace Takahchi
Replace '11 Mini Excavator		*0*	*0*	*0*	*22,500*			Replace Yanmar
Disinfection Monitors		*0*	*0*	*30,000*	*0*			
Capital Outaly Subtotal	73,505	97,000	178,833	40,000	32,500	*81,833*	*84.4%*	
Debt Service								
Capital Lease	25,621	74,983	125,258	124,783	124,308	*50,275*	*67.0%*	
Water System Improvements		*24,233*	*23,758*	*23,283*	*22,808*			Debt retired in FY22
South Zone Water Tank		*50,750*	*101,500*	*101,500*	*101,500*			$2.03M @ 0.0% for 20 years
Debt Service Subtotal	25,621	74,983	125,258	124,783	124,308	*50,275*	*67.0%*	
Transfers								
Transfer to Capital Improv Fund	175,000	0	300,000	145,000	140,000	*300,000*	*0.0%*	
Critical North Zone Loop		*0*	*50,000*	*120,000*	*0*			Loop lines on NC86 North
EDD Water Line Extension		*0*	*250,000*	*0*	*0*			Portion of water line outside of EDD
Old Water Plant Building Addition		*0*	*0*	*25,000*	*140,000*			Split 50/50 w/WW Collection
US-70 Business Water Improvements		*0*	*0*	*0*	*0*			FY21-Design ($200k); FY22-Construction ($1.05M)
Replace Hassell Water Tank		*0*	*0*	*0*	*0*			FY22-Design ($400k); FY23-Construction ($3M)
Transfers Subtotal	175,000	0	300,000	145,000	140,000	*300,000*	*0.0%*	
Cost Allocations								
Cost Allocations - Stormwater	0	0	0	0	0	*0*	*0.0%*	
Transfers Subtotal	0	0	0	0	0	*0*	*0.0%*	
Water Distribution Total	**$ 885,011**	**$ 880,242**	**$1,387,913**	**$1,094,049**	**$1,093,908**	***$ 507,671***	***57.7%***	
% Change	*10.2%*	*-0.5%*	*57.7%*	*-21.2%*	*0.0%*			

WASTEWATER COLLECTION

WASTEWATER COLLECTION- BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Wastewater Collection Department operates and maintains the wastewater collection system, which includes pumps, pipes, valves, manholes, and other miscellaneous appurtenances, in accordance with the Town's sewer collection system permit. The Department also installs new sewer lines and service taps. The Department is regulated by the NC Division of Water Quality.

FY16 MAJOR ACCOMPLISHMENTS:

- Relined 1,250 feet of the 6,099 feet of sewer main to be relined along the Eno River Outfall. Anticipate completion of this project in the first 2 weeks of January 2016.
- Will renew over 600 feet of sewer main before March 2016.
- Replaced sewer main under Churton Street by utilizing pipe bursting technology. We were able to install a new sewer main without having to open cut Churton Street downtown. This not only saved the Town thousands of dollars, but we were also able to keep traffic flowing, and businesses unaffected during this process.
- Inspected and cleaned over 6.74 miles of sewer main.
- Upgraded New Hope pump station.
- Will rehabilitate 5 manholes this spring.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- Purchase a new enclosed 4 wheel drive tractor ($64,000 total), which will be split 3 ways between Water Distribution, Wastewater Collection and Streets for shared usage.
- Lease a jet-vac combo truck to replace our existing trailer mounted jet machine and vacuum. This will allow for better maneuverability and efficiency in the cleaning process.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

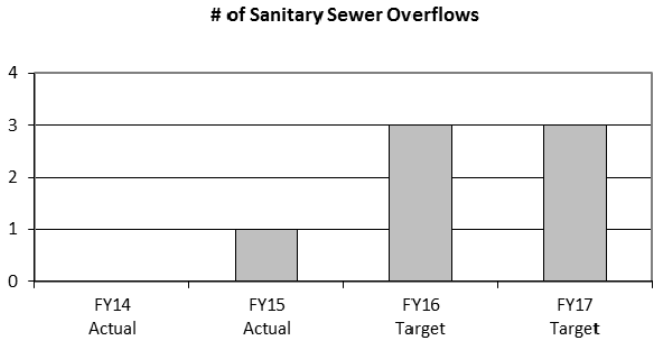
- Design expansion/addition to the Old Water Plant (FY18 - $50,000; split 50/50 with Water Distribution) to accommodate existing personnel as well as the anticipated additional personnel and possibility of Engineering moving to the facility.
- Construction of Expansion/Addition to the Old Water Plant in FY19 ($280,000 estimate; split 50/50 with Water Distribution).

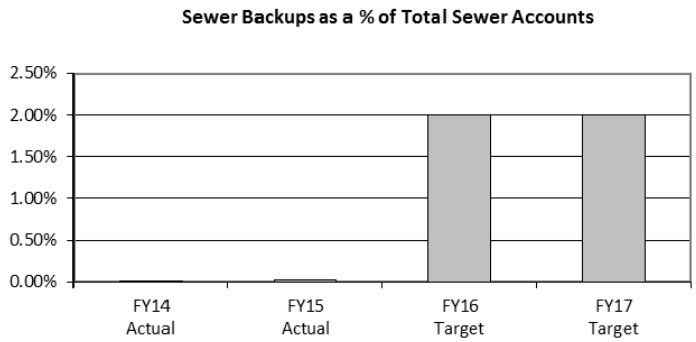
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continue to utilize new inspection and cleaning equipment to meet and exceed state requirements.
- Continue to repair and replace sewer mains and services where problems are found by TV inspection.
- Continue to create and utilize database for pumps and motors to help in preventive maintenance, extend the life of equipment, and provide better record keeping and inventory control.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	389,989	411,205	421,917	428,021	434,661	*10,712*	*2.6%*	
Operations	226,328	326,115	363,905	366,075	391,269	*37,790*	*11.6%*	
Capital Outlay	115,878	190,000	128,833	50,000	72,500	*(61,167)*	*-32.2%*	FY17-4WD tractor & mini excavator
Debt Service	181,773	128,905	149,589	147,997	146,405	*20,684*	*16.0%*	FY17-Lease Jet/Vac Truck
Transfers	200,000	200,000	0	25,000	140,000	*(200,000)*	*-100.0%*	FYs18-19-Old WTP Addition
Cost Allocations	14,489	0	0	0	0	*0*	*0.0%*	FY15-Stormwater
Total	**$ 1,128,457**	**$ 1,256,225**	**$ 1,064,244**	**$ 1,017,093**	**$ 1,184,835**	***$ (191,981)***	***-15.3%***	
% Change	*21.2%*	*11.3%*	*-15.3%*	*-4.4%*	*16.5%*			
FTE	5.50	6.00	6.00	6.00	6.00			FY16-Backflow/FOG Specialist





WASTEWATER COLLECTION

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	32,673	23,000	23,000	23,000	23,000	0	0.0%	
Salaries - Regular	249,199	277,125	281,200	281,200	281,200	4,075	1.5%	
FICA	20,777	22,960	23,271	23,271	23,271	311	1.4%	
Hospitalization	50,148	49,252	53,448	58,792	64,671	4,196	8.5%	FY17-Medical coverage for 1 retiree
Life/Disability/Vision	1,603	1,810	1,797	1,797	1,797	(13)	-0.7%	
Dental Insurance	1,818	1,794	1,936	1,936	1,936	142	7.9%	
Retirement	19,969	20,258	22,055	22,815	23,576	1,797	8.9%	
Supplemental Retirement - 401K	13,802	15,006	15,210	15,210	15,210	204	1.4%	
Personal Services Subtotal	389,989	411,205	421,917	428,021	434,661	10,712	2.6%	
Operations								
Training/Conferences/Conventions	5,620	4,500	4,800	5,000	5,000	300	6.7%	
NCAWWA training 5 @ $400 ea.		2,000	2,000	2,000	2,000			Continuing education for certified operators
NCRWA Leadership Summit		400	400	400	400			(1/2 Dist; 1/2 Coll)
Misc. Training		2,100	2,400	2,600	2,600			Certification schools & continuing education
Telephone/Internet	3,693	6,490	7,960	5,860	5,860	1,470	22.7%	
Telephone		1,500	1,600	0	0			FY18 - Expense moved to IT budget
Internet		500	500	0	0			FY18 - Expense moved to IT budget
(9) Cell Phone Stipends @ $40/mo		1,890	2,160	2,160	2,160			All staff; split 50/50 w/ Water Distribution
Wireless for Utility Cloud Access		2,600	3,700	3,700	3,700			Adding staff to Utility Cloud Access
Postage	23	25	25	25	25	0	0.0%	
Utilities	41,207	65,700	72,270	79,500	87,500	6,570	10.0%	Anticipate a 10% rate increase
Buildings Maintenance & Repair	6,506	2,000	2,000	2,000	2,000	0	0.0%	Maint/repair for new equipment storage building
FOG Program Supplies	0	5,000	5,000	5,000	5,000	0	0.0%	FOG expenses moved from WWTP
Equipment Repair	4,199	7,200	7,200	7,200	7,200	0	0.0%	Repairs can vary greatly from year to year
Maintenance - Infrastructure	9,876	10,000	17,500	18,500	19,000	7,500	75.0%	Generator maint/parts/moving from MP FY17
Rental - Equipment	0	21,200	41,200	41,200	41,200	20,000	94.3%	
Miscellaneous Equipment		1,200	1,200	1,200	1,200			
Large Equipment & Contracting		20,000	40,000	40,000	40,000			Lease seldom used equip. & contract svcs
Gasoline	16,295	14,000	15,400	16,940	18,634	1,400	10.0%	
Supplies - Chemicals	1,336	18,000	10,000	10,000	10,000	(8,000)	-44.4%	Pump station chemicals
Odor Clean Chemicals		10,000	2,000	2,000	2,000			
Floating De-grease Chemicals		8,000	8,000	8,000	8,000			
Supplies - Lift Station Pumps	30,147	32,000	32,000	32,000	47,000	0	0.0%	FY19 -$15k Eliz. Brady P.S. muffin monster blades
Supplies - Departmental	65,257	82,000	82,000	82,000	82,000	0	0.0%	Pipe, fittings, tapping saddles, manhoes, misc.
Supplies - Data Processing	0	0	1,000	2,000	2,000	1,000	0.0%	Replc computer/tablet replacements; add 1 tablet
Supplies - Safety	2,387	2,500	7,500	2,500	2,500	5,000	200.0%	
Miscellaneous		2,500	2,500	2,500	2,500	0	0.0%	
(4) AEDs		0	5,000	0	0			Split 50/50 with Water Distribution
Patching	4,202	12,000	12,000	12,000	12,000	0	0.0%	Contracting out repairs
Rental - Uniforms	1,520	3,200	3,200	3,200	3,200	0	0.0%	
C.S. - Inmates	511	900	700	700	700	(200)	-22.2%	
C.S. - Pump Station Monitoring	9,008	9,400	9,700	10,000	10,000	300	3.2%	
C.S. - Root Control Service	10,162	13,300	13,300	13,300	13,300	0	0.0%	Application of chemicals to kill roots in sewer
C.S. - Dumpster for Vac Waste	2,224	1,200	1,200	1,200	1,200	0	0.0%	Sewer vac cleaning, kept at WWTP
Data Processing Serivces	3,840	8,550	10,000	10,000	10,000	1,450	17.0%	Utility Cloud Asset Management System
Permits/Dues/Subscriptions	1,790	1,950	1,950	1,950	1,950	0	0.0%	
Miscellaneous	5,974	4,000	4,000	4,000	4,000	0	0.0%	
Miscellaneous		4,000	4,000	4,000	4,000			
Vehicle Tax & Tags	553	1,000	2,000	0	0	1,000	100.0%	FY17- Replace 2 vehicles
Operations Subtotal	226,328	326,115	363,905	366,075	391,269	37,790	11.6%	
Capital Outlay								
Capital - Infrastructure	19,665	60,000	50,000	50,000	50,000	(10,000)	-16.7%	
Sewer I/I Repair & Rehab (In-house)		50,000	50,000	50,000	50,000			Misc. I/I projects including manholes & pipes
Sewer Ext/PS-St.Marys/Carolina Loop		10,000	0	0	0			Examine possible project & grant availability
Capital - Buildings & Improvements	0	0	0	0	0	0	0.0%	
Capital - Vehicles	14,776	55,000	35,000	0	0	(20,000)	-36.4%	
Replace Truck #58 (Crane Truck)		27,500	0	0	0			Split 50/50 w/Water Distribution
Small Pickup Truck (Fleet Addition)		15,000	0	0	0			Split 50/50 w/Water Distribution
New SUV for Backflow/FOG Spec		12,500	0	0	0			Split 50/50 w/Water Distribution
Replc Truck #128		0	17,500	0	0			Split 50/50 w/WW Collection
Replc Truck #744		0	17,500	0	0			Split 50/50 w/WW Collection
Capital - Equipment	81,437	75,000	43,833	0	22,500	(31,167)	-41.6%	
Generators for Pump Stations		75,000	0	0	0			Replace Yanmar; FY19 - $22,500

4WD Enclosed Tractor		*0*	*21,333*	*0*	*0*			Split 1/3 w/ WW Collection & Streets
Replace '08 Mini Excavator		*0*	*22,500*	*0*	*0*			Replace Takeuchi
Replace '11 Mini Excavator		*0*	*0*	*0*	*22,500*			Replace Yanmar
Capital Outaly Subtotal	115,878	190,000	128,833	50,000	72,500	*(61,167)*	*-32.2%*	
Debt Service								
Capital Lease	181,773	128,905	149,589	147,997	146,405	*20,684*	*16.0%*	
Sewer Main Rehabilitation		*47,724*	*0*	*0*	*0*			Debt Retired in FY16
Sewer System Improvements		*81,181*	*79,589*	*77,997*	*76,405*			Debt Retired in FY22
Jet/Vac Combo Truck		*0*	*70,000*	*70,000*	*70,000*			Lease truck for cleaning sewers (FY17-FY22)
Debt Service Subtotal	181,773	128,905	149,589	147,997	146,405	*20,684*	*16.0%*	
Transfers								
Transfer to Utilities Cap Proj Fund	200,000	200,000	0	25,000	140,000	*(200,000)*	*-100.0%*	
Eno River Outfall Lining		*200,000*	*0*	*0*	*0*			Relining critical areas has replaced major rehab
Old Water Plant Building Addition		*0*	*0*	*25,000*	*140,000*			Split 50/50 with Water Distribution
Sewer Rehab		*0*	*0*	*0*	*0*			FY22-$500,000
Transfers Subtotal	200,000	200,000	0	25,000	140,000	*(200,000)*	*-100.0%*	
Cost Allocations								
Cost Allocation - Stormwater	14,489	0	0	0	0	*0*	*0.0%*	FY15-10% of Stormwater costs (except street sweeping) for coordination of FOG program;
Cost Allocation - Special Approp.	0	0	0	0	0	*0*	*0.0%*	FY16-discontinue due to hiring FOG Coordinator
Cost Allocations Subtotal	14,489	0	0	0	0	*0*	*0.0%*	
Wastewater Collection Total	**$1,128,457**	**$1,256,225**	**$1,064,244**	**$1,017,093**	**$1,184,835**	***$ (191,981)***	***-15.3%***	
% Change	*21.2%*	*11.3%*	*-15.3%*	*-4.4%*	*16.5%*			

WASTEWATER TREATMENT PLANT

WASTEWATER TREATMENT PLANT – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Wastewater Treatment Plant treats wastewater from the Hillsborough wastewater service area, then discharges treated effluent to the Eno River, as regulated by the NC Division of Water Quality, and in accordance with the Town's NPDES Discharge Permit. Water quality analyses are performed by an outside laboratory and its in-house state certified laboratory.

FY16 MAJOR ACCOMPLISHMENTS:

- The Wastewater Treatment Plant staff received the Innovator of Distinction award and a Gold Award from the Town's Innovation and Customer Service Awards Program.
- The Wastewater Treatment Plant staff was recognized in a national magazine, *Treatment Plant Operator*, for excellence in team building.
- We began design of the new effluent aeration system. Ground breaking on the project is expected in July 2016.
- We experienced an extremely unusual amount of equipment failures in FY16. Some of the unplanned expenses include: the influent grinder was damaged with a repair cost of $15,000; the effluent aerator failed with a replacement cost of $11,000; the grit classifier failed with a repair cost of $3,000; a level sensor failed with a repair cost of $1,500; a mechanical seal failed with a replacement cost of $1,900; and a suspended solids and a nitrate meter failed with repair costs totaling $6,000. That is $38,400 of unexpected repairs that were not budgeted for.
- Staff continues to host multiple tours of the new facilities. Tours include high school students, university students, engineers, vendors and other municipalities.
- The Wastewater Treatment Plant has not had a permit violation in over six years.
- Effluent water quality continues to far surpass the State and EPA mandated standards.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- The new Falls Lake Rules went into effect on January 1, 2016. The new rules reduced the allowable total nitrogen discharge to the Eno River by nearly 80%. The Plant is successfully meeting these incredibly challenging nitrogen reductions. Currently, the Plant is discharging the lowest nitrogen concentrations in the State.
- The concrete protection project for the filters is expected to be completed in early FY17.
- The effluent aeration project partially funded in FY16 is going to be much more expensive than originally anticipated. An additional $253,000 is needed in FY17 to construct the project.

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

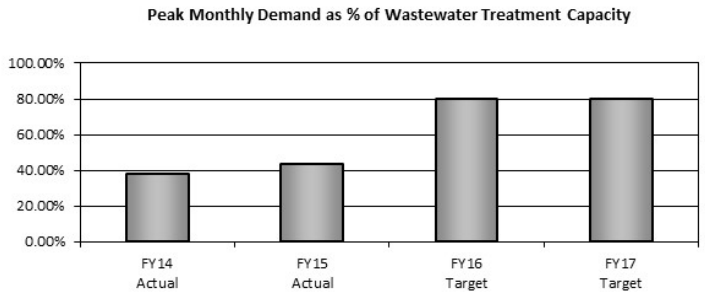
- Planning for the next Plant upgrade has already begun. Actual construction is expected to begin in FY22.

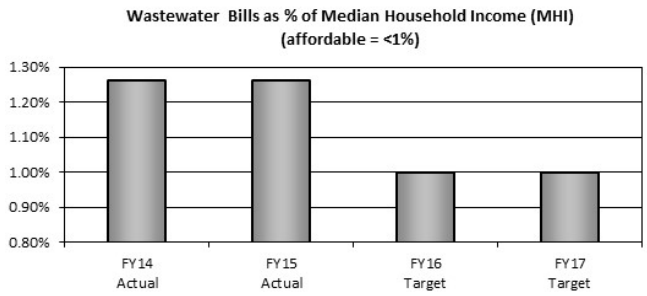
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Staff will continue to focus on our mission and strive to meet all of our objectives.
  - Provide good stewardship of the resources entrusted to us by the Town of Hillsborough's residents and customers.
  - Treat the wastewater to a quality that provides a healthy environment for the Eno River aquatic life, the downstream recreational users, and the downstream drinking water supplies.
  - Proactively work with pertinent local and state agencies, organizations, and individuals to monitor and protect the region's water, soil, and air environments.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	454,000	443,320	451,789	457,838	464,408	*8,469*	*1.9%*	
Operations	424,734	574,624	607,110	572,190	601,580	*32,486*	*5.7%*	
Capital Outlay	44,094	0	32,000	0	5,000	*32,000*	*0.0%*	FY16-Install new flow meter
Debt Service	1,378,647	1,305,875	1,284,013	1,262,151	1,240,289	*(21,862)*	*-1.7%*	FY15-WWTP debt service
Transfers	0	132,000	253,000	0	200,000	*121,000*	*91.7%*	FY16-Effluent Aeration Project; FY19-WWTP Ph II Master Plan
Total	**$ 2,301,476**	**$ 2,455,819**	**$ 2,627,912**	**$ 2,292,179**	**$ 2,511,277**	***$ 172,093***	***7.0%***	
% Change	*34.2%*	*6.7%*	*7.0%*	*-12.8%*	*9.6%*			
FTE	6.00	6.00	6.00	6.00	6.00			





WASTEWATER TREATMENT PLANT

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Overtime	5,117	5,000	5,000	5,000	5,000	*0*	*0.0%*	
Salaries - Regular	327,006	320,185	324,878	324,878	324,878	*4,693*	*1.5%*	
FICA	29,528	24,877	25,236	25,236	25,236	*359*	*1.4%*	
Hospitalization	47,953	51,161	52,235	57,459	63,204	*1,074*	*2.1%*	
Life/Disability/Vision	1,986	2,094	2,094	2,094	2,094	*0*	*0.0%*	
Dental Insurance	2,054	1,794	1,936	1,936	1,936	*142*	*7.9%*	
Retirement	23,900	21,950	23,916	24,741	25,566	*1,966*	*9.0%*	
Supplemental Retirement - 401K	16,457	16,259	16,494	16,494	16,494	*235*	*1.4%*	
Personal Services Subtotal	454,000	443,320	451,789	457,838	464,408	*8,469*	*1.9%*	
Operations								
Training/Conferences/Conventions	6,206	4,640	5,100	4,860	4,920	*460*	*9.9%*	Support training, learning, and growth
NC AWWA/WEA Conference		*820*	*840*	*870*	*870*			Superintendent to attend conference
NC RWA Leadership Summit		*820*	*0*	*870*	*870*			Superintendent to attend training
WEFTEC Conference		*0*	*1,200*	*0*	*0*			Superintendent to attend conference
Miscellaneous		*3,000*	*3,060*	*3,120*	*3,180*			
Telephone/Internet	8,376	8,920	9,040	2,680	2,680	*120*	*1.3%*	
Telephone		*4,500*	*4,500*	*0*	*0*			FY18 - Expense moved to IT budget
Internet		*1,860*	*1,860*	*0*	*0*			FY18 - Expense moved to IT budget
(2) Smartphone Stipends @ $70/mo		*1,560*	*1,680*	*1,680*	*1,680*			
Wireless Internet		*1,000*	*1,000*	*1,000*	*1,000*			
Postage	192	300	300	300	300	*0*	*0.0%*	
License Fees	15	604	0	0	0	*(604)*	*-100.0%*	FY17 - O365 License Fees moved to IT budget
Utilities	173,356	168,000	185,000	190,000	195,000	*17,000*	*10.1%*	
Maintenance - Buildings	3,875	4,790	14,640	4,990	5,090	*9,850*	*205.6%*	
Replace Windows in Administration Bldg.		*0*	*9,000*	*0*	*0*	*0*		
Install Fiber Converters at Outbuilding Workstation		*0*	*750*	*0*	*0*			
Miscellaneous		*4,790*	*4,890*	*4,990*	*5,090*			
Maintenance - Grounds	2,469	5,240	1,260	1,260	1,260	*(3,980)*	*-76.0%*	
Grounds Maint. Contract		*1,240*	*1,260*	*1,260*	*1,260*			
Fence Repair & Maintenance		*4,000*	*0*	*0*	*0*			
Maintenance - Plant Equipment	24,538	96,820	52,640	54,000	70,870	*(44,180)*	*-45.6%*	
Recondition River Pump Station Pumps		*10,500*	*0*	*0*	*0*			Improve efficiency and capacity of exiting pumps
Rebuild River Pump Station Grinder		*15,000*	*0*	*0*	*16,000*			Rebuild every three years
Instruments & Controls Maintenance or Repair		*9,180*	*0*	*0*	*0*			Moved to Maint - Plant Instrumentation
Back-up Mechanical Operating Valves		*11,000*	*0*	*0*	*0*			Needed in the event of valve failure
Instrument Maintenance		*9,140*	*0*	*0*	*0*			Moved to Maint - Insturment and Laboratory
Portable Hot Water Pressure Washer		*0*	*4,000*	*0*	*0*			Used to clean belt press and solids bldg.
Infrared Thermographic Services		*0*	*1,800*	*1,800*	*1,800*			Identify failing or loose electrical components
Pump Station Grinder PM Service		*0*	*4,000*	*4,000*	*4,000*			Factory service contract
Recondition Aerator/Mixer		*0*	*0*	*4,500*	*4,500*			
Miscellaneous		*42,000*	*42,840*	*43,700*	*44,570*			
Maintenance - Plant Instrumentation	0	0	19,320	19,750	20,190	*19,320*	*0.0%*	New line item to account for expenses
Plant Automation Programing		*0*	*9,360*	*9,550*	*9,740*			SCADA computers and control instrumentation
Nitratax NO_3 Sensors (3)		*0*	*2,770*	*2,850*	*2,940*			Hach service partnership
Solitax TSS Sensors (2)		*0*	*1,630*	*1,680*	*1,730*			Hach service partnership
Miscellaneous		*0*	*5,560*	*5,670*	*5,780*			pH, ORP, Nitrate, TSS meter maintenance parts
Maintenance - Laboratory Equipment	0	0	5,210	5,320	5,430	*5,210*	*0.0%*	New line item to account for expenses
Temperature Probes and Weights Calibration		*0*	*920*	*940*	*960*			Permit required calibrations
Laboratory Equipment Probe Replacements		*0*	*1,500*	*1,530*	*1,560*			Probe replacements in laboratory
Spectrophotometer DR3900		*0*	*790*	*810*	*830*			Hach service partnership
Miscellaneous		*0*	*2,000*	*2,040*	*2,080*			
Maintenance - Infrastructure	0	35,100	45,000	0	0	*9,900*	*28.2%*	
Replace Chemical Containment Wall		*2,100*	*0*	*0*	*0*			Replace block wall around chemical tanks
Paint Sewer Force Main Crossing Eno River		*18,000*	*0*	*0*	*0*			Protection for piping crossing Eno River
Paint & Protect Tertiary Filters		*15,000*	*45,000*	*0*	*0*			Protection for concrete in the filters
Gasoline	5,901	5,000	5,400	5,840	6,320	*400*	*8.0%*	
Diesel for Back-up Power Generator		*4,000*	*4,400*	*4,840*	*5,320*			
Miscellaneous		*1,000*	*1,000*	*1,000*	*1,000*			
Chemicals	45,689	87,740	111,120	120,980	126,070	*23,380*	*26.6%*	
Tertiary Coagulant		*30,000*	*31,500*	*32,130*	*32,770*			Total phosphorous removal
Tertiary Flocculent		*0*	*0*	*5,250*	*5,510*			Suspended solids removal
Sludge Flocculent		*31,500*	*33,080*	*34,730*	*36,470*			Biosolids thickening
Chlorine		*5,650*	*3,930*	*4,130*	*4,340*			Effluent disinfection
Sulfur Dioxide		*8,090*	*8,490*	*8,910*	*9,360*			Effluent de-chlorination
Calcium Hydroxide		*0*	*0*	*0*	*0*			Biosolids lime stabilization treatment
Sodium Hydroxide (Caustic)		*9,870*	*10,360*	*10,880*	*11,420*			pH Control
Methanol		*0*	*21,000*	*22,050*	*23,150*			Total nitrogen removal
Miscellaneous		*2,630*	*2,760*	*2,900*	*3,050*			
Supplies - Departmental	15,562	7,080	7,220	7,360	7,510	*140*	*2.0%*	

Supplies - Safety	2,530	4,750	4,750	4,750	4,750	*0*	*0.0%*	
Supplies - Lab	17,973	12,100	11,340	11,570	11,800	*(760)*	*-6.3%*	Some expenses moved to Maint - Lab Equip
Supplies - Data Processing	2,424	2,620	1,140	2,660	4,180	*(1,480)*	*-56.5%*	
Replace Computer AUX-LT012		*0*	*0*	*0*	*1,500*			Due FY19
Replace Computer AUX-WS015		*0*	*0*	*1,500*	*0*			Due FY18
Replace Computer NC86-WS001		*0*	*0*	*0*	*1,500*			Due FY19
Replace Computer NC86-WS003		*1,500*	*0*	*0*	*0*			Due FY20
Replace Computer WWTP-WS002		*0*	*0*	*0*	*0*			Due FY20
Replace Computer WWTP-WS003		*0*	*0*	*0*	*0*			Due FY21
Computer/Printer Supplies		*610*	620	630	640			
Miscellaneous		*510*	520	530	540			
Outside Lab Services	13,363	12,380	12,630	12,880	13,130	*250*	*2.0%*	
Meritech Contract		*9,360*	*9,550*	*9,740*	*9,930*			
QA/QC Testing		*520*	*530*	*540*	*550*			
Miscellaneous		*2,500*	*2,550*	*2,600*	*2,650*			
Uniforms	778	1,240	1,260	1,260	1,260	*20*	*1.6%*	Includes safety shoes
C.S. - Alarm	1,439	1,550	1,590	1,630	1,680	*40*	*2.6%*	
Security System Alarm		*800*	*820*	*840*	*870*			
Fire Alarm		*750*	*770*	*790*	*810*			
C.S. - Dumpster Service	1,764	1,770	1,810	1,810	1,810	*40*	*2.3%*	
C.S. - DI Water Service Contract	2,536	2,810	2,870	2,930	2,990	*60*	*2.1%*	Maintain and repair deionized water system
C.S. - Generator Load Testing	0	13,870	14,150	14,430	14,720	*280*	*2.0%*	
Data Processing Services	432	450	460	470	480	*10*	*2.2%*	Software Maint & Support
WIN-911 License, Support, Maint.		*400*	*410*	*420*	*430*			Plant alarming software renewal
Security Gate Data & Control Management		*50*	*50*	*50*	*50*			Gate data software renewal
Maintenance Contracts	4,750	0	0	0	0	*0*	*0.0%*	Moved to Maintainance - Plant Instrumentation
Permits/Dues/Subscriptions	8,504	10,150	10,350	14,520	10,700	*200*	*2.0%*	
NPDES Permit Renewal		*0*	*0*	*4,000*	*0*			5 year permit cycle - renewal due 7/31/17
Land Application Permit Renewal		*1,310*	*1,310*	*1,310*	*1,310*			
Stormwater Permit Renewal		*100*	*100*	*100*	*100*			
NC Water Quality Association		*1,850*	*1,850*	*1,850*	*1,850*			
Laboratory Certification Renewal		*1,380*	*1,410*	*1,410*	*1,410*			
Operator Certification Renewals		*310*	*320*	*330*	*340*			
Miscellaneous		*5,200*	*5,360*	*5,520*	*5,690*			
Sludge Removal	79,647	84,100	80,860	83,290	85,790	*(3,240)*	*-3.9%*	
Composting		*78,500*	*80,860*	*83,290*	*85,790*			
Clean Out Old Drying Bed		*5,600*	*0*	*0*	*0*			
Miscellaneous	1,312	2,600	2,650	2,650	2,650	*50*	*1.9%*	
Miscellaneous		*2,600*	*2,650*	*2,650*	*2,650*			
Misc. - Vehicle Tax & Tags	1,104	0	0	0	0	*0*	*0.0%*	Only used when purchasing new vehicle
Operations Subtotal	424,734	574,624	607,110	572,190	601,580	*32,486*	*5.7%*	
Capital Outlay								
Capital - Data Processing	0	0	0	0	5,000	*0*	*0.0%*	FY19 - Replace Server WWTP-DC01
Capital - Equipment	14,951	0	12,000	0	0	*12,000*	*0.0%*	
Install New Flow Meter at the River P.S.		*0*	*12,000*	*0*	*0*			Used to help find sources of I&I
Capital - Vehicles	29,143	0	0	0	0	*0*	*0.0%*	
Capital - Buildings & Improvements	0	0	20,000	0	0	*20,000*	*0.0%*	
Install CCTV Surveillance Camera		*0*	*20,000*	*0*	*0*			Video surveillance of front gate
Capital Outlay Subtotal	44,094	0	32,000	0	5,000	*32,000*	*0.0%*	
Debt Service								
Capital Lease	1,378,647	1,305,875	1,284,013	1,262,151	1,240,289	*(21,862)*	*-1.7%*	
WWTP Upgrade		*1,305,875*	*1,284,013*	*1,262,151*	*1,240,289*			Debt retired in FY34
Debt Service Subtotal	1,378,647	1,305,875	1,284,013	1,262,151	1,240,289	*(21,862)*	*-1.7%*	
Transfers								
Transfer to Capital Improvement Fund	0	132,000	253,000	0	0	*121,000*	*91.7%*	
Effluent Aeration Equipment		*132,000*	*253,000*	*0*	*0*			FY16 Design & FY17 Construction
Transfer to WWTP Upgrade - Ph II Project Fund	0	0	0	0	200,000	*0*	*0.0%*	
Complete Holistic Master Plan		*0*	*0*	*0*	*200,000*			Complete plan to comply with Falls Lake Rules
Transfers Subtotal	0	132,000	253,000	0	200,000	*121,000*	*91.7%*	FY21-Design ($3M); FY22-Constr. ($33M)
Wastewater Treatment Plant Total	**$2,301,476**	**$2,455,819**	**$2,627,912**	**$2,292,179**	**$2,511,277**	***$ 172,093***	***7.0%***	
% Change	*34.2%*	*6.7%*	*7.0%*	*-12.8%*	*9.6%*			

CONTINGENCY

CONTINGENCY – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Contingency budget unit is designed to assist the Town in covering any unanticipated expenditures. It also allows the Town to take advantage of opportunities that arise during the fiscal year that may not be available at a later date.
- Contingency allocation cannot exceed 5% of all other appropriations in the same fund.

FY16 MAJOR ACCOMPLISHMENTS:

- N/A

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- N/A

FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

- N/A

ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- N/A

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Personal Services	0	0	0	0	0	*0*	*0.0%*	
Operations	0	0	200,000	250,000	300,000	*200,000*	*0.0%*	State law limits contingency to 5%
Capital Outlay	0	0	0	0	0	*0*	*0.0%*	
Debt Service	0	0	0	0	0	*0*	*0.0%*	
Total	**$ -**	**$ -**	**$200,000**	**$250,000**	**$300,000**	***$ 200,000***	***0.0%***	
% Change	*0.0%*	*0.0%*	*0.0%*	*25.0%*	*20.0%*			
FTE	0.00	0.00	0.00	0.00	0.00			

CONTINGENCY

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Operations								
Contingency	0	0	200,000	250,000	300,000	*200,000*	*0.0%*	State law limits contingency to 5%
Operations Subtotal	0	0	200,000	250,000	300,000	*200,000*	*0.0%*	
Contingency Total	$ -	$ -	$ 200,000	$ 250,000	$ 300,000	***$ 200,000***	***0.0%***	
% Change	*0.0%*	*0.0%*	*0.0%*	*25.0%*	*20.0%*			

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STORMWATER FUND

STORMWATER – BUDGET HIGHLIGHTS

KEY OPERATIONS/FUNCTION:

- The Stormwater Utility implements the NPDES Phase II Stormwater Permit requirements to reduce the amount of pollutants entering local streams and lakes, and ensures that new development meets or exceeds development standards in an effort to reduce potential adverse impacts to property owners from stormwater runoff.

FY16 MAJOR ACCOMPLISHMENTS:

- This function was accounted for in the General Fund in FY16.
- Completed a stormwater utility rate analysis and generated a detailed report outlining steps to adopt the utility.
- Conducted another campaign to increase compliance of stormwater control measures (SCMs), formally referred to as stormwater BMPs. The campaign included a mail out, regulatory changes to the Town's Unified Development Ordinance and staff inspections of approximately 1/3 of all SCMs. As a result compliance has increased to over 71% as compared to approximately 13% in 2013.
- Successfully migrated SCM data to the Utility Cloud system and created an online workflow for inspections. Also added other field workflows to the Utility Cloud which include illicit discharge inspections, surface water identification, and stormwater good housekeeping inspections. The online workflows have been tested and used successfully. It is estimated that migrating these workflows to Utility Cloud has increased productivity 10-30%.

FY17 MAJOR BUDGET CHANGES/NEW REQUESTS/FOCUS AREAS:

- It is anticipated that Stormwater will become a separate enterprise fund in FY17. Stormwater revenues and expenditures will no longer be tracked in the General Fund, but rather in a separate standalone fund.
- The FYs17-19 forecast includes rough projections as to the expenses this fund will incur, including cost allocations for services performed for Stormwater by other Town departments. These projections will continue to be reviewed by departments order to obtain a greater understanding of how much time and/or resources they will be dedicating to the Stormwater function.

FY17 FINANCIAL FORECAST: KEY ISSUES & HIGHLIGHTS:

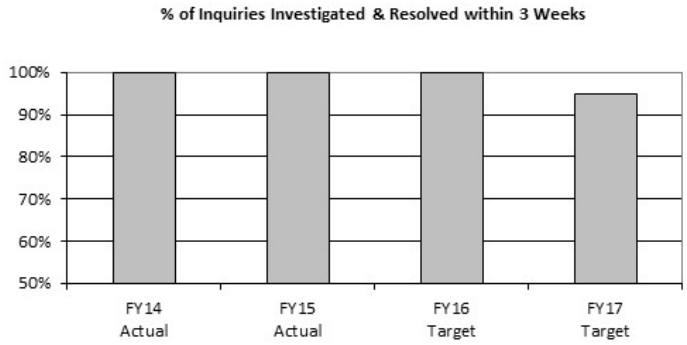
- Continue to refine nutrient reduction estimates. Some of the nutrient reduction potential will come from programmatic components such as street sweeping. Stormwater and Public Works staff will continue to coordinate program elements.
- As new construction increases, additional resources will be needed to maintain stormwater infrastructure. This will also result in an increase in the number of stormwater inspections that need to be conducted.
- In the upcoming fiscal year, the Town's stormwater permit from the State will need to be renewed. It is unknown at this time if significant changes will be required, but based on the last two renewal cycles, requirements are expected to expand slightly. The key issue however remains meeting the Stage 1 Falls Lake rules nutrient reductions. While implementation of these reductions have been delayed a year or so, compliance is still required in 2020.

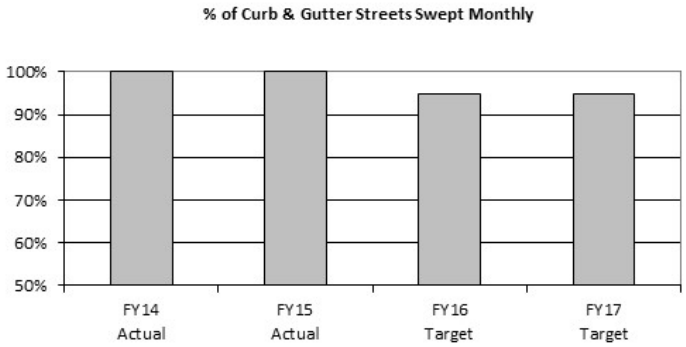
ACTION PLAN PRIORITIES (OBJECTIVES & STRATEGIES):

- Continue implementing required stormwater program components, including education/outreach, public involvement, illegal discharge elimination, review of stormwater management plans for new development, inspection of structural stormwater control devices, and good housekeeping procedures for Town owned facilities.
- Continue to refine nutrient load reductions needed to meet Stage 1 of the Falls Lake Stormwater Rule for Existing Development in order to better define the financial impact.

BUDGET & BALANCED SCORECARD HIGHLIGHTS:

Cost Area	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services	0	0	162,036	228,022	231,376	*162,036*	*0.0%*	
Operations	0	0	197,198	199,850	249,564	*197,198*	*0.0%*	Maintain stormwater infrastructure
Capital Outlay	0	0	172,500	139,800	99,750	*172,500*	*0.0%*	Falls Lake Nutrient Reduction
Cost Allocations	0	0	64,070	63,489	62,111	*64,070*	*0.0%*	Costs of services provided by General Fund
Total	**$ -**	**$ -**	**$595,804**	**$631,161**	**$642,801**	***$ 595,804***	***0.0%***	departments
% Change	*0.0%*	*0.0%*	*0.0%*	*5.9%*	*1.8%*			
FTE	0.00	0.00	2.00	3.00	3.00			FY17-SW Prog Mgr & Ep Op start Jan 1st Prior to FY17 was part of the General Fund





STORMWATER

Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Personal Services								
Salaries - Regular	0	0	74,566	74,566	74,566	*74,566*	*0.0%*	Previously tracked in the General Fund
FICA	0	0	5,704	5,704	5,704	*5,704*	*0.0%*	New enterprise fund starting FY17
Hospitalization	0	0	8,923	9,815	10,797	*8,923*	*0.0%*	Reclassify existing SW Program Mgr to
Life/Disability/Vision	0	0	484	484	484	*484*	*0.0%*	Stormwater & Envir. Services Mgr
Dental Insurance	0	0	323	323	323	*323*	*0.0%*	
Retirement	0	0	5,406	5,592	5,779	*5,406*	*0.0%*	
Supplemental Retirement - 401K	0	0	3,728	3,728	3,728	*3,728*	*0.0%*	
Personnel Expansion - Salaries	0	0	62,902	127,810	129,995	*62,902*	*0.0%*	
Stormwater Program Coordinator - FY17		*0*	*39,585*	*80,207*	*81,333*			January 1st start date (6 months in FY17)
Equipment Operator - FY17		*0*	*23,317*	*47,603*	*48,662*			January 1st start date (6 months in FY17);
Personnel Services Subtotal	0	0	162,036	228,022	231,376	*162,036*	*0.0%*	Position will report to Public Works
Operations								
Travel & Training	0	0	2,000	2,000	2,500	*2,000*	*0.0%*	
License Fees	0	0	0	0	0	*0*	*0.0%*	O365 License Fees now budgeted in IT
Telephone/Internet	0	0	840	1,680	1,680	*1,680*	*0.0%*	(1) Smartphone Stipend
Fuel	0	0	1,500	1,650	1,815	*1,500*	*0.0%*	10%/yr increase
Supplies - Office	0	0	300	300	300	*300*	*0.0%*	
Supplies - Departmental	0	0	500	500	500	*500*	*0.0%*	
Supplies - Data Processing	0	0	0	2,000	0	*0*	*0.0%*	
Replace Computer TH-WS007		*0*	*0*	*2,000*	*0*			Due in FY18
Maintenance - Infrastructure	0	0	140,000	142,500	190,000	*140,000*	*0.0%*	Managed by Public Works
Pipe Replacement & Other Sys Maint.		*0*	*40,000*	*40,000*	*45,000*			
Field & ROW Inspections		*0*	*15,000*	*15,000*	*20,000*			Contract assistance for inspections
Monthly Street Sweeping		*0*	*20,000*	*20,000*	*30,000*			
Storm Drain Cleaning		*0*	*5,000*	*7,500*	*10,000*			
Private Drainage Cost Share		*0*	*10,000*	*10,000*	*10,000*			
Miscellaneous Maintenance		*0*	*50,000*	*50,000*	*75,000*			
Uniforms	0	0	200	200	200	*200*	*0.0%*	
Data Processing Services	0	0	2,500	3,000	3,000	*2,500*	*0.0%*	Utility Cloud fee, 2 users plus contractor
C.S./Engineering	0	0	15,000	15,000	15,000	*15,000*	*0.0%*	Retro-fit design, inspections, etc.
Dues & Subscriptions	0	0	1,000	1,500	1,500	*1,000*	*0.0%*	
UNRBA Dues		*0*	*0*	*0*	*0*			Paid out of Water & Sewer Fund
Miscellaneous Dues		*0*	*1,000*	*1,500*	*1,500*			
Collection Expense	0	0	17,844	18,905	19,254	*17,844*	*0.0%*	Billing & Collection charge from
Clean Water Education Partnership	0	0	2,500	3,000	3,000	*2,500*	*0.0%*	Orange County - 3% of revenue
Miscellaneous	0	0	6,064	3,365	6,565	*6,064*	*0.0%*	
Vehicle Tax & Tags	0	0	0	0	0	*0*	*0.0%*	
Personnel Expansion - Op Expenses	0	0	6,950	4,250	4,250	*6,950*	*0.0%*	
Stormwater Program Coordinator - FY17		*0*	*5,750*	*3,750*	*3,750*			Training, Phone Stipend, Dues & Computer
Equipment Operator - FY17		*0*	*1,200*	*500*	*500*			Training & Uniforms
Operations Subtotal	0	0	197,198	199,850	249,564	*197,198*	*0.0%*	
Capital Outlay								
Capital - Vehicles	0	0	0	0	0	*0*	*0.0%*	FY18-Evaluate need for a 2nd vehicle
Capital - Equipment	0	0	8,000	0	0	*8,000*	*0.0%*	Jet/Vac truck attachment
Capital - Infrastructure	0	0	164,500	139,800	99,750	*164,500*	*0.0%*	
Nutrient Reduction Falls Lake - Stage I		*0*	*50,000*	*50,000*	*75,000*			Projects to reduce nutrient levels
Reserve for Future/Larger Projects		*0*	*114,500*	*89,800*	*24,750*			Build up retained earnings to fund larger
Capital Outlay Subtotal	0	0	172,500	139,800	99,750	*172,500*	*0.0%*	projects in future years
Cost Allocations								
Cost Allocation - Governing Body	0	0	5,450	5,780	5,550	*5,450*	*0.0%*	2% allocation (SW is 2 % of FTEs)
Cost Allocation - Administration	0	0	22,457	22,694	22,773	*22,457*	*0.0%*	2% allocation (SW is 2 % of FTEs)
Cost Allocation - Finance	0	0	11,142	11,137	11,186	*11,142*	*0.0%*	2% allocation (SW is 2% of Town rev/exp)
Cost Allocation - Ruffin-Roulhac	0	0	7,680	5,700	4,872	*7,680*	*0.0%*	8% allocation (SW is 8% of TH staff)
Cost Allocation - Safety & Wellness	0	0	3,226	2,978	3,033	*3,226*	*0.0%*	2% allocation (SW is 2% of FTEs)
Cost Allocation - Information Services	0	0	6,847	8,062	7,605	*6,847*	*0.0%*	2% allocation (SW is 2% of Town computers)
Cost Allocation - Fleet Maintenance	0	0	7,268	7,138	7,092	*7,268*	*0.0%*	2% op costs & facility debt; 100% maint costs
Cost Allocations Subtotal	0	0	64,070	63,489	62,111	*64,070*	*0.0%*	
Stormwater Total	$ -	$ -	$ 595,804	$ 631,161	$ 642,801	*$ 595,804*	***0.0%***	
% Change	*0.0%*	*0.0%*	*0.0%*	*5.9%*	*1.8%*			

STORMWATER – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
Serve the Community	Strengthen Citizen Engagement	Provide public with informational materials	# of issues of the Stormwater Almanac published	3	2	3	3	This section is under construction as the Stormwater Division comes up with an outcome-based measure that is impacted by education efforts. Some of the measures currently listed likely will become action steps and some may be deleted.
			Developed/updated educational materials (i.e. fact sheets, flyers, handouts, etc.) annually	Yes	Yes	Yes	Yes	
			Distribute materials through emails, events, mail-outs, etc.	186	117	100	100	
			# of volunteer clean-up opportunities provided	1	2	1	1	
			# of volunteer planting, monitoring and maintenance projects provided	1	1	1	1	
			# of special events attended or presentations provided for outreach	3	3	3	3	
			# of outreach/educational sessions provided to local schools	4	4	4	4	
Run the Operations	Provide Responsive & Dependable Services	Identify and resolve illicit discharges FY17 Action Steps • Identify at least 1 new screening area for illicit discharge inspections • Respond to complaints and requests	% of illicit discharges identified through screening that are removed/resolved	91%	0	90%	90%	Intent is to resolve all, but some may take longer.
			% of illicit discharge complaints and/or citizen requests investigated within 2 business days	100%	100%	95%	95%	All complaints/requests should be investigated as soon as possible.
			% of illicit discharge complaints and/or citizen requests resolved	100%	100%	100%	95%	
		Enhance illicit detection capabilities by cross-training employees on illicit detection	% of public works and utilities crews, police officers and fire volunteers completing courses annually	15%	3%	25%	25%	Provide at least 1 training session to employees so that 25% of employees are trained annually.
		Provide public assistance regarding stormwater and related issues	% of inquiries investigated and resolved within 3 weeks	100%	90%	100%	95%	Not all can be resolved this quickly
Manage Resources	Invest in Infrastructure	Maintain municipal facilities and operations in accordance with Good Housekeeping Principles	% of facilities passing Good Housekeeping inspections	100%	89%	100%	100%	Goal is to have all facilities compliant or at a minimum compliant w/conditions
		Maintain stormwater system	% of storm drainage system inspected annually to determine maintenance needs	5%	2%	20%	10%	This is Public Works responsibility; stormwater staff working on a systematic process to assist with inspections; to start will target 10% of system annually

Perspective	Town-wide Objective	Initiative	Measure	FY14 Actual	FY15 Actual	FY16 Target	FY17 Target	Status/Result
			Linear feet of stormwater conveyance system maintained (i.e. ditches, pipes, catch basins, etc.)	N/A	N/A	N/A	300	New measure for FY17 This is Public Works responsibility; Changed this to linear feet for FY17, which is more intuitive to visualize
			% of curb & gutter streets swept monthly	100%	100%	95%	95%	This is Public Works responsibility
	Deliver Services Efficiently	Review development plans in an accurate and timely manner	% of plans reviewed within 1 month of receipt	100%	100%	100%	100%	
		Conduct stream determinations pursuant to riparian buffer rules	% of stream determination requests completed within 1 month of receipt	100%	100%	100%	100%	Goal is to complete requests, including letter report within 30 days.
		Inspect active construction projects (both public & private) to ensure environmental compliance	% of active construction projects inspected at least monthly	100%	100%	100%	100%	Goal/target is to inspect all active construction projects disturbing 0.5 acre or more at least monthly.
		Inspect public and private best management practices to ensure proper installation and function	% of Stormwater control measures (SCMs) inspected	18%	33%	30%	30%	Goal is to inspect at least 20% of SCMs each year so that all are inspected every 5 years as required by permit.
Develop Know-How	Develop a Skilled & Diverse Workforce	Provide continuing education in stormwater trends and practices	# of training workshops and conferences attended	3	2	2	2	Attend at least 2 workshops, training sessions and/or conferences to maintain certifications.

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SUPPLEMENTAL AGENCIES

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TOURISM DEVELOPMENT AUTHORITY

TOURISM DEVELOPMENT AUTHORITY

Revenues Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Occupancy Tax	100,353	70,000	70,500	70,500	70,500	*500*	*0.7%*	Amount deposited in TDA account after
Fund Balance Appropriated	0	5,925	5,925	0	0	*0*	*0.0%*	6% admin cost to Town of Hillsborough
Tourism Total	**$ 100,353**	**$ 75,925**	**$ 76,425**	**$ 70,500**	**$ 70,500**	***$ 500***	***0.7%***	
% Change	*48.5%*	*-24.3%*	*0.7%*	*-7.8%*	*0.0%*			

Expenditures Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	*$ Change*	*% Change*	Comments
Operations								
Audit Fees	3,000	3,000	3,000	3,000	3,000	*0*	*0.0%*	
Attorney Fees	0	350	350	350	350	*0*	*0.0%*	
Conferences/Conventions/Training	0	600	600	600	600	*0*	*0.0%*	
Advertising	1,052	6,060	6,060	6,060	6,060	*0*	*0.0%*	
Ad for Public Hearing on Budget		*60*	*60*	*60*	*60*			
Ad Buys		*6,000*	*6,000*	*6,000*	*6,000*			
C.S. / Town of Hillsborough	0	24,000	23,162	23,472	23,808	*(838)*	*-3.5%*	Support Staff; salaries + benefits split:
Data Processing Services	0	7,125	7,125	1,200	1,200	*0*	*0.0%*	Planning-30%, TDA-30%, TB-40%
Website Maintenance		*1,200*	*1,200*	*1,200*	*1,200*			
Website Development		*5,925*	*5,925*	*0*	*0*			FYs16-17-$23,700 split with Tourism Board
Insurance	925	980	980	980	980	*0*	*0.0%*	
Bond Insurance		*180*	*180*	*180*	*180*			
Liability Insurance		*800*	*800*	*800*	*800*			
Miscellaneous	0	33,810	35,148	34,838	34,502	*1,338*	*4.0%*	
Tax Form Booklets		*180*	*180*	*180*	*180*			
Marketing Support		*32,430*	*29,930*	*32,430*	*32,430*			
NATJA Conference Support		*0*	*2,500*	*0*	*0*			
Miscellaneous		*1,200*	*2,538*	*2,228*	*1,892*			
Operations Subtotal	4,977	75,925	76,425	70,500	70,500	*500*	*0.7%*	
Tourism Total	**$ 4,977**	**$ 75,925**	**$ 76,425**	**$ 70,500**	**$ 70,500**	***$ 500***	***0.7%***	
% Change	*32.2%*	*132.2%*	*232.2%*	*332.2%*	*432.2%*			
Available Fund Balance	**$ 168,778**	**$ 162,853**	**$ 156,928**	**$ 156,928**	**$ 156,928**			
Fund Balance as a % of Operating Expenditures	*3391.0%*	*214.5%*	*205.3%*	*222.6%*	*222.6%*			

TOURISM BOARD

TOURISM BOARD

Revenues Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Food & Beverage Tax	318,172	312,000	312,000	312,000	312,000	0	0.0%	Amount deposited in Tourism account after
Interest Earned	0	0	0	0	0	0	0.0%	6% admin cost to Town of Hillsborough
Fund Balance Appropriated	0	5,925	21,405	0	0	15,480	261.3%	
General Fund Balance		0	2,000	0	0			Logo design
Website Fund		5,925	5,925	0	0			Website development
Streetscape Fund		0	13,480	0	0			
Tourism Board Total	**$ 318,172**	**$ 317,925**	**$ 333,405**	**$ 312,000**	**$ 312,000**	***$ 15,480***	***4.9%***	Prior to FY15 revenues/expenditures were
% Change	*0.0%*	*-0.1%*	*4.9%*	*-6.4%*	*0.0%*			tracked in the TOH's General Fund

Expenditures Account Name	FY15 Actual	FY16 Estimate	FY17 Budget	FY18 Projection	FY19 Projection	$ Change	% Change	Comments
Operations								
Audit Fees	6,000	6,000	6,000	6,000	6,000	0	0.0%	
Attorney Fees	1,225	650	650	650	650	0	0.0%	
Training/Conferences/Conventions	0	100	100	100	100	0	0.0%	
Advertising	4,173	60	65	65	65	5	8.3%	
Public Hearing for Budget		60	65	65	65			
WHUP Advertising/Logo Placement		0	0	0	0			
C.S./Alliance of Historic Hills.	169,826	187,200	187,200	187,200	187,200	0	0.0%	Operate Visitor's Center
C.S./Town of Hillsborough	0	28,000	28,000	28,000	28,000	0	0.0%	ED Planner: Econ Dev-30%/TDA-30%/TB-40%
Data Processing Services	0	7,525	8,425	2,000	2,000	900	12.0%	
Website Hosting		1,600	2,500	2,000	2,000			
Website Development		5,925	5,925	0	0			$23,700 split with TDA
Insurance	963	980	980	980	980	0	0.0%	
Bond Insurance		180	180	180	180			
Liability Insurance		800	800	800	800			
Miscellaneous	1,477	8,980	8,485	10,070	10,519	(495)	-5.5%	
Tax Form Booklets		263	270	270	270			
Tourism Plan Development		0	3,500	0	0			
Logo Design		1,000	2,000	0	0			
Miscellaneous		7,717	2,715	9,800	10,249			Fund opportunities as they arise
Grants	83,406	78,430	93,500	76,935	76,486	15,070	19.2%	
Grants		78,430	42,500	49,435	48,986			
Arts Council - Last Fridays		0	9,000	8,000	8,000			Annual Events & Project Donations
Orange County Museum		0	12,000	5,000	5,000			Free Admission/Programming; Annual Event
Burwell School		0	12,000	12,000	12,000			Free Tours/Programming; Annual Events
North Am Travel Journalists Conference		0	2,500	0	0			Special Project
TOH - Holiday Decorations		0	9,000	0	0			TBD - no decision yet; Special Project/Partnership
Project & Partnership Opportunities		0	6,500	2,500	2,500			
Operations Subtotal	267,070	317,925	333,405	312,000	312,000	15,480	4.9%	
Tourism Board Total	**$ 267,070**	**$ 317,925**	**$ 333,405**	**$ 312,000**	**$ 312,000**	***$ 15,480***	***4.9%***	
% Change	*-11.6%*	*19.0%*	*4.9%*	*-6.4%*	*0.0%*			
Available Fund Balance	**$ 163,122**	**$ 163,122**	**$ 163,122**	**$ 163,122**	**$ 163,122**			
Fund Balance as a % of Operating Expenditures	*61.1%*	*51.3%*	*48.9%*	*52.3%*	*52.3%*			Per LGC, must maintain minimum of 8%
Other Reserves								
Website Fund	$ 12,525	$ 5,925	$ -	$ -	$ -			FYs16-17 - Used funds for website
Streetscape Fund	$ 13,480	$ 13,480	$ -	$ -	$ -			FY17 - Use Streetscape funds

CAPITAL IMPROVEMENT PLAN

CAPITAL IMPROVEMENT PLAN GUIDE

PURPOSE AND DEFINITIONS:

The purpose of the capital improvement plan (CIP) is to forecast and match projected revenues and major capital needs over a seven-year period. Capital planning is an important management tool that strengthens the linkages between community infrastructure needs and the financial capacity of the Town.

The Town defines CIP capital expenditures as any expenditure of major value that recurs irregularly, results in the acquisition of a fixed asset, and has a useful life greater than one (1) year. As a rule of thumb, items included in the CIP include those which:

- Involve acquisition, renovation, and/or construction of a single fixed asset greater than $100,000.
- Involve any land purchases greater than $100,000 not associated with or included in another CIP project.

CAPITAL IMPROVEMENT PLAN DEVELOPMENT:

The CIP is updated annually as part of the Town's regular budget process. Projects are reviewed and evaluated based on Mayor and Board of Commissioners' service desires, other Town infrastructure needs, the financial capacity of the Town and the impact the projects will create on the Town's operating budget.

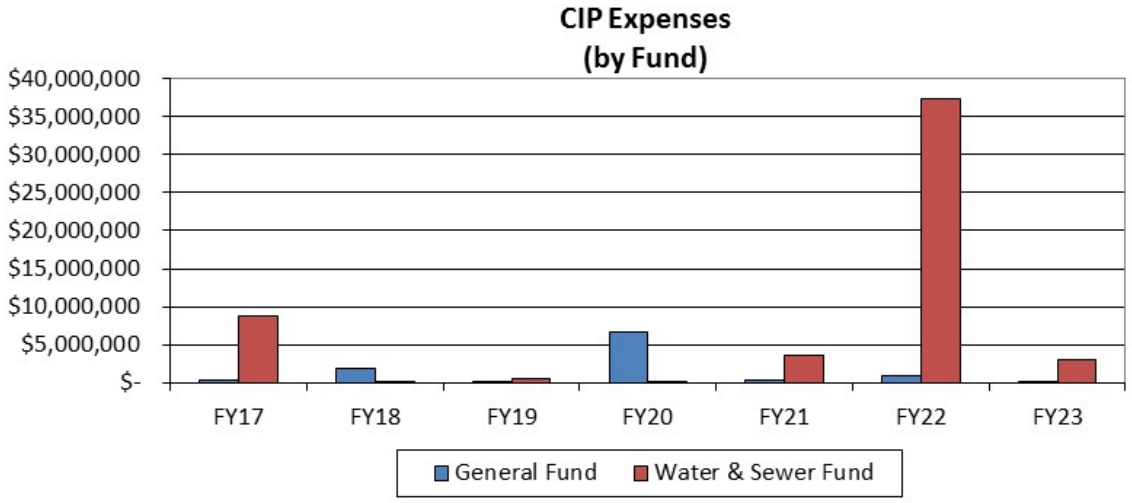
Once the projects are evaluated, a recommended CIP is developed that identifies the selection and timing of capital projects into future fiscal years. First-year projects are incorporated into the Town Manager's recommended annual operating budget. The Mayor and Board of Commissioners are also presented the future, unappropriated planning years for their consideration, review and endorsement so staff can proceed with planning and evaluation of potential capital projects.

CAPITAL IMPROVEMENT *PLAN*:

The capital improvement plan is simply that – a *plan*. As such, projects are subject to change based on new or shifting service needs, special financing opportunities, emergency needs, or other directives or priorities established by the Mayor or Board of Commissioners. Because priorities can change, projects included in outward planning years are not guaranteed for funding.

The Hillsborough CIP achieves five major objectives as a component of the Town's budget and financial planning process:

1. Helps the Town rationally and intelligently plan for the repair, replacement, and acquisition of capital items that are necessary in providing high quality services to the citizens of Hillsborough.
2. Assists in fiscal planning by forecasting capital demands together with future revenues and expenditures (as part of the financial plan).
3. Insuring better coordination, evaluation, and planning of projects to serve the community and its needs.
4. The CIP, together with the Financial Plan, serves as a guide to decision-making for the Board, Town Manager, and employees.
5. The systematic and comprehensive analysis of capital needs increases the probability of making rational (and correct) budgetary judgments since improvements are identified, prioritized, and matched to the projected fiscal resources of the Town.



CAPITAL IMPROVEMENT PLAN (CIP) SUMMARY

Function	*Project*	*Primary Funding Source*	Capital Cost	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total Budget Impact
GENERAL FUND											
General Government											
Governing Body, Finance, Ruffin-Roulhac	North Campus Renovations	Debt Financing	950,000				71,000	311,000	950,000		**$ 1,332,000**
Information Services	Fiber Loop	Debt Financing	1,000,000		1,000,000						**$ 1,000,000**
General Government Sub-Total			1,950,000	0	1,000,000	0	71,000	311,000	950,000	0	$ 2,332,000
Public Safety											
Police - Admin. & Fire Protection	Public Safety Station (Fire & Police)	Debt Financing	6,610,000	78,480	78,480	78,480	6,610,000	10,000	10,000	10,000	**$ 6,875,440**
Public Safety Sub-Total			6,610,000	78,480	78,480	78,480	6,610,000	10,000	10,000	10,000	$ 6,875,440
Public Works											
Streets	Single-Axle Dump Truck	Debt Financing	110,000		110,000						**$ 110,000**
	Public Works Building	Debt Financing	500,000	25,000	500,000						**$ 525,000**
Solid Waste	Replace Knuckleboom Truck #811	Debt Financing	145,000		145,000						**$ 145,000**
Public Works Sub-Total			755,000	25,000	755,000	0	0	0	0	0	$ 780,000
Special Appropriations											
Special Approp.	Downtown Access Improvements	NCDOT	284,673	204,673	80,000						**$ 284,673**
Special Appropriations Sub-Total			284,673	204,673	80,000	0	0	0	0	0	$ 284,673
GENERAL FUND CIP TOTAL			$ 9,599,673	$ 308,153	$ 1,913,480	$ 78,480	$ 6,681,000	$ 321,000	$ 960,000	$ 10,000	$ 10,272,113
WATER & SEWER FUND											
Water Treatment Plant	Water Treatment Plant Expansion	Debt Financing	2,450,000				50,000	400,000	2,000,000		**$ 2,450,000**
	Dredge Sludge Lagoons	Operating Revenue	250,000						250,000		**$ 250,000**
West Fork Eno Reservoir	West Fork Eno Reservoir Phase II	Debt Financing	8,978,020	8,278,020							**$ 8,278,020**
	West Fork Eno Reservoir Sediment Study	Operating Revenue	100,000						100,000		**$ 100,000**
Water Distribution	Critical North Zone Loops	Operating Revenue	170,000	50,000	120,000						**$ 170,000**
	Distribution/Collection Building Addition	Operating Revenue	330,000		50,000	280,000	2,000	2,000	2,000	2,000	**$ 338,000**
	US-70 Business Water Improvements	Debt Financing	1,250,000					200,000	1,050,000		**$ 1,250,000**
	Replace Hassell Water Tank	Operating Revenue	400,000						400,000	3,000,000	**$ 3,400,000**
	Economic Development District Water Line Extension	Capital Reserves	250,000	250,000							**$ 250,000**
Wastewater Collection	Sewer Rehabilitation (I&I)	Operating Revenue	500,000						500,000		**$ 500,000**
Wastewater Treatment Plant	Effluent Aeration Project	Operating Revenue	253,000	253,000							**$ 253,000**
	Wastewater Treatment Plant Upgrade Phase II	Debt Financing	36,260,000			200,000		3,000,000	33,060,000		**$ 36,260,000**
WATER & SEWER FUND CIP TOTAL			$ 51,191,020	$ 8,831,020	$ 170,000	$ 480,000	$ 52,000	$ 3,602,000	$37,362,000	$ 3,002,000	$ 53,499,020
CIP TOTAL			$60,790,693	$9,139,173	$2,083,480	$558,480	$6,733,000	$3,923,000	$38,322,000	$3,012,000	$63,771,133

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	North Campus Renovations					Budget Unit #:	Multiple
Budget Unit:	Multiple		Functional Area:	Multiple			Priority Rank:	1

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years: Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	Type of Project:
950,000		-	-	-	71,000	1,261,000	☐ New ☐ Replacement ☑ Renovation ☐ Expansion

Section 2 — **Description of Capital Item**

Renovate 1) the first floor of the Town Barn into office space, 2) the former medical center into office space for Finance & Billing and Collection and 3) the former dental center into the new public meeting room to better accommodate projected growth.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

The town completed a preliminary space needs assessment that identified several departments that are nearing or have reached capacity and outlined a recommendation for how to accommodate different departmental space needs. The Hillsborough Board of Commissioners endorsed the recommendations. The plan is to move the HR and Budget office to the Town Barn, consolidating the Administration Department in one facility; moving the Billing and Collection Office and Finance Department to the former medical office, which would move operations closer to the Town Hall campus; and converting the former dental office into a larger meeting room that has integrated flexibility.

History and Current Status; Impact if Cancelled or Delayed

The town will select a firm in early 2016 to design the renovation. Once the detailed renovation design is completed and bid documents are prepared, the town would be ready to move forward with construction.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans				71,000				71,000
Engineering / Arch. Serv.					311,000			311,000
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.						950,000		950,000
Equip / Machinery / Furniture								-
Total Capital Cost Est.	-	-	-	71,000	311,000	950,000	-	1,332,000
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	-	-	-	71,000	311,000	950,000	-	1,332,000

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue				71,000	311,000			382,000
Debt Financing						950,000		950,000
								-
Total Program Financing	-	-	-	71,000	311,000	950,000	-	1,332,000

Section 6 — **Maps / Charts / Tables / Pictures**

$950,000 @ 4% for 10 years (FY32)

	Const. Cost	Debt Cost/yr
Town Hall Annex	**$237,500**	
Billing and Collection (75%)	$178,125	$21,961
Finance (25%)	$59,375	$7,320
Meeting Room	**$237,500**	
Governing Body (100%)	$237,500	$29,282
Town Barn	**$475,000**	
Ruffin Roulhac (100%)	$475,000	$58,563
Estimated Construction Cost	**$950,000**	**$117,126**

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Fiber Loop					Budget Unit #:	6610
Budget Unit:	Information Services		Functional Area:	General Government			Priority Rank:	1

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☑ New ☐ Replacement ☐ Renovation ☐ Expansion
1,000,000	15,000	1,000,000	-	-	-	-	

Section 2 — **Description of Capital Item**

Connect all Town facilities via a fiber connection. This will create a Town-wide network, making file sharing and communication between facilities and departments easier. We currently have standard internet service and use VPNs to connect facilities. As a result, sharing files is difficult and done mostly via email. In addition, to connecting Town facilities, this project would build a fiber backbone capable of fostering fiber to the home, or last mile service by third-party providers. The hope is that having this infrastructure in place will encourage fiber internet providers to provide fiber service to the citizens of Hillsborough.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

This project would tie into an initiative to connect all governments in Orange County (Orange County, Chapel-Hill, Carrboro, OWASA, UNC, Chapel-Hill Carrboro City Schools, & Orange County Schools) . Not only would this provide redundancy in the fiber loop, but it would allow for easier communication between organizations. The ultimate goal for the Orange County initiative is to connect to MCNC, the State's fiber network. This would serve as a redundant fiber internet connection when our primary connection is down, which would greatly reduce and/or eliminate internet downtown for the Town.

History and Current Status; Impact if Cancelled or Delayed

A feasibility study is being conducted in FY16 to determine the cost of constructing the fiber loop. Completion of the study is anticipated in April. If this project is not funded, staff will continue to find ways to operate around the lack of connectivity between departments and facilities. We can also explore leasing a fiber connection from a third-party vendor.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.								-
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.	1,000,000							1,000,000
Equip / Machinery / Furniture								-
Total Capital Cost Est.	1,000,000	-	-	-	-	-	-	1,000,000
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	1,000,000	-	-	-	-	-	-	1,000,000

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Debt Financing	1,000,000							1,000,000
								-
								-
Total Program Financing	1,000,000	-	-	-	-	-	-	1,000,000

Section 6 — **Maps / Charts / Tables / Pictures**

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Public Safety Station (Fire & Police) - N. Churton Street					Budget Unit #:	5100 & 5350
Budget Unit:	Police-Admin & Fire Protection		Functional Area:	Public Safety			Priority Rank:	1

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:	
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New	☑ Replacement
6,875,440		78,480	78,480	78,480	6,610,000	30,000	☑ Renovation	☑ Expansion

Section 2 — **Description of Capital Item**

The town purchased property at 604 N. Churton Street in 2014 to relocate the current downtown fire and police stations. Both facilities are outdated and in need of additional space. In addition, growth in the southern portion of town will require a fire station in or close to the Waterstone development. Hence, moving the current fire station slightly north, in combination with a new southern station, will improve fire and first responder coverage in town. The new public safety facility would also include an emergency operations center and allow the fire marshal/emergency management director to relocate to this facility from the NC86 North facility. Moving the fire and police stations out of downtown also has economic development benefits as it will allow private development/businesses to operate in these locations, thus adding to the vibrancy and economic impact of downtown.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

These are steps towards replacing outdated facilities with new stations that will be able to serve the community for decades. Locating fire, police, and the fire marshal/emergency management director on the same site will also increase communications, especially during emergencies.

History and Current Status; Impact if Cancelled or Delayed

If funding is not available or insufficient, these projects can be delayed until sufficient funds are accrued to allow the projects to move forward. Once the downtown fire station is vacated both the N. Churton Street and Southern stations will need to open at nearly the same time to provide adequate coverage. One concept being discussed is to have the Town provide land to Orange Rural Fire Department for the southern station so they can be responsible for building at that location, since that station will greatly improve their coverage into the southern part of the ORFD district. It's possible that Orange County EMS may also choose to co-locate and share in expenses there. The HPD has $105,000 it can contribute for office space in the southern station as well. ORFD could use proceeds from the sale of the downtown station parking lot to help fund this project (tax value on that property is approximately $165,412). The Town would take financial responsibility for building the N. Churton Street station. The Town could take funds from the sale of the Town Hall Annex ($400,000), Police Station ($620,000), and fire station building/land ($486,673) - all estimates based on tax value or recent appraisals - to help make debt service payments on the loan until new revenues grow sufficiently to fully absorb the new debt.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel				10,000	10,000	10,000	10,000	**40,000**
Other								-
Total	-	-	-	**10,000**	**10,000**	**10,000**	**10,000**	**40,000**

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.	78,480	78,480	78,480	600,000				**835,440**
Land / ROW / Acquisition								-
Clear / Grade / Site Prep				200,000				**200,000**
Building / Utility Constr.				5,400,000				**5,400,000**
Equip / Machinery / Furniture				400,000				**400,000**
Total Capital Cost Est.	**78,480**	**78,480**	**78,480**	**6,600,000**	-	-	-	**6,835,440**
Total Oper. Impact Est.	-	-	-	**10,000**	**10,000**	**10,000**	**10,000**	**40,000**
Total Expenditure Est.	**78,480**	**78,480**	**78,480**	**6,610,000**	**10,000**	**10,000**	**10,000**	**6,875,440**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Debt Financing (split 50/50 b/t Police & Fire)				6,600,000				**6,600,000**
Operating Revenue (split 50/50 b/t Police & Fire)	78,480	78,480	78,480	10,000	10,000	10,000	10,000	**275,440**
								-
Total Program Financing	**78,480**	**78,480**	**78,480**	**6,610,000**	**10,000**	**10,000**	**10,000**	**6,875,440**

Section 6 — **Maps / Charts / Tables / Pictures**

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Single Axle Dump Truck					Budget Unit #:	5600
Budget Unit:	Streets		Functional Area:	Public Works			Priority Rank:	1

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New ☐ Replacement ☐ Renovation ☑ Expansion
110,000		110,000	110,000	-	-	-	

Section 2 — **Description of Capital Item**

Single axle dump truck to replace the 2007 International dump truck as primary truck. Dump truck will be equipped with a snow plow that swivels allowing it to push snow in either direction.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

As additional roads are maintained in Hillsborough it would be prudent to replace the spare 25 year old dump truck to increase reliability when needed. It would also be able to carry the new salt spreader if the current dump truck is out of service enabling emergency vehicles to have access to the hospital.

History and Current Status; Impact if Cancelled or Delayed

The age of the truck decreases dependability and parts are becoming difficult to locate. If a new truck is not funded the current truck will be maintained in an operational status.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total		-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.								-
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.								-
Equip / Machinery / Furniture		110,000						**110,000**
Total Capital Cost Est.	-	**110,000**	-	-	-	-	-	**110,000**
Total Oper. Impact Est.		-	-	-	-	-	-	-
Total Expenditure Est.		**110,000**	-	-	-	-	-	**110,000**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Debt Financing		110,000						**110,000**
								-
								-
Total Program Financing	-	**110,000**	-	-	-	-	-	**110,000**

Section 6 — **Maps / Charts / Tables / Pictures**

Town of Hillsborough, North Carolina

Fiscal Year 2015-16 through 2021-22 Capital Improvement Plan

Section 1	Project Title:	Public Works Facility					Budget Unit #:	5600
Budget Unit:	Streets		Functional Area:	Public Works			Priority Rank:	2

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:
			Year 2 FY17	Year 3 FY18	Year 4 FY19	Future Years	☐ New ☑ Replacement
525,000		25,000	500,000	-	-	-	☐ Renovation ☐ Expansion

Section 2 — **Description of Capital Item**

Public Works is requesting a new facility to be built at the Hwy. 86 location to replace the Dimmock's Mill Road building. The building would include locker rooms, restrooms, showers, office space, material storage and vehicle shelters. In addition, the old Fleet Maintenance and Public Works buildings would be demolished.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

The current building is located in the Eno River flood plain and is prone to flooding as occurred during Hurricane Fran. There is a lack of space in the current locker/break room where each morning Public Works staff meet to discuss daily assignments. The amount of open space (<100 sq. ft. of useable space) is limited which causes staff to be cramped into tight quarters. The new building would have showers which could be utilized by other Town Departments should the need arise.

History and Current Status; Impact if Cancelled or Delayed

If the new building is not built, Public Works operations would continue but the possibility of flooding and the small locker/break room would still exist.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans	25,000							25,000
Engineering / Arch. Serv.								-
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.		500,000						500,000
Equip / Machinery / Furniture								-
Total Capital Cost Est.	25,000	500,000	-	-	-	-	-	525,000
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	25,000	500,000	-	-	-	-	-	525,000

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue	25,000							25,000
Debt Financing		500,000						500,000
								-
Total Program Financing	25,000	500,000	-	-	-	-	-	525,000

Section 6 — **Maps / Charts / Tables / Pictures**

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Knuckle Boom Truck					Budget Unit #:	5800
Budget Unit:	Solid Waste		Functional Area:	Public Works			Priority Rank:	1

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New ☑ Replacement ☐ Renovation ☐ Expansion
145,000		145,000	145,000	-	-	-	

Section 2 — **Description of Capital Item**

Replace 17 year old knuckleboom truck used to collect brush and bulk items.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

Replacement will improve efficiency and reliability. Increased use during the 2014 ice storm added to the wear and tear on the truck. The new truck will significantly lower maintenance costs.

History and Current Status; Impact if Cancelled or Delayed

The brush truck's reliability decreases with age and maintenance costs have reached 98% of the purchase price. The older truck is recommended to be surplused.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.								-
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.								-
Equip / Machinery / Furniture		145,000						**145,000**
Total Capital Cost Est.	-	**145,000**	-	-	-	-	-	**145,000**
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	-	**145,000**	-	-	-	-	-	**145,000**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Debt Financing		145,000						**145,000**
								-
								-
Total Program Financing	-	**145,000**	-	-	-	-	-	**145,000**

Section 6 — **Maps / Charts / Tables / Pictures**

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Downtown Access Improvements					Budget Unit #:	6900
Budget Unit:	Special Appropriations		Functional Area:	Special Appropriations			Priority Rank:	1

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:	
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years		
284,673	405,500	204,673	80,000	-	-	-	☑ New ☑ Renovation	☐ Replacement ☐ Expansion

Section 2 — **Description of Capital Item**

This project would implement the Phase 1 and 2 improvements in the downtown access study. Improvements to the Bank of America Parking Lot and creation of loading zones would be done first to create safe parking and loading areas before starting work on the public streets. The second phase would involve on-street and curb work for the 4 downtown intersections, a sidewalk extension along the Justice facility to provide access into River Park, and resurfacing of Churton Street. The crosswalks across Churton at Queen, Union, and Orange Streets may be funded through this project or may need to be delayed into a future phase.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

This project implements the highest priority components of the adopted downtown access study and implements an important component of the FOG program at the same time. The bulk of these improvements work to improve the pedestrian safety and accessibility in our vibrant downtown. Specifically, the project address the "expand walkability" and "preserve natural resources" components, but a vital downtown also supports a safe downtown and a sustainable economy.

History and Current Status; Impact if Cancelled or Delayed

The town contributed to the funding of the downtown access study and has fully funded the design work to flesh out these improvements into a fundable project. We have a commitment from NCDOT for $250,000 of direct support, in addition to working components of the project into their resurfacing plans. The town cannot leverage NCDOT funds for work in our parking lot, but this funding plan does leverage additional NCDOT funding sources. The Town has approval to use STP-DA funds for a portion of this project. Orange County is also contributing the portion of sidewalk along the Justice Facility, and we have received an allocation from contingency funds in the Legislature.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other (contingency)								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.								-
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.	204,673	80,000						**284,673**
Equip / Machinery / Furniture								-
Total Capital Cost Est.	**204,673**	**80,000**	-	-	-	-	-	**284,673**
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	**204,673**	**80,000**	-	-	-	-	-	**284,673**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue	84,673	16,000						**100,673**
STPD-DA	0	64,000						**64,000**
State Contingency	120,000							**120,000**
								-
								-
Total Program Financing	**204,673**	**80,000**	-	-	-	-	-	**284,673**

Section 6 — **Maps / Charts / Tables / Pictures**

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Water Treatment Plant Expansion					Budget Unit #:	8120
Budget Unit:	Water Treatment Plant		Functional Area:	Water & Sewer			Priority Rank:	1

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New ☐ Replacement ☐ Renovation ☑ Expansion
2,450,000		-	-	-	50,000	2,400,000	

Section 2 — **Description of Capital Item**

This work will begin the process of expanding the Plant to 4.5 MGD to accommodate expected growth. A study (preliminary design) of the Plant will be followed by design of the expansion, with the securing of funding taking place concurrently, along with the addressing of any environmental hurdles. The design and construction costs may exceed the funds requested, and will be re-evaluated during the study and after the study is completed.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

Continued growth will require additional potable water production capacity, or purchases from another utility. In the long run, it is less expensive to produce treated water than to purchase it, but limited quantities needed above our current capacity would be cost effective up to a point. Once the cost of purchasing water surpasses the anticipated loan payment for a plant expansion, it is better to produce the water in-house. Also, independence from other utilities' requirements, such as water restrictions, is an intangible benefit. Production of potable water serves the community with a safe, local source of water.

History and Current Status; Impact if Cancelled or Delayed

The entire project may be deferred, depending on needed water supply and cost. Deferment will depend greatly on our water usage and our ability to purchase water from other entities. As this project gets closer, the cost of water purchases should be compared to the cost of an expansion loan. Other considerations include potential drought impacts on water availability and political concerns.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans				50,000				**50,000**
Engineering / Arch. Serv.					400,000			**400,000**
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.						2,000,000		**2,000,000**
Equip / Machinery / Furniture								-
Total Capital Cost Est.	-	-	-	**50,000**	**400,000**	**2,000,000**	-	**2,450,000**
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	-	-	-	**50,000**	**400,000**	**2,000,000**	-	**2,450,000**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue				50,000				**50,000**
Capital Reserves					400,000			**400,000**
Debt Financing						2,000,000		**2,000,000**
Total Program Financing	-	-	-	**50,000**	**400,000**	**2,000,000**	-	**2,450,000**

Section 6 — **Maps / Charts / Tables / Pictures**

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Dredge Sludge Lagoons					Budget Unit #:	8120
Budget Unit:	Water Treatment Plant		Functional Area:	Water & Sewer			Priority Rank:	2

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:	
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New	☐ Replacement
250,000		-	-	-	-	250,000	☑ Renovation	☐ Expansion

Section 2 — **Description of Capital Item**

The sludge ponds at the Water Treatment Plant will be completely cleaned out to restore lost storage capacity. A track-hoe will excavate material, which will either be stored on-site to dry for later disposal, or be hauled off-site immediately.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

The sludge ponds are used to store the solid material (basically mud) from the sedimentation basins, and the solids that are trapped by the filters and backwashed into the ponds. We typically pump material out of the ponds annually into our drying beds, then later haul the partially dried material off-site for disposal. However, we can only remove the top-most layers of sludge out of the ponds with this method. A thorough excavation of material from the ponds will provide more capacity for sludge storage.

History and Current Status; Impact if Cancelled or Delayed

The sludge ponds were constructed sometime in the late 1970s to early 1980s, several years after the Water Treatment Plant was initially constructed. The ponds collect waste material produced during the water treatment process. The material is not hazardous, and can be used as a soil amendment to produce fertile top soil. Approximately half the volume of the two ponds is filled with old sludge that we do not have the equipment or manpower to remove. This reduced volume requires more frequent pumping of waste material out of the ponds, and increases the chance of thicker material entering the sewer system (where the decant water is discharged).

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.								-
Land / ROW / Acquisition								-
Clear / Grade / Site Prep						250,000		**250,000**
Building / Utility Constr.								-
Equip / Machinery / Furniture								-
Total Capital Cost Est.	-	-	-	-	-	**250,000**	-	**250,000**
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	-	-	-	-	-	**250,000**	-	**250,000**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue						250,000		**250,000**
								-
								-
Total Program Financing	-	-	-	-	-	**250,000**	-	**250,000**

Section 6 — **Maps / Charts / Tables / Pictures**

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	West Fork Eno Reservoir Phase 2					Budget Unit #:	8130
Budget Unit:	West Fork Eno Reservoir		Functional Area:	Water & Sewer			Priority Rank:	1

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New ☐ Replacement ☐ Renovation ☑ Expansion
8,278,020	1,500,000	8,278,020	-	-	-	-	

Section 2 — **Description of Capital Item**

This project includes the construction of Phase 2 of the West Fork Eno Reservoir. The project will more than double the volume of the WFER and raise the water level by 10 feet vertically. The study/preliminary design portion of the project began in FY14 and continued into FY15, and the road improvements design, dam and site design, and permitting were conducted in FY16 (continuing into FY17).

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

We need to have the WFER Phase 2 construction completed prior to the end of 2018 due to the expiration of our US Army Corps of Engineers 404 permit. Significant additional cost and delay will result if we wait until a new permit is needed. Also, in order to avoid having to purchase large volumes of water daily from Durham or OWASA, and maintain as much water independence as possible, Phase 2 is needed prior to our average water usage exceeding our supply. While we can delay the project as long as we have a reliable contract for water purchase from another entity, our recent history of droughts shows using that strategy for too long may be penny-wise but pound foolish.

History and Current Status; Impact if Cancelled or Delayed

Failing to build Phase 2 of the West Fork Eno Reservoir when needed will result in the need for water purchases from other water systems (Durham or OWASA). While water purchases can be a good alternative for a while, at some point the amount for purchases will exceed the loan/bond payments for construction. The larger concern about delaying the project is the expiration of our USACE 404 permit on December 31, 2018. If we delay and have to get a new permit, SIGNIFICANT additional expense will result due to increased regulatory requirements. The current wetlands regulations require much more mitigation efforts than when our existing permit was issued in 1998.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.	910,000							910,000
Land / ROW / Acquisition								-
Clear / Grade / Site Prep	3,222,000							3,222,000
Building / Utility Constr.	3,476,200							3,476,200
Contingency	669,820							669,820
Total Capital Cost Est.	8,278,020	-	-	-	-	-	-	8,278,020
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	8,278,020	-	-	-	-	-	-	8,278,020

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Debt Financing	8,278,020							8,278,020
								-
								-
Total Program Financing	8,278,020	-	-	-	-	-	-	8,278,020

Section 6 — **Maps / Charts / Tables / Pictures**

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	WFER Sediment Survey					Budget Unit #:	8130
Budget Unit:	West Fork Eno Reservoir		Functional Area:	Water & Sewer			Priority Rank:	2
Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:	
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New	☐ Replacement
100,000		-	-	-	-	100,000	☑ Renovation	☐ Expansion

Section 2 — **Description of Capital Item**

This project will survey the WFER for the amount of sediment impounded, and evaluate the condition of the main dam and the four small dams at the water quality impoundments. Depending on the survey and evaluation findings, a project may follow to dig the sediment out of the West Fork Eno Reservoir and/or the water quality impoundments to restore lost storage volume and reduce total organic compound (TOC) potential. In addition, repairs to the dam structure will be completed if necessary.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

The first step of this process is to perform a sediment survey. If the survey shows that there is a significant amount of sediment around the intake screens or water quality impoundments, then dredging will be required. Along with a sediment survey, inspection of the dam structures will show whether any dam repair work is needed.

History and Current Status; Impact if Cancelled or Delayed

The WFER began impounding water in late 2000. It has never been dredged, so when this work is scheduled, there will be about twenty-two years of sediment that will have built-up during that time. Some minor delay of this work would likely be acceptable, but it does need to be performed within the next few years (of the current schedule) to ensure that reservoir capacity is maintained. Also, the water quality impoundments collect sediment before it enters the WFER. Three of these ponds are constructed wetlands, which have forebay areas that need to be monitored and dredged as needed.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.						100,000		**100,000**
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.								-
Equip / Machinery / Furniture								-
Total Capital Cost Est.	-	-	-	-	-	**100,000**	-	**100,000**
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	-	-	-	-	-	**100,000**	-	**100,000**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue						100,000		**100,000**
								-
								-
Total Program Financing	-	-	-	-	-	**100,000**	-	**100,000**

Section 6 — **Maps / Charts / Tables / Pictures**

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Critical North Zone Loop					Budget Unit #:	8140
Budget Unit:	Water Distribution		Functional Area:	Water & Sewer			Priority Rank:	1

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☑ New ☐ Replacement ☐ Renovation ☐ Expansion
170,000		50,000	120,000	-	-	-	

Section 2 — **Description of Capital Item**

There is a gap in our water system on NC-86 North from Rocky Lane to Coleman Loop Road. This project will loop this area of our water system in the North Zone.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

The water system has pressure and supply issues at Orange High School and Churton Grove when we flush some hydrants in the North Zone. By adding a new pipeline loop in this area, we will make the entire North Zone more closely connected to the North Tank, enhancing pressure and supply. Also, the ability of this area to develop will be enhanced by providing a way to connect to the water system.

History and Current Status; Impact if Cancelled or Delayed

Occasional pressure and supply issues will continue in the Orange High School area and Churton Grove area if the project is cancelled or delayed. We did make a new loop in the North Zone along US-70 to Orange High School Road, which has helped the distribution of water in this zone. This additional loop will further improve water flow and pressures in the area.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

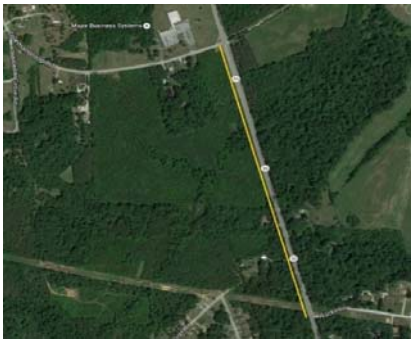
Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.	40,000							40,000
Land / ROW / Acquisition	10,000							10,000
Clear / Grade / Site Prep								-
Building / Utility Constr.		120,000						120,000
Equip / Machinery / Furniture								-
Total Capital Cost Est.	**50,000**	**120,000**	-	-	-	-	-	**170,000**
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	**50,000**	**120,000**	-	-	-	-	-	**170,000**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue	50,000	120,000						170,000
								-
								-
Total Program Financing	**50,000**	**120,000**	-	-	-	-	-	**170,000**

Section 6 — **Maps / Charts / Tables / Pictures**



Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Distribution / Collection Building Addition					Budget Unit #:	8140 / 8200
Budget Unit:	Distribution / Collection		Functional Area:	Water & Sewer			Priority Rank:	2

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	
338,000		-	50,000	280,000	2,000	6,000	

Section 2 — **Description of Capital Item**

Design and construct an addition to the existing Old Water Plant (Water Distribution/Wastewater Collection building).

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

We have maxed out at our current facility. We only have 3 offices and need more office space, as well as an additional bathroom. Thirteen employees and 4 inmates are currently sharing 1 bathroom. We have our new Backflow/FOG Specialist working temporarily in the downstairs shop area. This office and the Assistant Utilities Director's office do not have central heat/AC and rely on space heaters during the winter. This expansion will enable us to create the needed office space, add a second bathroom, and provide work space for the employees to do their computer work. We are considering moving the Engineering offices to this facility as well, if that works best in our evaluation of office space.

History and Current Status; Impact if Cancelled or Delayed

If we do not build this addition we will need to consider relocating or building a new facility to adequately house the Water Distribution and Wastewater Collection departments. We prefer to use the Old Water Plant facility and feel the addition and renovation would be more logical and cost effective.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel				2,000	2,000	2,000	2,000	**8,000**
Other								-
Total	**-**	**-**	**-**	**2,000**	**2,000**	**2,000**	**2,000**	**8,000**

Section 4 — **Project Costs**

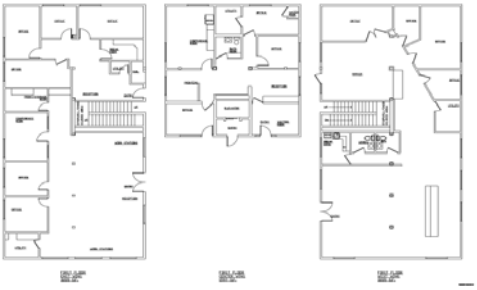
Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.		50,000						**50,000**
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.			265,000					**265,000**
Equip / Machinery / Furniture			15,000					**15,000**
Total Capital Cost Est.	**-**	**50,000**	**280,000**	**-**	**-**	**-**	**-**	**330,000**
Total Oper. Impact Est.	**-**	**-**	**-**	**2,000**	**2,000**	**2,000**	**2,000**	**8,000**
Total Expenditure Est.	**-**	**50,000**	**280,000**	**2,000**	**2,000**	**2,000**	**2,000**	**338,000**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue		50,000	280,000	2,000	2,000	2,000	2,000	**338,000**
								-
								-
Total Program Financing	**-**	**50,000**	**280,000**	**2,000**	**2,000**	**2,000**	**2,000**	**338,000**

Section 6 — **Maps / Charts / Tables / Pictures**

Typical business office floor plan



Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	US-70 Business Water Improvements					Budget Unit #:	8140
Budget Unit:	Water Distribution		Functional Area:	Water & Sewer			Priority Rank:	3
Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:	
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New	☑ Replacement
1,250,000		-	-	-	-	1,250,000	☐ Renovation	☐ Expansion

Section 2 — **Description of Capital Item**

The 12" water line along US-70 Business, from the US-70 Water Tank to Exchange Park Lane, needs to be replaced with a 16" or 18" water line.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

The 12" water line along US-70 Business needs replacement due to the need for additional capacity and the need to remove the existing substandard water line from service. The existing asbestos-concrete pipeline is very fragile, and due to its size, a major break could cause a huge amount of water to be lost and a lengthy customer outage. The larger proposed pipeline would also better enable transfers of water to and from Durham during an emergency.

History and Current Status; Impact if Cancelled or Delayed

The existing water line along US-70 Business was constructed in the early 1970's, when the US-70 Water Tank was constructed. It is the only way that water can be delivered to the tank, and thus is a very critical pipeline. While we have not had many water leaks on this pipeline, its age and material make it very vulnerable.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans					50,000			**50,000**
Engineering / Arch. Serv.					150,000	50,000		**200,000**
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.						1,000,000		**1,000,000**
Equip / Machinery / Furniture								-
Total Capital Cost Est.	-	-	-	-	**200,000**	**1,050,000**	-	**1,250,000**
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	-	-	-	-	**200,000**	**1,050,000**	-	**1,250,000**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue					200,000			**200,000**
Debt Financing						1,050,000		**1,050,000**
								-
Total Program Financing	-	-	-	-	**200,000**	**1,050,000**	-	**1,250,000**

Section 6 — **Maps / Charts / Tables / Pictures**

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Replace Hassell Water Tank					Budget Unit #:	8140
Budget Unit:	Water Distribution		Functional Area:	Water & Sewer			Priority Rank:	4
Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:	
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New	☑ Replacement
3,400,000		-	-	-	-	3,400,000	☐ Renovation	☐ Expansion

Section 2 — **Description of Capital Item**

This project will begin design of a replacement for the Hassell Street Water Tank with a new elevated water tank. Estimated new tank size will be 500,000 gallons, and will be located near or on the same site as the existing tank.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

The small size and age of the Hassell Street Water Tank creates a need for a replacement tank. Development within the Central Pressure Zone has created additional water volume needs, and an elevated tank will enable the entire tank volume to be usable. The existing tank is a standpipe, which allows us to effectively use only about 40% of the tank volume, since we cannot allow the tank to drop more than about 30 feet of its 72 feet height. The proposed tank will be the same height, but all of the tank volume will be at the upper 30 feet of the tank, so we will be able to utilize the entire tank volume.

History and Current Status; Impact if Cancelled or Delayed

The existing Hassell Street Water Tank was constructed in the mid-1930's. It holds 200,000 gallons, and is constructed of riveted steel. It is the controlling tank in the Central Pressure Zone (CPZ), where water is initially pumped from the Water Treatment Plant, and then distributed to CPZ customers, as well as to the North Tank in the North Pressure Zone through a pumping station beside the tank. The small volume of the tank makes it difficult to manage water distribution, and customers near the tank experience more pressure fluctuations due to the quickly varying water levels of this tank style.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans						100,000		**100,000**
Engineering / Arch. Serv.						250,000		**250,000**
Land / ROW / Acquisition						50,000		**50,000**
Clear / Grade / Site Prep								-
Building / Utility Constr.							3,000,000	**3,000,000**
Equip / Machinery / Furniture								-
Total Capital Cost Est.	-	-	-	-	-	**400,000**	**3,000,000**	**3,400,000**
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	-	-	-	-	-	**400,000**	**3,000,000**	**3,400,000**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue						400,000		**400,000**
Debt Financing							3,000,000	**3,000,000**
								-
Total Program Financing	-	-	-	-	-	**400,000**	**3,000,000**	**3,400,000**

Section 6 — **Maps / Charts / Tables / Pictures**

Existing Tank

Potential Tank Styles

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Economic Development District Water Line Extension					Budget Unit #:	8140
Budget Unit:	Water Distribution		Functional Area:	Water & Sewer			Priority Rank:	5

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☑ New ☐ Replacement
250,000		250,000	-	-	-	-	☐ Renovation ☐ Expansion

Section 2 — **Description of Capital Item**

Design and installation of approximately 2,865 feet of 8" water line south of and adjacent to I-40, between the Economic Development District (EDD) and our existing water line on New Grady Brown School Road (east section).

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

Orange County is proceeding with a project to extend Town of Hillsborough water and sewer to the EDD at the I-40 / Old NC 86 interchange. Orange County plans to pay for the majority of the project; however, a portion of the water line is outside of the EDD. Due to restrictions on their funding sources, Orange County is unable to pay for any utilities outside the EDD boundary. Therefore, the county has requested that Hillsborough pay for the approximately 2,865 feet of 8" water line between the EDD and New Grady Brown School Road, as well as the corresponding share of any engineering/permitting costs.

History and Current Status; Impact if Cancelled or Delayed

The Town Board has noted as one of its top FY17 priorities the extension of water/sewer service to the EDD at I-40 / Old NC 86. Due to Orange County's planned project, the cost to the Town to make this project happen is relatively minimal, compared to the benefits and system infrastructure that will be received. If the Town chooses not to participate in the cost-sharing, the project could be delayed or canceled. The segment of water line that the Town will finance is important in that it provides a system loop, which better ensures continuity of service in an emergency and better water volume and pressure availability.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.	50,000							50,000
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.	200,000							200,000
Equip / Machinery / Furniture								-
Total Capital Cost Est.	**250,000**	-	-	-	-	-	-	**250,000**
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	**250,000**	-	-	-	-	-	-	**250,000**

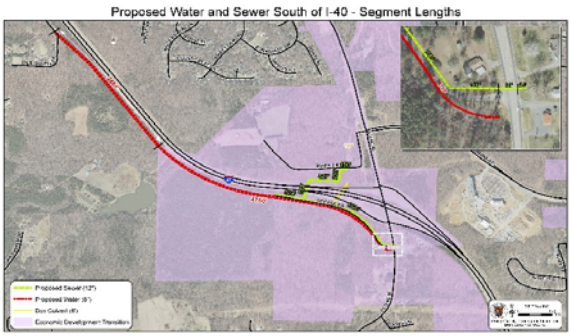
Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Capital Reserves	250,000							250,000
								-
								-
Total Program Financing	**250,000**	-	-	-	-	-	-	**250,000**

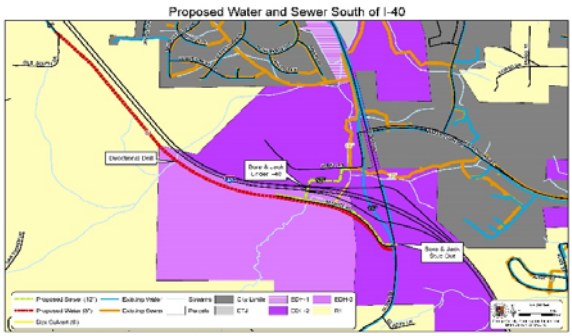
Section 6 — **Maps / Charts / Tables / Pictures**

Town-financed section of the water line (shown in red) is to the left (west) of the purple (EDD) area.

Proposed Water and Sewer South of I-40 - Segment Lengths



Proposed Water and Sewer South of I-40



Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Sewer Rehab					Budget Unit #:	8200
Budget Unit:	Wastewater Collection		Functional Area:	Water & Sewer			Priority Rank:	1
Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:	
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New	☐ Replacement
500,000		-	-	-	-	500,000	☑ Renovation	☐ Expansion

Section 2 — **Description of Capital Item**

This project will reline, repair, and/or replace aging sewer pipelines that have deteriorated. While we typically budget a smaller amount annually for this type of work and investigation of pipe condition, these funds will enable the backlog of needed work that has been identified to be completed.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

Deteriorating sewer pipes are allowing stormwater inflow and/or groundwater infiltration (I&I) to enter our sewer system, thereby reducing the capacity available in the wastewater collection system and at the wastewater treatment plant. This project will address a large amount of repairs that are needed at one time, rather than spacing repairs out over a substantial period. The pipes identified will need to either be replaced or lined to prevent further erosion to prevent eventual failure or collapse, which would result in costly backup, sanitary sewer overflows, and possible negative environmental impact.

History and Current Status; Impact if Cancelled or Delayed

Most of the existing sewer main is old and in need of repair to prevent further decay of the pipe. By lining pipe, we prolong the life of the existing material by 50 - 60 more years. The cost to replace this pipe will only get more expensive if we prolong this project.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

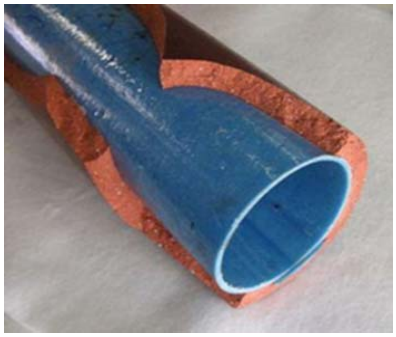
Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.								-
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.						500,000		**500,000**
Equip / Machinery / Furniture								-
Total Capital Cost Est.	-	-	-	-	-	**500,000**	-	**500,000**
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	-	-	-	-	-	**500,000**	-	**500,000**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue						500,000		**500,000**
								-
								-
Total Program Financing	-	-	-	-	-	**500,000**	-	**500,000**

Section 6 — **Maps / Charts / Tables / Pictures**



Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Effluent Aeration Project					Budget Unit #:	8220
Budget Unit:	Wastewater Treatment Plant		Functional Area:	Water & Sewer			Priority Rank:	1

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:	
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New	☑ Replacement
253,000	132,000	253,000	-	-	-	-	☐ Renovation	☐ Expansion

Section 2 — **Description of Capital Item**

The engineering and construction of a new water cascade that is designed to elevate the dissolved oxygen (DO) content of the water well above the minimum permit level of 5.0 parts per million. The design of the cascade is sized for current and future flow capacities with careful consideration of location and configuration for use with the future disinfection facility requirements.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

During the design of the 2014 Wastewater Treatment Plant upgrade, the existing effluent aeration equipment was evaluated and some concerns about the abilities of the equipment were raised. However, for multiple reasons, staff decided to not include new aeration equipment in the project. The existing aeration equipment performed well for most of the year, but during hot weather the dissolved oxygen content of the effluent got very close to violation levels multiple times. Several options for new equipment were evaluated during the design process. Staff has selected the cascading water aerator over other options due to the construction costs, simplicity of operations, and energy efficiencies.

History and Current Status; Impact if Cancelled or Delayed

As the need for aeration capacity grows due to weather conditions or increases in flow, maintaining compliance with our State issued discharge permit will become extremely difficult. However, installing a new aeration process will not only increase the oxygen levels of the effluent but also decrease electrical power consumption when compared to the existing aeration equipment.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans								-
Engineering / Arch. Serv.	3,000							3,000
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.	250,000							250,000
Equip / Machinery / Furniture								-
Total Capital Cost Est.	253,000	-	-	-	-	-	-	253,000
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	253,000	-	-	-	-	-	-	253,000

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue	253,000							253,000
								-
								-
Total Program Financing	253,000	-	-	-	-	-	-	253,000

Section 6 — **Maps / Charts / Tables / Pictures**

Existing Aerator

Cascading Aerator

Town of Hillsborough, North Carolina

Fiscal Year 2016-17 through 2022-23 Capital Improvement Plan

Section 1	Project Title:	Wastewater Treatment Plant Phase II Upgrade					Budget Unit #:	8220
Budget Unit:	Wastewater Treatment Plant		Functional Area:	Water & Sewer			Priority Rank:	2

Total Requested Funds	Total Appropriations to date	Budget Year 1 FY17	Unappropriated Subsequent Years				Type of Project:
			Year 2 FY18	Year 3 FY19	Year 4 FY20	Future Years	☐ New ☐ Replacement ☐ Renovation ☑ Expansion
36,260,000	-	-	-	200,000	-	36,060,000	

Section 2 — **Description of Capital Item**

FY19 – Completion of a holistic master plan including a study of unconventional technologies available to comply with the Falls Lake Rules.
FY21 – Design and preparation for the Phase II Upgrade.
FY22 – Construction of the Phase II Upgrade.

Justification; and Linkage to Council Goals, Balanced Scorecard, other Master Plans, or Dept. Goals & Objectives

Construction of the second phase of the Wastewater Treatment Plant upgrade is estimated to begin in FY22. The second phase will increase flow capacity and include new treatment basins, disinfection, solids treatment, and odor control using the best available conventional technology. However, this project does not include all processes needed to meet the Falls Lake Rules nitrogen removal requirements. Unconventional technology and/or methods will be needed to meet the rules. The FY19 master plan will provide a roadmap for the project and determine how the Town will meet the extremely stringent nitrogen requirements in the future.

History and Current Status; Impact if Cancelled or Delayed

The Falls Lake Rules force the Town to implement treatment techniques and processes not normally found in wastewater treatment. The Phase I Wastewater Treatment Plant upgrade provided the needed nitrogen reduction requirements of the rule for several years. The Phase II upgrade is intended to add more years of compliance, but eventually conventional technology will not be sufficient. Several unconventional technologies are currently available that can meet the nitrogen removal requirements, but the applicability and efficiency of each must be evaluated before the design of the Phase II upgrade so that all processes can be integrated smoothly and efficiently.

Section 3 — **New or Additional Impact on Operating Budget**

Type of Expenditure	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Salaries / Benefits								-
Prof. & Consult. Services								-
Materials & Supplies								-
Maintenance / Fuel								-
Other								-
Total	-	-	-	-	-	-	-	-

Section 4 — **Project Costs**

Activity	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Prelim Design / Plans			200,000		3,000,000			**3,200,000**
Engineering / Arch. Serv.						1,500,000		**1,500,000**
Land / ROW / Acquisition								-
Clear / Grade / Site Prep								-
Building / Utility Constr.						31,560,000		**31,560,000**
Equip / Machinery / Furniture								-
Total Capital Cost Est.	-	-	**200,000**	-	**3,000,000**	**33,060,000**	-	**36,260,000**
Total Oper. Impact Est.	-	-	-	-	-	-	-	-
Total Expenditure Est.	-	-	**200,000**	-	**3,000,000**	**33,060,000**	-	**36,260,000**

Section 5 — **Method(s) of Financing**

Funding Source(s)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
Operating Revenue			200,000					**200,000**
Debt Financing					3,000,000	33,060,000		**36,060,000**
								-
Total Program Financing	-	-	**200,000**	-	**3,000,000**	**33,060,000**	-	**36,260,000**

Section 6 — **Maps / Charts / Tables / Pictures**

SUPPLEMENTAL INFORMATION

AUTHORIZED POSITIONS

Position	Salary Band	FY15 (actual) Full-Time	FY15 (actual) Part-Time	FY15 (actual) FTE	FY16 (actual) Full-Time	FY16 (actual) Part-Time	FY16 (actual) FTE	FY17 (budget) Full-Time	FY17 (budget) Part-Time	FY17 (budget) FTE	FY18 (projected) Full-Time	FY18 (projected) Part-Time	FY18 (projected) FTE	FY19 (projected) Full-Time	FY19 (projected) Part-Time	FY19 (projected) FTE
General Government																
(Administration)																
Town Manager	48	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Human Resources Director/Town Clerk	28	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Budget Director	27	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Public Information Officer	23	0	1	0.43	0	1	0.43	0	1	0.41	0	1	0.41	0	1	0.41
Web Developer/Assistant Public Information Officer	16	1		0.23	1		0.94	1		0.93	1		0.93	1		0.93
Management Analyst/Asst. Public Information Officer	16	1		0.94	1		0.98	1		1.00	1		1.00	1		1.00
Human Resources Analyst/Deputy Town Clerk	16	1		0.08	1		1.00	1		1.00	1		1.00	1		1.00
		6	**1**	**4.68**	**6**	**1**	**6.35**	**6**	**1**	**6.34**	**6**	**1**	**6.34**	**6**	**1**	**6.34**
(Local Government Channel)																
Public Information Officer	23	0		0.06	0		0.06	0		0.09	0		0.09	0		0.09
Management Analyst/Assistant Public Information Offic	16	0		0.06	0		0.02	0		0.00	0		0.00	0		0.00
Web Developer/Assistant Public Information Officer	16	0		0.02	0		0.06	0		0.08	0		0.08	0		0.08
		0	**0**	**0.14**	**0**	**0**	**0.14**	**0**	**0**	**0.17**	**0**	**0**	**0.17**	**0**	**0**	**0.17**
(Finance)																
Finance Director	31	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Assistant Finance Director	25	1		1.00	1	1	1.40	1	1	1.20	1		1.00	1		1.00
Financial Analyst	16	1		0.50	1		1.00	1		1.00	1		1.00	1		1.00
Accounting Technician	10	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Accounts Payable Clerk	8	1		1.00	1		1.00	2		1.58	2		2.00	2		2.00
		5	**0**	**4.50**	**5**	**1**	**5.40**	**6**	**1**	**5.78**	**6**	**0**	**6.00**	**6**	**0**	**6.00**
(Planning)																
Planning Director/Assistant Town Manager	40	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Senior Planner	19	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Project Planner	19	0		0.00	1		1.00	1		0.33	0		0.00	0		0.00
Planner	17	1		1.00	0		0.00	1		0.92	1		1.00	1		1.00
Economic Development Planner	17	0		0.00	1		0.30	0		0.00	0		0.00	0		0.00
Administrative Support Specialist	9	1		0.50	1		0.50	1		0.50	1		0.50	1		0.50
		4	**0**	**3.50**	**5**	**0**	**3.80**	**5**	**0**	**3.75**	**4**	**0**	**3.50**	**4**	**0**	**3.50**
(Public Space)																
Public Space Manager	19	0		0.00	0		0.00	0		0.67	0		1.00	0		1.00
Parks Maintenance Technician	N/A	0		0.50	0		0.40	0		0.00	1		0.33	1		1.00
		0	**0**	**0.50**	**0**	**0**	**0.40**	**0**	**0**	**0.67**	**1**	**0**	**1.33**	**1**	**0**	**2.00**
(Safety & Risk Management)																
Safety & Risk Management Officer	21	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
		1	**0**	**1.00**	**1**	**0**	**1.00**	**1**	**0**	**1.00**	**1**	**0**	**1.00**	**1**	**0**	**1.00**
General Government Subtotal		**16**	**1**	**14.32**	**17**	**2**	**17.09**	**18**	**2**	**17.70**	**18**	**1**	**18.33**	**18**	**1**	**19.00**
Public Safety																
(Police - Administration)																
Chief of Police	35	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Police Lieutenant	23	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Management Analyst	16	0	1	0.50	0	1	0.50	0	1	0.50	0	1	0.50	0	1	0.50
Police Officer	13	0		0.00	0		0.00	0	1	0.50		1	0.50	0	1	0.50
Administrative Assistant	12	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
		3	**1**	**3.50**	**3**	**1**	**3.50**	**3**	**2**	**4.00**	**3**	**2**	**4.00**	**3**	**2**	**4.00**
(Police - Patrol)																
Police Lieutenant	23	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Police Sergeant	20	4		4.00	4		4.00	4		4.00	4		4.00	4		4.00
Police Senior Corporal	18	2		2.00	2		2.00	1		1.00	1		1.00	1		1.00
Police Corporal	16	4		4.00	4		4.00	5		5.00	5		5.00	5		5.00
Police Officer 1st Class	14	3		3.00	3		3.00	3		3.00	3		3.00	3		3.00
Police Officer	13	4		4.00	4		4.00	5		5.00	5		5.00	5		5.00
		18	**0**	**18.00**	**18**	**0**	**18.00**	**19**	**0**	**19.00**	**19**	**0**	**19.00**	**19**	**0**	**19.00**
(Police - Investigations & Community Services)																
Police Lieutenant	23	1		1.00	1		1.00	2		2.00	2		2.00	2		2.00
Police Sergeant	20	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Police Senior Corporal	18	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Police Corporal	16	2		2.00	2		2.00	0		0.00	0		0.00	0		0.00
Police Officer 1st Class	14	2		2.00	3		2.50	1		1.00	1		1.00	1		1.00
Police Officer	13	0		0.00	0		0.00	2		2.00	2		2.00	2		2.00
		7	**0**	**7.00**	**8**	**0**	**7.50**	**7**	**0**	**7.00**	**7**	**0**	**7.00**	**7**	**0**	**7.00**

Position	Salary Band	FY15 (actual) Full-Time	FY15 (actual) Part-Time	FY15 (actual) FTE	FY16 (actual) Full-Time	FY16 (actual) Part-Time	FY16 (actual) FTE	FY17 (budget) Full-Time	FY17 (budget) Part-Time	FY17 (budget) FTE	FY18 (projected) Full-Time	FY18 (projected) Part-Time	FY18 (projected) FTE	FY19 (projected) Full-Time	FY19 (projected) Part-Time	FY19 (projected) FTE
(Fire Marshal & Emergency Management)																
Fire Marshall / Emergency Management Coordinator	25	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Administrative Assistant	12	0	1	0.38	0	1	0.38	0	1	0.38	0	1	0.38	0	1	0.38
		1	**1**	**1.38**	**1**	**1**	**1.38**	**1**	**1**	**1.38**	**1**	**1**	**1.38**	**1**	**1**	**1.38**
Public Safety Subtotal		**29**	**2**	**29.88**	**30**	**2**	**30.38**	**30**	**3**	**31.38**	**30**	**3**	**31.38**	**30**	**3**	**31.38**
Public Works																
(Fleet Maintenance)																
Fleet Maintenance Supervisor	21	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Fleet Mechanic	15	2		2.00	2		2.00	2		2.00	2		2.00	2		2.00
		3	**0**	**3.00**	**3**	**0**	**3.00**	**3**	**0**	**3.00**	**3**	**0**	**3.00**	**3**	**0**	**3.00**
(Streets)																
Public Works Director	29	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Equipment Operator / Crew Leader	10	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Equipment Operator 1	8	1		1.50	1		1.60	2		2.00	2		2.00	2		2.00
		3	**0**	**3.50**	**3**	**0**	**3.60**	**4**	**0**	**4.00**	**4**	**0**	**4.00**	**4**	**0**	**4.00**
(Solid Waste)																
Assistant Public Works Supervisor	18	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Administrative Support Specialist	9	0		0.50	0		0.50	0		0.50	0		0.50	0		0.50
Equipment Operator II	9	1		1.00	1		1.00	0		0.00	0		0.00	0		0.00
Equipment Operator I	8	2		2.00	2		2.00	3		3.00	3		3.00	3		3.00
		4	**0**	**4.50**	**4**	**0**	**4.50**	**4**	**0**	**4.50**	**4**	**0**	**4.50**	**4**	**0**	**4.50**
(Stormwater)																
Stormwater Manager	19	1		1.00	1		1.00	0		0.00	0		0.00	0		0.00
		1	**0**	**1.00**	**1**	**0**	**1.00**	**0**	**0**	**0.00**	**0**	**0**	**0.00**	**0**	**0**	**0.00**
Public Works Sub-total		**11**	**0**	**12.00**	**11**	**0**	**12.10**	**11**	**0**	**11.50**	**11**	**0**	**11.50**	**11**	**0**	**11.50**
Economic & Physical Development																
(Tourism)																
Economic Development Planner	17	0		0.00	0		0.70	1		1.00	1		1.00	1		1.00
		0	**0**	**0.00**	**0**	**0**	**0.70**	**1**	**0**	**1.00**	**1**	**0**	**1.00**	**1**	**0**	**1.00**
Economic & Physcial Development Sub-Total		**0**	**0**	**0.00**	**0**	**0**	**0.70**	**1**	**0**	**1.00**	**1**	**0**	**1.00**	**1**	**0**	**1.00**
GENERAL FUND TOTAL		**56**	**3**	**56.20**	**58**	**4**	**60.27**	**60**	**5**	**61.58**	**60**	**4**	**62.21**	**60**	**4**	**62.88**
Water/Sewer Fund																
(Engineering)																
Town Engineer/Utilities Director	38	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Assistant Utilities Director	23	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Utilities Analyst	15	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Utility Inspector	15	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
		4	**0**	**4.00**	**4**	**0**	**4.00**	**4**	**0**	**4.00**	**4**	**0**	**4.00**	**4**	**0**	**4.00**
(Billing & Collections)																
Billing/Collections Supervisor	15	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Meter Reader Supervisor	15	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Customer Service Representative	9	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Billing/Collections Clerk	7	2	2	3.00	2	2	3.00	2	1	1.92	1	1	1.50	1	1	1.50
Meter Reader	7	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
		6	**2**	**7.00**	**6**	**2**	**7.00**	**6**	**1**	**5.92**	**5**	**1**	**5.50**	**5**	**1**	**5.50**
(Water Treatment Plant)																
Water Plant Superintendent	26	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Chief Water Treatment Plant Operator	19	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Lab Specialist/Operator III	14	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Water Plant Operator III	14	3		3.00	3		3.00	2	1	2.50	2	1	2.50	2	1	2.50
Water Plant Operator II	12	0		0.00	0		0.00	1		1.00	1		1.00	1		1.00
		6	**0**	**6.00**	**6**	**0**	**6.00**	**6**	**1**	**6.50**	**6**	**1**	**6.50**	**6**	**1**	**6.50**
(Water Distribution)																
Utility System Supervisor (50% Distr./50% Coll.)	19	1		0.50	1		0.50	1		0.50	1		0.50	1		0.50
Utility Maintenance Supervisor (50% Distr./50% Coll.)	18	1		0.50	1		0.50	1		0.50	1		0.50	1		0.50
Utility Mechanic III (50% Dist./50% Coll.)	14	1		0.50	1		0.50	3		1.50	3		1.50	3		1.50
Backflow/FOG Specialist (50% Dist./50% Coll.)	14	0		0.00	1		0.50	1		0.50	1		0.50	1		0.50
Electrician (50% Distr./50% Coll.)	12	0		0.00	0		0.00	0		0.00	0		0.00	0		0.00
Utility Mechanic I (50% Distr./50% Coll.)	12	1		0.50	1		0.50	0		0.00	0		0.00	0		0.00
Utility Maintenance Technician III (50% Distr./50% Coll.)	11	2		1.00	2		1.00	3		1.50	3		1.50	3		1.50
Utility Maintenance Technician II (50% Distr./50% Coll.)	9	2		1.00	2		1.00	1		0.50	1		0.50	1		0.50

Position	Salary Band	FY15 (actual)			FY16 (actual)			FY17 (budget)			FY18 (projected)			FY19 (projected)		
		Full-Time	Part-Time	FTE	Full-Time	Part-Time	FTE	Full-Time	Part-Time	FTE	Full-Time	Part-Time	FTE	Full-Time	Part-Time	FTE
Utility Maintenance Technician I (50% Distr./50% Coll.)	8	3		1.50	3		1.50	2		1.00	2		1.00	2		1.00
		11	**0**	**5.50**	**12**	**0**	**6.00**	**12**	**0**	**6.00**	**12**	**0**	**6.00**	**12**	**0**	**6.00**
(Wastewater Collection)																
Utility System Supervisor (50% Coll./50% Distr.)	19	0		0.50	0		0.50	0		0.50	0		0.50	0		0.50
Utility Maintenance Supervisor (50% Coll./50% Distr.)	18	0		0.50	0		0.50	0		0.50	0		0.50	0		0.50
Utility Mechanic III (50% Coll. / 50% Distr.)	14	0		0.50	0		0.50	0		1.50	0		1.50	0		1.50
Backflow/FOG Specialist (50% Coll./50% Dist.)	14	0		0.00	0		0.50	0		0.50	0		0.50	0		0.50
Utility Mechanic I (50% Coll. / 50% Distr.)	12	0		0.50	0		0.50	0		0.00	0		0.00	0		0.00
Utility Maintenance Technician III (50% Coll./50% Distr.)	11	0		1.00	0		1.00	0		1.50	0		1.50	0		1.50
Utility Maintenance Technician II (50% Coll./50% Distr.)	9	0		1.00	0		1.00	0		0.50	0		0.50	0		0.50
Utility Maintenance Technician I (50% Coll./50% Distr.)	8	0		1.50	0		1.50	0		1.00	0		1.00	0		1.00
		0	**0**	**5.50**	**0**	**0**	**6.00**	**0**	**0**	**6.00**	**0**	**0**	**6.00**	**0**	**0**	**6.00**
(Wastewater Treatment Plant)																
Wastewater Plant Superintendent	25	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Chief Wastewater Treatment Plant Operator	17	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Laboratory Supervisor	14	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
Wastewater Plant Operator III	14	2		2.00	2		2.00	2		2.00	2		2.00	2		2.00
Utility Mechanic I	12	1		1.00	1		1.00	1		1.00	1		1.00	1		1.00
		6	**0**	**6.00**	**6**	**0**	**6.00**	**6**	**0**	**6.00**	**6**	**0**	**6.00**	**6**	**0**	**6.00**
Water/Sewer Fund Total		**33**	**2**	**34.00**	**34**	**2**	**35.00**	**34**	**2**	**34.42**	**33**	**2**	**34.00**	**33**	**2**	**34.00**
Stormwater Fund																
(Stormwater)																
Stormwater & Environmental Services Manager	N/A	0		0.00	0		0.00	1		1.00	1		1.00	1		1.00
Stormwater Program Coordinator	N/A	0		0.00	0		0.00	1		0.50	1		1.00	1		1.00
Equipment Operator I	8	0		0.00	0		0.00	1		0.50	1		1.00	1		1.00
		0	**0**	**0.00**	**0**	**0**	**0.00**	**3**	**0**	**2.00**	**3**	**0**	**3.00**	**3**	**0**	**3.00**
Stormwater Fund Total		**0**	**0**	**0.00**	**0**	**0**	**0.00**	**3**	**0**	**2.00**	**3**	**0**	**3.00**	**3**	**0**	**3.00**
TOTAL FULL-TIME EMPLOYEES		89			92			97			96			96		
TOTAL PERM. PART-TIME EMPLOYEES			5			6			7			6			6	
TOTAL FTE				90.20			95.27			98.00			99.21			99.88

EMPLOYEE PAY GRADES

Grade	Minimum	Mid-Point	Maximum
7	25,274	32,856	40,438
8	26,983	35,078	43,173
9	28,962	37,299	45,907
10	30,401	39,521	48,642
11	32,109	41,742	51,374
12	33,818	43,964	54,109
13	35,528	46,186	56,845
14	37,236	48,407	59,578
15	38,945	50,629	62,312
16	40,654	52,850	65,046
17	42,363	55,072	67,781
18	44,072	57,293	70,515
19	45,781	59,515	73,250
20	47,490	61,737	75,984
21	49,198	63,958	78,717
22	50,908	66,180	81,453
23	52,616	68,401	84,186
24	54,325	70,623	86,920
25	56,034	72,844	89,654
26	57,743	75,066	92,389
27	59,452	77,288	95,123
28	61,161	79,509	97,858
29	62,870	81,731	100,592
30	64,578	83,952	103,325
31	66,288	86,174	106,061
32	67,997	88,396	108,795
33	69,705	90,617	111,528
34	71,415	92,839	114,264
35	73,123	95,080	116,997
36	74,832	97,282	119,731
37	76,541	99,503	122,466
38	78,250	101,725	125,200
39	79,353	103,947	127,934
40	81,668	106,168	130,669
41	83,377	108,380	133,403
42	85,085	110,611	136,136
43	86,795	112,833	138,872
44	88,503	115,054	141,605
45	90,212	117,276	144,339
46	91,922	119,498	147,075
47	93,630	121,719	149,808
48	95,339	123,941	152,542

Hillsborough Board of Commissioners Annual Budget Planning Retreat Minutes

9 a.m. Feb. 27, 2016
UNC Hospitals Hillsborough Campus, 430 Waterstone Dr.

Notes prepared by: Facilitator Donna Warner, UNC-CH School of Government

PRESENT: Mayor Tom Stevens and Commissioners Mark Bell, Kathleen Ferguson, Evelyn Lloyd, Brian Lowen, and Jenn Weaver

STAFF PRESENT: Town Manager Eric Peterson, HR Director/Town Clerk Katherine Cathey, Management Analyst/Assistant Public Information Officer Jen Della Valle, Police Chief Duane Hampton, Assistant Town Manager/Planning Director Margaret Hauth, Public Works Director Ken Hines, Town Engineer/Utilities Director Kenny Keel, Public Information Officer Catherine Wright, Assistant Finance Director Phil Cordeiro, and Stormwater Manager Terry Hackett

RETREAT SUMMARY

The board reaffirmed the town's mission, vision and values as outlined on the strategy map; shared expectations of themselves, their fellow commissioners and the mayor; and provided direction to the manager and staff on budget priorities.

SETTING THE CONTEXT

The mayor and board reviewed the town's vision as a prosperous town, filled with vitality, fostering a strong sense of community, which celebrates its unique heritage and small-town character. The mayor reiterated the importance of holding close the core values of community, character, heritage, prosperity and vitality as the board makes it decisions. The strategy map was also shared and discussed with the mayor highlighting the strategic objectives and corresponding goals.

WORKING AS A GOVERNING BOARD

Conflict is about thwarted expectations. In order to maintain the healthy culture the board enjoys, commissioners shared with one another what they expected from themselves as commissioners, what they expected from fellow commissioners and what they expected from the mayor. The board also invited staff to share their expectations of the board.

Board members expect from themselves:

1. Respect fellow board members, citizens and staff. Everyone matters and has something to contribute. Enjoy the privilege of serving. Be coachable. Be willing to fail. Debate the ideas not personalities. Have fun.
2. Consider the following when making decisions: share information, make decisions based on facts, be open minded, listen and acknowledge different perspectives, speak up for what they believe in.
3. Be present, prepared, informed and on time. Read the agenda and ask questions ahead of time.
4. Practice active listening. Speak long enough to get the point across and no more. Listen critically to staff; ask clarifying questions if you don't understand something. Collaborate. Be considerate of others' opinions and views.
5. Respect and advocate for citizens. Gain the voice of the citizen. Be accessible to the community. Listen to those with a "soft" or no voice. Be honest.
6. Respect the strategy: hold the vision and mission.

Expectations of fellow commissioners:

1. Respect. No name-calling.
2. Be prepared for meetings.
3. Listen and communicate. Share information freely. Let each person speak. Encourage diversity of opinion. Listen with an open mind. Try to understand each other's point of view. Help citizens by advocating what they want even if you disagree. Ask questions. Speak long enough to get your point across and no more. Seek input from fellow commissioners. Agree to disagree.
4. Hold vision and mission. Stand behind collective decisions. Be willing to look at the big picture. Facilitate camaraderie.
5. Be true to yourself. Be authentic, honest. Speak up for what you believe is right.

Expectations of the mayor:

1. Keep doing what you are doing by keeping the board "on track". Manage and steer meetings. Give direction as necessary.
2. Facilitate. Create a process that is fair. Make sure everyone is heard, ensure all participate. Give direction when necessary. Balance board and citizen input. Distill the gist of things.
3. Represent the town as well as represent the board. Communicate the vision of the entire board. Hold to the mission, vision and strategy.

Staff expects the board to:

1. Reply promptly to requests.
2. Board staff relations: Staff welcomes questions from the board. However, it is important to keep the manager in the loop when talking to staff so he knows what is going on. The board can ask staff for information but not direct them to do work. Assigning work is the responsibility of the manager. Board members should talk to the manager if they have something important. The staff the board to continue to serve as an advocate for staff.
3. Reserve judgments before responding to a citizen complaint. Take time to understand the circumstances behind the complaint.
4. Avoid knee jerk reactions to local and national issues.
5. Respect decisions made by previous boards.
6. Be clear and firm when saying no to developers.

BUDGET DECISION ITEMS

Eric Peterson, the town manager, set the stage for the discussion by sharing information about the town's projected growth and the need to plan three years in advance when estimating revenues and expenditures. He estimates there will be no property tax increase or increases in water and sewer rates in the upcoming fiscal years 2017-19.

Using the Budget and Planning Worksheet as a guide, board members asked department heads questions about specific budget proposals including fiber loop, a book inventorying historic properties, bringing the Orange Rural Fire Department into town operations, implementing recommendations from a classification and compensation study, creating a part-time training manager for police, creating a parks and public lands division, increasing storm water fees and a proposal for changing the way meters are read. Tentative approval was given for staff to move ahead with placing certain items in the upcoming budget.

Budget items

The board members identified the items below in advance of the retreat for discussion. Here is a summary of the decisions reached.

1. Fiber loop. The board agreed to consider this item for the upcoming budget pending review of a feasibility study conducted by staff due in April.
2. Historic property inventory and a coffee table book. Before making a decision, the board asked how the inventory will be used and what options are available to printing a book. The board was

informed that proceeds from book sales would be split evenly between the town and Orange County. The board supported including $5,000 in the budget for the inventory.

3. Transfer of personnel from the Orange Rural Fire Department to the Town of Hillsborough. The board is supportive of evaluating a potential personnel transfer and expressed the following concerns: the town should take into account the "real" costs of adding staff; Orange County citizens may come to the town with requests for services; and a need to examine what is best for the community.
4. Implement class and compensation study. The board supported adding this item to the budget for further consideration.
5. Hiring a 0.5 FTE training manager for the police department. Discussion centered on the challenge of recruiting and retaining qualified staff and the board's interest in increasing the number of minority officers.
6. Parks and Public Lands Division. A reorganization of duties and staff is proposed to create a new division. The current project planner in the Planning Department would move to a supervisory position in the Parks and Public Lands Division in May 2017. The movement of staff would necessitate hiring a 1.0 FTE planner position to replace the current staff member. A parks maintenance technician position is also requested in FY17 that would replace hiring a parks supervisor position in FY19. Mowing services would continue to be contracted, which would eliminate the need to hire a three-person grounds maintenance/mowing crew and the need to purchase equipment for the crew.
7. Stormwater fee and request for 2.0 FTE. The stormwater fee and need for positions will be discussed at the council meeting later this month.
8. Northern Zone water loop. Kenny Keel, Town Engineer and Utilities Manager, shared the problems Orange High School has experienced with dropping water pressure. The board agreed to consider this a budget item.
9. Meter reading truck. Staff suggested purchasing a system, similar to one used by the Town of Cary, which will read electronically read meters. This change will result in meters not being read by individuals and will negate the request for a truck. The supervisor of this function is close to retirement and staff believes there will be no layoffs of existing staff as they will be absorbed into other town priorities.
10. Line crew trucks. Current trucks are 19 years and 13 years old. The trucks may incur more repairs if not replaced.

OTHER ITEMS:

1. Support for information technology. The town currently contracts with an outside vendor to provide support. Directed staff to consider a holistic approach to handling phones, copiers, computers and other IT components.
2. Funding non-profits. The board decided last year to use the strategy map as a guide to determining which non-profits receive support.
3. Public access television. The question was raised as to whether continued support of the channel was a good investment. Staff was directed to investigate whether there are other cable television providers in town, in addition to Time Warner Cable, that could broadcast the government access channel.
4. Colonial Inn. The board discussed its progress with obtaining the Colonial Inn.
5. Outsourcing billing and collection. A board member expressed concern over the loss of a personal connection with citizens. The department head assured the board that the town would continue to have people who can provide support.
6. Town logo. Catherine Wright reported she is looking at revamping the town's logo.
7. Exchange Club Park. The board and staff discussed the pros and cons of bringing Exchange Club Park under town control. A possibility is to use the park for a skateboard park. The board directed staff to examine the park and report on its condition.

FUTURE ITEMS FOR DISCUSSION

1. Advisory boards. The board would like the opportunity to clarify advisory board expectations of roles and responsibilities to ensure everyone is working towards the goals outlined in the Town's strategy map.

Respectfully submitted,

Katherine M. Cathey
Town Clerk

FY17 Vehicle Replacement Schedule

Asset ID	Group ID	Vehicles / Equipment	Budget ID	Budget Unit	Year	Age	Make	Model	Fuel Type	Engine	Previous Miles	Current Miles	Miles Driven	Hours	Maint $$	Age Factor	Mileage Factor	Maint. Factor	Total Factor	Purchase Price	Maint as % of Purchase Price	Notes
1137	Generator	Equipment	5000	Ruffin-Roul.	2003	12	Generac	54KW Generator	NG	5.7L V8					$ -	1	N/A	1	2	15,815	0.0%	
134	Light Vehicles	Vehicles	5100	PD-Admin	2002	13	Chevrolet	Tahoe	E-85	5.3L	128,126	142,562	14,436		$ 2,884	4	2	3	9	23,261	12.4%	
965	Generator	Equipment	5100	PD-Admin	2000	15	Generac	60W Generator	Diesel	4cyl					$ -	1	N/A	1	2	32,202	0.0%	
13	Police-Severe Use	Vehicles	5110	PD-Patrol	2002	13	Ford	CVPI w/K9 Kennel	Gas	4.6L	161,478	161,511	33		$ 27,272	4	4	4	12	23,649	115.3%	Spare
139	Police-Severe Use	Vehicles	5110	PD-Patrol	2006	9	Chevrolet	Impala w/police package	Gas	3.9L	111,475	124,520	13,045		$ 20,379	4	4	4	12	17,477	116.6%	
151	Motorcycle	Vehicles	5110	PD-Patrol	2004	11	BMW	R-1150 Motorcycle	Gas	2-ZY	9,607	10,832	1,225		$ 1,439	4	1	2	7	13,583	10.6%	
156	Police-Severe Use	Vehicles	5110	PD-Patrol	2007	8	Chevrolet	Impala w/police package	Gas	3.9L	48,051	55,163	7,112		$ 7,703	4	1	4	9	25,948	29.7%	
159	Police-Severe Use	Vehicles	5110	PD-Patrol	2007	8	Chevrolet	Impala w/police package	Gas	3.9L	41,585	49,380	7,795		$ 10,577	4	1	4	9	25,948	40.8%	
173	Police-Severe Use	Vehicles	5110	PD-Patrol	2007	8	Dodge	Magnum w/K9 Kennel	Gas	3.5L	74,966	87,628	12,662		$ 3,325	4	1	3	8	28,118	11.8%	
174	Police-Severe Use	Vehicles	5110	PD-Patrol	2007	8	Dodge	Magnum w/K9 Kennel	Gas	3.5L	74,374	85,587	11,213		$ 5,940	4	1	4	9	28,118	21.1%	
194	Police-Severe Use	Vehicles	5110	PD-Patrol	2010	5	Dodge	Charger	Gas	3.5L	39,276	58,050	18,774		$ 1,614	2	1	2	5	28,733	5.6%	
195	Police-Severe Use	Vehicles	5110	PD-Patrol	2010	5	Dodge	Charger	Gas	3.5L	41,689	54,749	13,060		$ 2,441	2	1	2	5	28,733	8.5%	
196	Police-Severe Use	Vehicles	5110	PD-Patrol	2010	5	Dodge	Charger	Gas	3.5L	31,954	45,723	13,769		$ 1,685	2	1	2	5	28,733	5.9%	
198	Police-Severe Use	Vehicles	5110	PD-Patrol	2010	5	Dodge	Charger	Gas	3.5L	35,401	49,678	14,277		$ 2,219	2	1	2	5	28,733	7.7%	
795	Police-Severe Use	Vehicles	5110	PD-Patrol	1999	16	Ford	CVPI	Gas	4.6L V8	85,001	98,557	13,556		$ 12,693	4	1	4	9	19,742	64.3%	
981	Light Vehicles	Vehicles	5110	PD-Patrol	2002	13	Ford	Explorer w/police package	Gas	4.6L	103,483	112,349	8,866		$ 11,330	4	2	4	10	25,198	45.0%	
78	Light Vehicles	Vehicles	5120	PD-I&CS	2003	12	Ford	E250 Econoline	Gas	5.4L Triton	3,595	3,904	309		$ 2,323	4	1	1	6	60,112	3.9%	
149	Police-Severe Use	Vehicles	5120	PD-I&CS	2006	9	Chevrolet	Impala	Gas	3.9L	74,525	85,312	10,787		$ 5,927	4	1	4	9	16,650	35.6%	
176	Light Vehicles	Vehicles	5120	PD-I&CS	1996	19	Ford	Explorer	Gas	4.0L	161,242	162,071	829		$ 1,664	4	2	4	10	2,500	66.6%	
177	Light Vehicles	Vehicles	5120	PD-I&CS	2008	7	Chevrolet	Malibu	Gas		67,933	82,410	14,477		$ 2,317	1	1	3	5	17,330	13.4%	
178	Light Vehicles	Vehicles	5120	PD-I&CS	2008	7	Chevrolet	Malibu	Gas		54,774	60,931	6,157		$ 2,461	1	1	3	5	17,330	14.2%	
193	Light Vehicles	Vehicles	5120	PD-I&CS	2009	6	Chevrolet	Impala	Gas	3.5L	41,176	50,752	9,576		$ 1,022	1	1	2	4	17,571	5.8%	
211	Light Vehicles	Vehicles	5120	PD-I&CS	1997	18	Chevrolet	C1500	Gas	5.0 V8	223,499	225,682	2,183			4	2	#DIV/0!	######		#DIV/0!	Confiscated v
776	Light Vehicles	Vehicles	5120	PD-I&CS	1998	17	Ford	Explorer	Gas	5.0 V8	131,569	133,681	2,112		$ 9,791	4	2	4	10	24,273	40.3%	
982	Light Vehicles	Vehicles	5120	PD-I&CS	1994	21	Ford	E250 Econoline	Gas	4.9L 6cyl	130,351	130,521	170		$ 10,972	4	2	4	10	6,500	168.8%	
145	Light Vehicles	Vehicles	5130	PD-COP	2005	10	Chevrolet	Trail Blazer	Gas	4.2	68,433	74,923	6,490		$ 5,292	3	1	4	8	19,204	27.6%	
188	Light Vehicles	Vehicles	5130	PD-COP	2009	6	Ford	Escape	Gas	2.5L 4cyl	13,926	18,259	4,333		$ 458	1	1	1	3	19,625	2.3%	
750	Police-Severe Use	Vehicles	5130	PD-COP	1998	17	Ford	CVPI	Gas	4.6L 281	104,013	114,238	10,225		$ 9,825	4	3	4	11	19,283	51.0%	
189	Light Vehicles	Vehicles	5300	Fire Marshal	2009	6	Chevrolet	Colorado	Gas	3.7L in-line 5	61,808	80,331	18,523		$ 1,145	1	1	1	3	29,398	3.9%	
N/A	Trailer	Equipment	5300	Fire Marshal	2006	9	Unknown	Inclosed Fire Inspections Trailer (VIN#5RMBE12106D005006)	N/A	N/A					$ -	1	N/A	1	2			
180	Other Heavy	Vehicles	5550	Fleet	1987	28	AM General	M35A20	Multiple	6 cyl	8,133	8,252	119		$ 4,879	4	1	4	9	3,275	149.0%	
215	Light Vehicles	Vehicles	5550	Fleet	2014	1	Ford	Escape	Gas	2.5L		1,728	1,728			1	1	#DIV/0!	######		#DIV/0!	
458	Light Vehicles	Vehicles	5550	Fleet	1990	25	Chevrolet	2500 Work Body	Gas	350	186,285	187,227	942		$ 20,111	4	2	4	10	15,657	128.4%	
469	Light Vehicles	Vehicles	4900	Fleet	1993	22	Ford	Ranger	Gas	3.0L	130,788	133,911	3,123		$ 15,273	4	2	4	10	10,099	151.2%	Loaner
472	Light Vehicles	Vehicles	5550	Fleet	1993	22	Ford	Ranger	Gas	3.0L	152,349	153,885	1,536		$ 13,244	4	2	4	10	10,099	131.1%	Spare
592	Light Vehicles	Vehicles	5550	Fleet	1995	20	Chevrolet	K2500 Long Bed	Gas	5.0L	186,406	197,282	10,876		$ 13,751	4	2	4	10	15,981	86.0%	
127	Light Vehicles	Vehicles	5600	Streets	2004	11	Ford	F-250 Super Duty	Gas	5.4L Triton	189,543	209,410	19,867		$ 13,236	4	2	4	10	20,966	63.1%	
129	Light Vehicles	Vehicles	5600	Streets	1999	16	Ford	F-350 Super Duty Bucket	Gas	6.8L V10 Triton	30,331	31,168	837		$ 4,689	4	1	3	8	25,400	18.5%	
147	Other Heavy	Vehicles	5600	Streets	2007	8	International	4300 Dump Truck	Biodiesel	DT466E	12,710	14,879	2,169		$ 14,306	1	1	4	6	49,728	28.8%	
212	Medium Vehicles	Vehicles	5600	Streets	2013	2	Ford	F-450	Gas	6..8L		2,225	2,225									
214	Medium Vehicles	Vehicles	5600	Streets	2014	1	Ford	F-250	Gas	6.2L		7,784	7,784									
451	Other Heavy	Vehicles	5600	Streets	1991	24	Chevrolet	Kodiak Dump Truck	Biodiesel	3116	40,750	41,289	539		$ 16,378	4	1	4	9	23,700	69.1%	Spare
465	Tractor/Mowing	Equipment	5600	Streets	1993	22	Ford	6610 Tractor & Slope Mower	Diesel	4cyl				688.9	$ 14,143	4	0	4	8	14,731	96.0%	
595	Other Heavy	Vehicles	5600	Streets	1996	19	Dodge	3500 Dump Truck	Gas	5.9L	109,549		######		$ 23,787	4	1	4	9	16,289	146.0%	
780	Tractor/Mowing	Equipment	5600	Streets	1998	17	Ford	CA6 Mowing 3930 Tractor	Diesel	3cyl				790.9	$ 5,734	4	0	4	8	15,083	38.0%	
1030	Equipment	Equipment	5600	Streets	2001	14	Lee Boy	300	Diesel	2cyl				597	$ 4,330	4	0	4	8	15,860	27.3%	
N/A	Trailer	Equipment	5600	Streets	1999	16	Unknown	Lawn Mower Trailer (VIN#NCX1114344)	N/A	N/A					$ -	3	N/A	1	4			
N/A	Trailer	Equipment	5600	Streets	2007	8	KM International	KM8000 Hot Box (VIN#1K9BU20217N246148)	LPG	None					$ 572	1	N/A	1	2			
N/A	Equipment	Equipment	5600	Streets	2004	11	Target	Asphalt Saw	Gas	1cyl					$ -	3	0	1	4			
N/A	Equipment	Equipment	5600	Streets	1993	22	Ford	575D Full Cab	Diesel	4cyl				5707	$ 36,934	4	2	1	7			
130	Light Vehicles	Vehicles	5800	Solid Waste	2006	9	Ford	F-250 Super Duty	Gas	5.4L Triton	86,863	99,867	13,004		$ 8,010	3	1	4	8	22,071	36.3%	
140	Heavy / Sanitaiton	Vehicles	5800	Solid Waste	2006	9	Autocar	Expeditor Garbage Truck	Biodiesel	6cyl	38,625	41,589	2,964	2106	$ 53,413	3	1	4	8	192,501	27.7%	
170	Heavy / Sanitaiton	Vehicles	5800	Solid Waste	2008	7	Freightliner	Leaf Truck	Biodiesel	6cyl	12,365	14,208	1,843		$ 4,012	2	1	1	4	122,200	3.3%	
190	Heavy / Sanitaiton	Vehicles	5800	Solid Waste	2009	6	Freightliner	Rear Loader - Business Class	Biodiesel	ISC-300 300 hp	8,110	11,038	2,928		$ 1,156	1	1	1	3	136,304	0.8%	
200	Heavy / Sanitaiton	Vehicles	5800	Solid Waste	2011	4	Freightliner	Brush Truck	Diesel	6.7 Cummins	15,631	25,543	9,912		$ 3,565	1	1	1	3	104,367	3.4%	
207	Heavy / Sanitaiton	Vehicles	5800	Solid Waste	2012	3	Mack	Nu Way Garbage Truck	Diesel	6cyl	6,639	17,104	10,465		$ -	1	1	1	3	224,460	0.0%	
449	Heavy / Sanitaiton	Vehicles	5800	Solid Waste	1988	27	Ford	F900 Leaf Truck	Biodiesel	7.8L	97,958	98,936	978		$ 41,467	4	4	4	12	58,295	71.1%	Spare
811	Heavy / Sanitaiton	Vehicles	5800	Solid Waste	1999	16	Ford	F-700 Knuckleboom	Biodiesel	5.9L	128,993	133,143	4,150		$ 67,507	4	4	4	12	68,882	98.0%	
889	Light Vehicles	Vehicles	5800	Solid Waste	2001	14	Dodge	1500 Long Bed	Gas	5.2L 318	165,425	171,147	5,722		$ 25,875	4	2	4	10	16,439	157.4%	
671	Equipment	Equipment	5800	Solid Waste	1996	19	Old Dominion	SCL 800 SM Leaf Machine	Diesel	4cyl				1670	$ 20,884	4	0	4	8	21,495	97.2%	Spare
N/A	Equipment	Equipment	5800	Solid Waste	2008	7	John Deere	Leaf Machine on 170	Diesel	4cyl				645	$ 3,853	1	0	1	2	0	0.0%	
797	Light Vehicles	Vehicles	5900	Stormwater	1999	16	Ford	Ranger	E-85	3.0L	169,049	172,476	3,427		$ 19,955	4	2	4	10	14,274	139.8%	
218	Light Vehicles	Vehicles	6600	Safety & RM	2014	1	Chevrolet	Equinox	Gas	2.4L		4,489	4,489			1	1	#DIV/0!	######		#DIV/0!	
154	Light Vehicles	Vehicles	8140	Engineering	2007	8	Ford	Expedition	Gas	5.4L Triton	71,620	81,754	10,134		$ 4,813	2	1	3	6	23,851	20.2%	
61	Light Vehicles	Vehicles	7240	Billing&Coll.	2002	13	Chevrolet	Silverado 1500, Short Bed	Gas	4.8 Vortec	114,149	127,980	13,831		$ 11,108	4	2	4	10	16,334	68.0%	
203	Light Vehicles	Vehicles	7240	Billing&Coll.	2011	4	Ford	Ranger	Gas	2.3L 4cly	18,288	33,902	15,614		$ 2,707	1	1	3	5	20,213	13.4%	
848	Light Vehicles	Vehicles	7240	Billing&Coll.	2000	15	Ford	Ranger	E-85	3.0L	172,121	173,940	1,819		$ 24,609	4	2	4	10	15,003	164.0%	
850	Light Vehicles	Vehicles	8120	WTP	2001	14	Dodge	1500 Long Bed	Gas	5.2L 318	82,635	94,239	11,604		$ 8,485	4	1	4	9	19,240	44.1%	
N/A	Equipment	Equipment	8120	WTP	1970	45	John Deere	600	Diesel	6cyl				1075	$ 2,722	4	0	1	5			
58	Light Vehicles	Vehicles	8140	Water Distr	2002	13	Dodge	3500 Work Body	Gas	Mag 5.9 SMPI V8	124,673	129,215	4,542		$ 18,664	4	2	4	10	34,242	54.5%	
128	Light Vehicles	Vehicles	8140	Water Distr	2004	11	Ford	F-250 Super Duty w/Work Body	Biodiesel	6.0L	91,519	101,958	10,439		$ 17,728	4	1	4	9	26,132	67.8%	
135	Light Vehicles	Vehicles	8140	Water Distr	2006	9	Ford	F-250 Super Duty w/Work Body	Biodiesel	6.0L	100,641	117,026	16,385		$ 13,067	3	2	4	9	29,096	44.9%	
157	Off-Road	Vehicles	8140	Water Distr	2006	9	Polaris	Ranger	Gas	500cc				369.6	$ 2,818	1	1	4	6	9,343	30.2%	
171	Light Vehicles	Vehicles	8140	Water Distr	2008	7	Ford	F-250 Super Duty w/Work Body	Biodiesel	6.4L	59,141	72,727	13,586		$ 7,767	1	1	4	6	15,135	51.3%	
172	Equipment	Equipment	8140	Water Distr	2008	7	Rodders & Jetsupply	Jetwasher	Diesel	4cyl				203.7	$ 755	1	0	1	2	54,980	1.4%	
179	Light Vehicles	Vehicles	8140	Water Distr	2009	6	Ford	Escape	Gas	2.5L 4cyl	79,977	98,382	18,405		$ 1,293	1	1	2	4	16,610	7.8%	
181	Medium Vehicles	Vehicles	8140	Water Distr	2009	6	Ford	F-250	Diesel	6.4L	57,648	73,255	15,607		$ 6,917	1	1	4	6	32,752	21.1%	
183	Equipment	Equipment	8140	Water Distr	2009	6	Sewer Equio Co	Jet Vac	Diesel	4cyl				189.2	$ 212	1	0	1	2	95,372	0.2%	
192	Light Vehicles	Vehicles	8140	Water Distr	2008	7	Toyota	Tacoma	Gas	2.7L	95,817	109,047	13,230		$ 1,409	1	1	3	5	11,702	12.0%	
201	Other Heavy	Vehicles	8140	Water Distr	1983	32	International	Dump Truck	Diesel	DT466	28,062	28,523	461		$ 2,204	4	1	4	9	3,750	58.8%	

FY17 Vehicle Replacement Schedule

Asset ID	Group ID	Vehicles / Equipment	Budget ID	Budget Unit	Year	Age	Make	Model	Fuel Type	Engine	Previous Miles	Current Miles	Miles Driven	Hours	Maint $$	Age Factor	Mileage Factor	Maint. Factor	Total Factor	Purchase Price	Maint as % of Purchase Price	Notes
208	Light Vehicles	Vehicles	8140	Water Distr	2011	4	Ford	Ranger	Gas	4.0L	7,622	27,563	19,941									
209	Light Vehicles	Vehicles	8140	Water Distr	2011	4	Ford	Ranger	Gas	4.0L	17,616	26,553	8,937									
210	Medium Vehicles	Vehicles	8140	Water Distr	2011	4	Ford	F-350	Gas	6.2L	4,162	11,535	7,373									
213	Medium Vehicles	Vehicles	8140	Water Distr	2013	2	Ford	F-350	Gas	6.2L		6,202	6,202									
236	Equipment	Equipment	8140	Water Distr	1987	28	Fiat Allis	FE20LC	Diesel	6cyl				1768	$ 9,538	4	0	3	7	73,664	12.9%	
248	Tractor/Mowing	Equipment	8140	Water Distr	1983	32	Ford	BA414C Mowing 2910 Tractor	Diesel	3cyl				1550	$ 11,854	4	0	4	8	38,835	30.5%	
381	Equipment	Equipment	8140	Water Distr	1989	26	Bobcat	743	Diesel	4cyl				3807	$ 17,559	4	0	4	8	8,500	206.6%	
446	Other Heavy	Vehicles	8140	Water Distr	1993	22	Ford	F-700 Dump Truck	Biodiesel	5.9 Cum.	62,418	72,091	9,673		$ 14,812	4	1	4	9	29,847	49.6%	Odometer bro
452	Trailer	Equipment	8140	Water Distr	1971	44	Penn	45' Tanker Trailer (VIN#21171112)	N/A	N/A					$ 5,534	4	1	1	6			
567	Equipment	Equipment	8140	Water Distr	1995	20	Sullair	Compressor	Diesel	4cyl				571.3	$ 3,926	4	0	4	8	9,868	39.8%	
672	Equipment	Equipment	8140	Water Distr	1997	18	Senter	555E Backhoe Tractor	Diesel	4cyl				5073	$ 37,653	4	2	4	10	45,895	82.0%	
690	Generator	Equipment	8140	Water Distr	1996	19	DMT	100KW Generator	Diesel	5.9L 6cyl					$ -	4	N/A	1	5	21,728	0.0%	
719	Equipment	Equipment	8140	Water Distr	1997	18	Sreco	Jetwasher	Gas	4cyl				556.2	$ 9,824	4	0	4	8	23,455	41.9%	
743	Light Vehicles	Vehicles	8140	Water Distr	1998	17	Dodge	1500	Gas	5.2L 318	125,213	129,899	4,686		$ 17,289	4	2	4	10	14,365	120.4%	
744	Light Vehicles	Vehicles	8140	Water Distr	1998	17	Dodge	3500 Work Body	Gas	5.9L 360	176,694	180,700	4,006		$ 30,742	4	2	4	10	20,040	153.4%	
849	Light Vehicles	Vehicles	8140	Water Distr	1999	16	Chevrolet	3500 Work Body	Gas	5.7L	136,321	144,665	8,344		$ 25,305	4	1	4	9	24,616	102.8%	
891	Generator	Equipment	8140	Water Distr	2000	15	Generac	40KW Generator & Trailer #7239	Diesel	4cyl					$ -	1	N/A	1	2	14,900	0.0%	
904	Generator	Equipment	8140	Water Distr	2003	12	Generac	20KW Generator	NG	4cyl					$ -	1	N/A	1	2	13,000	0.0%	
1095	Equipment	Equipment	8140	Water Distr	2003	12	Ingersoll Rand	Air Compressor	Diesel	4cyl				394	$ 1,326	3	0	3	6	11,363	11.7%	
1120	Equipment	Equipment	8140	Water Distr	2003	12	Ditch Witch	Walk Behind Trencher	Gas	1cyl					$ 310	3	N/A	1	4	6,867	4.5%	
N/A	Equipment	Equipment	8140	Water Distr	1987	28	Lull	844 TT 34	Diesel	4 cyl				4186	$ 9,106	4	0	#DIV/0!	######		#DIV/0!	
N/A	Equipment	Equipment	8140	Water Distr	1994	21	Lincoln	Ranger 8	Gas	2cyl				932	$ 1,994	4	0	1	5			
N/A	Equipment	Equipment	8140	Water Distr		###	Cat	420D	Diesel	4 cyl				3906	$ 3,011	4	0	#DIV/0!	######		#DIV/0!	
N/A	Equipment	Equipment	8140	Water Distr	2008	7	Taeukuchi	TB125	Diesel	3cyl				1441	$ 2,752	1	0	#DIV/0!	######		#DIV/0!	
1254	Equipment	Equipment	8140	Water Distr	2012	3	Kubota	M740 Tractor							$ 43	1	0	1	2	31,150	0.1%	
1251	Equipment	Equipment	8140	Water Distr	2011	4	Yanmar	Mini Excavaotr							$ 275	1	0	1	2	28,343	1.0%	
N/A	Trailer	Equipment	8140	Water Distr	1990	25	Unknown	Small Green Empty Trailer	N/A	N/A					$ -	4	N/A	1	5			
N/A	Trailer	Equipment	8140	Water Distr	1994	21	Bobcat	Trailer (VIN#NCX798274)	N/A	N/A					$ -	4		1	5			
N/A	Trailer	Equipment	8140	Water Distr	1995	20	Unknown	Hydra Stop Trailer (VIN#NCX814389)	N/A	N/A					$ -	4	N/A	1	5			
N/A	Trailer	Equipment	8140	Water Distr	1996	19	Unknown	Boring Machine Trailer (VIN#NCX819990)	N/A	N/A					$ -	4	N/A	1	5			
N/A	Trailer	Equipment	8140	Water Distr	2001	14	Unknown	Generator Trailer (VIN#1K9KT1428Z22157896)	N/A	N/A					$ -	1	N/A	1	2			
N/A	Trailer	Equipment	8140	Water Distr	2003	12	Unknown	16' Black Trailer (VIN#1ZFUF16213B000301)	N/A	N/A					$ -	1	N/A	1	2			
N/A	Trailer	Equipment	8140	Water Distr	2005	10	Unknown	Inclosed Trailer (VIN#4YMCL121X5G050030)	N/A	N/A					$ -	1	N/A	1	2			
N/A	Trailer	Equipment	8140	Water Distr	2007	8	Unknown	16' Red Trailer (VIN#NCX1120871)	N/A	N/A					$ -	1	N/A	1	2			
N/A	Trailer	Equipment	8140	Water Distr	2007	8	Unknown	Green Pressure Waster Trailer (VIN#NCX1130870)	N/A	N/A					$ -	1	N/A	1	2			
N/A	Trailer	Equipment	8140	Water Distr	2007	8	Unknown	Green Trailer w/Fuel Transfer Tank (VIN#NCX1139892)	N/A	N/A					$ -	1	N/A	1	2			
N/A	Trailer	Equipment	8140	Water Distr	2007	8	Unknown	Excavator Trailer (green w/yellow rims) (VIN#NCX1193893)	N/A	N/A					$ -	1	N/A	1	2			
N/A	Generator	Equipment	8140	Water Distr	2003	12	Generac	70KW Generator	NG	V10					$ -	1	N/A	1	2			
N/A	Generator	Equipment	8140	Water Distr	2003	12	Generac	80KW Generator	NG	7.4L V8					$ -	1	N/A	1	2			
846	Other Heavy	Vehicles	8200	WW Coll.	1992	23	Peterbuilt	Truck Tractor	Biodiesel	3406B 14.6L	274,944	275,082	138		$ 13,664	4	4	4	12	42,500	32.2%	
N/A	Trailer	Equipment	8200	WW Coll.	2006	9	Texas Bragg	Polaris Ranger Trailer (VIN#17XFP1218610682260)	N/A	N/A					$ -	1	N/A	1	2			
N/A	Trailer	Equipment	8200	WW Coll.	1991	24	Sreco	Sewer Rodder Trailer (VIN#L911850)	N/A	N/A					$ -	4	N/A	1	5			
N/A	Generator	Equipment	8200	WW Coll.	2000	15	Generac	20KW Generator	Diesel	4cyl					$ -	1	N/A	1	2			
N/A	Generator	Equipment	8200	WW Coll.	2001	14	Klein Trailer	Generac Generator 80KW	Diesel	4cyl					$ -	1	N/A	1	2			
N/A	Generator	Equipment	8200	WW Coll.	2001	14	Olympian	Generator	Diesel	6cyl					$ -	1	N/A	1	2			
N/A	Generator	Equipment	8200	WW Coll.	2002	13	Kohler	100KW Generator	Diesel	4cyl					$ -	1	N/A	1	2			
N/A	Generator	Equipment	8200	WW Coll.	2002	13	Generac	30KW Generator	Diesel	4cyl					$ -	1	N/A	1	2			
N/A	Generator	Equipment	8200	WW Coll.	2003	12	Generac	25KW Generator	NG	4cyl					$ -	1	N/A	1	2			
N/A	Generator	Equipment	8200	WW Coll.	2003	12	Generac	25KW Generator	NG	4cyl					$ -	1	N/A	1	2			
206	Light Vehicles	Vehicles	8220	WWTP	2012	3	Ford	Escape	Gas	2.5L	12,647	26,746	14,099		$ 14,238	1	1	4	6	23,474	60.7%	
561	Equipment	Equipment	8220	WWTP	1986	29	Ford	555B Backhoe & Bucket	Diesel	3cyl				2958	$ 22,324	4	0	4	8	25,630	87.1%	
922	Light Vehicles	Vehicles	8220	WWTP	2001	14	Dodge	1500 Long Bed	Gas	5.2L	89,902	94,286	4,384		$ 14,238	4	1	4	9	17,819	79.9%	
N/A	Trailer	Equipment	8220	WWTP	1990	25	Unknown	Lawn Mower Trailer (VIN#NCX793749)	N/A	N/A					$ -	4	N/A	1	5			
169	Police-Severe Use	Vehicles	5110	PD-Patrol	2008	7	Chevrolet	Impala w/police package	E-85	3.9L	91,720	91,768	48		$ 15,885	3	2	4	9	19,625	80.9%	Surplus
748	Police-Severe Use	Vehicles	5110	PD-Patrol	1998	17	Ford	CVPI	Gas	4.6L 281	110,414	110,414	0		$ 19,176	4	4	4	12	19,283	99.4%	Surplus
920	Police-Severe Use	Vehicles	5120	PD-I&CS	1999	16	Ford	Taurus SE	Gas	3.0L	126,888	126,929	41		$ 14,306	4	4	4	12	14,000	102.2%	Surplus
796	Other Heavy	Vehicles	5600	Streets	1999	16	Ford	F-250 Super Duty	Gas	5.4L Triton	156,529	162,201	5,672		$ 16,050	4	4	4	12	21,321	75.3%	Surplus
971	Heavy / Sanitaiton	Vehicles	5800	Solid Waste	2001	14	Volvo	Garbage Truck	Biodiesel	6cyl	67,586		-67,586	7082	$ 53,043	4	3	4	11	168,995	31.4%	Surplus
175	Hybrid - Light Veh.	Vehicles	6600	Safety & RM	2008	7	Ford	Escape - Hybrid	Hybrid	2.5L	57,012	61,057	4,045		$ 1,145	3	1	1	5	24,900	4.6%	Surplus
114	Light Vehicles	Vehicles	8140	Water Distr	2003	12	Dodge	2500 Long Bed	Gas	5.7L Hemi Mag	177,697		######		$ 16,537	4	2	4	10	23,753	69.6%	Surplus
851	Light Vehicles	Vehicles	8140	Water Distr	2001	14	Dodge	1500 Long Bed	Gas	5.2L 318	220,696		######		$ 24,766	4	2	4	10	20,968	118.1%	Surplus

* Vehicles highlighted in red are not eligible for replacement. These include: Limited Use, Spare, Reserve, Court Award, and previously replaced vehicles.

Total Vehicles -	**74**
Total Equipment -	**57**
Total Active Units -	**131**
Total Annual Miles -	**409,687**

= Incomplete Data
= N/A

FY17 IT Refresh Schedule

Site Name	Machine Name	OS	Install Date	Model	Processor Type	RAM (GB)	Refresh Date	Est Replc Cost	Notes
TOH-TH	4200-TH-LT012	Microsoft Windows 7 Professional (Service Pack 1)	4/8/2013	HP EliteBook 8570p	Intel(R) Core(TM) i7-3520M CPU @ 2.90GHz	7.9	4/8/2018	$ 1,500	
TOH-TH	4200-TH-LT013	Microsoft Windows 7 Professional (Service Pack 1)	12/12/2014	HP EliteBook 820 G1	Intel(R) Core(TM) i5-4200U CPU @ 1.60GHz	3.9	12/12/2019	$ 1,500	
TOH-TH	4200-TH-LT014	Microsoft Windows 7 Professional (Service Pack 1)	7/19/2013	HP EliteBook 8570p	Intel(R) Core(TM) i7-3540M CPU @ 3.00GHz	7.9	7/19/2018	$ 1,500	
TOH-TH	4200-TH-LT015	Microsoft Windows 7 Professional (Service Pack 1)	6/3/2014	HP EliteBook Folio 9470m	Intel(R) Core(TM) i7-3687U CPU @ 2.10GHz	3.9	6/3/2019	$ 1,500	
TOH-TH	4200-TH-LT020	Microsoft Windows 7 Professional (Service Pack 1)	1/20/2014	HP EliteBook 8770w	Intel(R) Core(TM) i7-3630QM CPU @ 2.40GHz	7.9	1/20/2019	$ 1,500	
TOH-TH	4200-TH--WS003	Microsoft Windows 7 Professional (Service Pack 1)	5/20/2014	HP EliteDesk 800 G1 SFF	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	3.9	5/20/2019	$ 1,000	
TOH-TH	4200-TH-WS006	Microsoft Windows 7 Professional (Service Pack 1)	8/23/2011	HP Compaq 8200 Elite CMT PC	Intel(R) Core(TM) i7-2600 CPU @ 3.40GHz	16	8/23/2016	$ 1,000	
TOH-TH	4200-TH-WS008	Microsoft Windows 7 Professional (Service Pack 1)	9/4/2013	HP Compaq Elite 8300 CMT	Intel(R) Core(TM) i7-3770 CPU @ 3.40GHz	3.9	9/4/2018	$ 1,000	
TOH-TH	4200-TH-WS011	Microsoft Windows 7 Professional (Service Pack 1)	8/21/2014	HP Z230 Tower Workstation	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	15.7	8/21/2019	$ 1,000	
TOH-TA	4400-TA-LT003	Microsoft Windows 7 Professional (Service Pack 1)	1/2/2014	HP ProBook 450 G1	Intel(R) Core(TM) i7-4702MQ CPU @ 2.20GHz	7.9	1/2/2019	$ 1,500	
TOH-TA	4400-TA-LT004	Microsoft Windows 7 Professional (Service Pack 1)	2/4/2015	HP ProBook 4540s	Intel(R) Core(TM) i7-3632QM CPU @ 2.20GHz	3.9	2/4/2020	$ 1,500	
TOH-TA	4400-TA-LT005	Microsoft Windows 7 Professional (Service Pack 1)	8/13/2015	HP ZBook 15u G2	Intel(R) Core(TM) i7-5500U CPU @ 2.40GHz	7.9	8/13/2020	$ 1,500	
TOH-TA	4400-TA-TS01	Microsoft Windows 7 Professional (Service Pack 1)	8/23/2013	DH87RL__	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	15.7	8/23/2019	$ 1,000	
TOH-TA	4400-TA-WS009	Microsoft Windows 7 Professional (Service Pack 1)	6/20/2011	HP Compaq 8200 Elite CMT PC	Intel(R) Core(TM) i5-2400 CPU @ 3.10GHz	3.9	6/20/2016	$ 1,000	
TOH-TA	4400-TA-WS012	Microsoft Windows 7 Professional (Service Pack 1)	8/8/2012	HP Compaq 8200 Elite USDT PC	Intel(R) Core(TM) i5-2400S CPU @ 2.50GHz	3.9	8/8/2017	$ 1,000	
TOH-TH	4900-TH-LT019	Microsoft Windows 7 Professional (Service Pack 1)	8/31/2015	HP ZBook 15 G2	Intel(R) Core(TM) i7-4710MQ CPU @ 2.50GHz	7.9	8/31/2020	$ 1,500	
TOH-TH	4900-TH-LT020	Microsoft Windows 7 Professional (Service Pack 1)	9/2/2015	HP ZBook 15u G2	Intel(R) Core(TM) i7-5500U CPU @ 2.40GHz	7.9	9/2/2020	$ 1,500	
TOH-TH	4900-TH-WS003	Microsoft Windows 7 Professional (Service Pack 1)	2/11/2014	HP Compaq 6200 Pro MT PC	Intel(R) Core(TM) i5-2500 CPU @ 3.30GHz	8	2/11/2019	$ 1,000	
TOH-TH	4900-TH-WS007	Microsoft Windows 7 Professional (Service Pack 1)	2/18/2014	DH77EB	Intel(R) Core(TM) i7-3770 CPU @ 3.40GHz	15.9	2/18/2019	$ 1,000	
TOH-TH	4900-TH-WS008	Microsoft Windows 7 Professional (Service Pack 1)	9/1/2015	All Series	Intel(R) Core(TM) i7-4790 CPU @ 3.60GHz	15.9	9/1/2020	$ 1,000	
TOH-PD	5100-HPD-LT008	Microsoft Windows 7 Professional (Service Pack 1)	1/13/2015	HP ZBook 15 G2	Intel(R) Core(TM) i7-4710MQ CPU @ 2.50GHz	7.9	1/13/2020	$ 1,500	
TOH-PD	5100-HPD-WS008	Microsoft Windows 7 Professional (Service Pack 1)	5/20/2014	HP Compaq Pro 6305 MT	AMD A10-5800B APU with Radeon(tm) HD Graphics	3.2	5/20/2020	$ 1,000	
TOH-PD	5110-HPD-ATG1	Microsoft Windows 7 Professional (Service Pack 1)	3/17/2015	Latitude E6430	Intel(R) Core(TM) i7-3540M CPU @ 3.00GHz	5.9	3/17/2018	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-ATG10	Microsoft Windows 7 Professional (Service Pack 1)	8/13/2015	Latitude 14 Rugged (5404)	Intel(R) Core(TM) i7-4650U CPU @ 1.70GHz	7.9	8/13/2018	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-ATG11	Microsoft Windows 7 Professional (Service Pack 1)	8/13/2015	Latitude 14 Rugged (5404)	Intel(R) Core(TM) i7-4650U CPU @ 1.70GHz	7.9	8/13/2018	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-ATG12	Microsoft Windows 7 Professional (Service Pack 1)	8/13/2015	Latitude 14 Rugged (5404)	Intel(R) Core(TM) i7-4650U CPU @ 1.70GHz	7.9	8/13/2018	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-ATG2	Microsoft Windows 7 Professional (Service Pack 1)	8/19/2014	Latitude E6430	Intel(R) Core(TM) i7-3540M CPU @ 3.00GHz	5.9	8/19/2017	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-ATG3	Microsoft Windows 7 Professional (Service Pack 1)	3/17/2015	Latitude E6430	Intel(R) Core(TM) i7-3540M CPU @ 3.00GHz	5.9	3/17/2018	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-ATG4	Microsoft Windows 7 Professional (Service Pack 1)	3/17/2015	Latitude E6430	Intel(R) Core(TM) i7-3540M CPU @ 3.00GHz	5.9	3/17/2018	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-ATG5	Microsoft Windows 7 Professional (Service Pack 1)	3/17/2015	Latitude E6430	Intel(R) Core(TM) i7-3540M CPU @ 3.00GHz	5.9	3/17/2018	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-ATG6	Microsoft Windows 7 Professional (Service Pack 1)	8/13/2015	Latitude 14 Rugged (5404)	Intel(R) Core(TM) i7-4650U CPU @ 1.70GHz	7.9	8/13/2018	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-ATG7	Microsoft Windows 7 Professional (Service Pack 1)	8/13/2015	Latitude 14 Rugged (5404)	Intel(R) Core(TM) i7-4650U CPU @ 1.70GHz	7.9	8/13/2018	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-ATG8	Microsoft Windows 7 Professional (Service Pack 1)	8/13/2015	Latitude 14 Rugged (5404)	Intel(R) Core(TM) i7-4650U CPU @ 1.70GHz	7.9	8/13/2018	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-ATG9	Microsoft Windows 7 Professional (Service Pack 1)	8/13/2015	Latitude 14 Rugged (5404)	Intel(R) Core(TM) i7-4650U CPU @ 1.70GHz	7.9	8/13/2018	$ 2,700	Replace every 3 years
TOH-PD	5110-HPD-LT003	Microsoft Windows 7 Professional (Service Pack 1)	1/4/2012	HP EliteBook 8460p	Intel(R) Core(TM) i5-2520M CPU @ 2.50GHz	3.9	1/4/2017	$ 1,500	
TOH-PD	5110-HPD-LT006	Microsoft Windows 7 Professional (Service Pack 1)	9/10/2014	HP EliteBook 8460p	Intel(R) Core(TM) i5-2520M CPU @ 2.50GHz	3.9	9/10/2019	$ 1,500	
TOH-PD	5110-HPD-LT007	Microsoft Windows 7 Professional (Service Pack 1)	2/23/2012	HP EliteBook 8460p	Intel(R) Core(TM) i5-2520M CPU @ 2.50GHz	3.9	2/23/2017	$ 1,500	
TOH-PD	5110-HPD-WS001	Microsoft Windows 7 Professional (Service Pack 1)	2/6/2014	HP EliteDesk 800 G1 SFF	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	3.9	2/6/2019	$ 1,000	
TOH-PD	5110-HPD-WS002	Microsoft Windows 7 Professional (Service Pack 1)	2/7/2014	HP EliteDesk 800 G1 SFF	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	3.9	2/7/2019	$ 1,000	
TOH-PD	5110-HPD-WS003	Microsoft Windows 7 Professional (Service Pack 1)	6/24/2015	HP EliteDesk 800 G1 SFF	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	3.9	6/24/2020	$ 1,000	
TOH-PD	5110-HPD-WS004	Microsoft Windows 7 Professional (Service Pack 1)	12/20/2011	HP Compaq 8100 Elite SFF PC	Intel(R) Core(TM) i7 CPU 870 @ 2.93GHz	3.9	12/20/2016	$ 1,000	
TOH-PD	5110-HPD-WS005	Microsoft Windows 7 Professional (Service Pack 1)	8/4/2014	HP Compaq 8100 Elite SFF PC	Intel(R) Core(TM) i7 CPU 870 @ 2.93GHz	3.9	8/4/2019	$ 1,000	
TOH-PD	5110-HPD-WS006	Microsoft Windows 7 Professional (Service Pack 1)	3/13/2012	HP Compaq 8100 Elite SFF PC	Intel(R) Core(TM) i7 CPU 870 @ 2.93GHz	3.4	3/13/2017	$ 1,000	
TOH-PD	5110-HPD-WS007	Microsoft Windows 7 Professional (Service Pack 1)	12/20/2011	HP Compaq 8100 Elite SFF PC	Intel(R) Core(TM) i7 CPU 870 @ 2.93GHz	3.9	12/20/2016	$ 1,000	
TOH-PD	5110-HPD-WS008	Microsoft Windows 7 Professional (Service Pack 1)	5/30/2013	HP Compaq Elite 8300 CMT	Intel(R) Core(TM) i7-3770 CPU @ 3.40GHz	3.9	5/30/2018	$ 1,000	
TOH-PD	5110-HPD-WS009	Microsoft Windows 7 Professional (Service Pack 1)	8/27/2015	HP Compaq Pro 6305 MT	AMD A10-5800B APU with Radeon(tm) HD Graphics	3.2	8/27/2020	$ 1,000	
TOH-PD	5110-HPD-WS017	Microsoft Windows 7 Professional (Service Pack 1)	10/16/2013	HP Compaq Elite 8300 SFF	Intel(R) Core(TM) i7-3770 CPU @ 3.40GHz	3.9	10/16/2018	$ 1,000	
TOH-PD	5120-HPD-LT009	Microsoft Windows 7 Professional (Service Pack 1)	2/4/2014	HP ProBook 450 G1	Intel(R) Core(TM) i7-4702MQ CPU @ 2.20GHz	7.9	2/4/2019	$ 1,500	
TOH-PD	5120-HPD-LT010	Microsoft Windows 7 Professional (Service Pack 1)	2/4/2014	HP ProBook 450 G1	Intel(R) Core(TM) i7-4702MQ CPU @ 2.20GHz	7.9	2/4/2019	$ 1,500	
TOH-PD	5120-HPD-LT011	Microsoft Windows 7 Professional (Service Pack 1)	2/4/2014	HP ProBook 450 G1	Intel(R) Core(TM) i7-4702MQ CPU @ 2.20GHz	7.9	2/4/2019	$ 1,500	
TOH-PD	5120-HPD-LT012	Microsoft Windows 7 Professional (Service Pack 1)	2/4/2014	HP ProBook 450 G1	Intel(R) Core(TM) i7-4702MQ CPU @ 2.20GHz	7.9	2/4/2019	$ 1,500	
TOH-PD	5120-HPD-LT013	Microsoft Windows 7 Professional (Service Pack 1)	10/16/2014	HP ProBook 650 G1	Intel(R) Core(TM) i7-4610M CPU @ 3.00GHz	7.9	10/16/2019	$ 1,500	
TOH-PD	5120-HPD-LT014	Microsoft Windows 7 Professional (Service Pack 1)	5/1/2015	HP ZBook 15u G2	Intel(R) Core(TM) i7-5500U CPU @ 2.40GHz	7.9	5/1/2020	$ 1,500	
TOH-PD	5120-HPD-LT015	Microsoft Windows 7 Professional (Service Pack 1)	7/23/2015	HP ZBook 15u G2	Intel(R) Core(TM) i7-5500U CPU @ 2.40GHz	7.9	7/23/2020	$ 1,500	
TOH-PD	5120-HPD-LT023	Microsoft Windows 7 Professional (Service Pack 1)	1/23/2014	Latitude D820	Intel(R) Core(TM)2 CPU T7200 @ 2.00GHz	2	1/23/2019	$ 1,500	
TOH-PD	5120-HPD-WS009	Microsoft Windows 7 Professional (Service Pack 1)	8/16/2011	HP Compaq 8200 Elite SFF PC	Intel(R) Core(TM) i5-2400 CPU @ 3.10GHz	3.9	8/16/2016	$ 1,000	
TOH-PD	5120-HPD-WS010	Microsoft Windows 7 Professional (Service Pack 1)	6/7/2013	HP Compaq Elite 8300 CMT	Intel(R) Core(TM) i7-3770 CPU @ 3.40GHz	3.9	6/7/2018	$ 1,000	
TOH-NC86	5300-NC86-LT001	Microsoft Windows 7 Professional (Service Pack 1)	4/2/2014	HP EliteBook Folio 9470m	Intel(R) Core(TM) i7-3687U CPU @ 2.10GHz	3.9	4/2/2019	$ 1,500	
TOH-NC86	5300-NC86-LT002	Microsoft Windows 7 Home Premium (Service Pack 1)	4/10/2014	G75VW	Intel(R) Core(TM) i7-3610QM CPU @ 2.30GHz	8	4/10/2019	$ 1,500	
TOH-NC86	5300-NC86-WS001	Microsoft Windows 7 Professional (Service Pack 1)	2/26/2014	HP EliteDesk 800 G1 SFF	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	3.9	2/26/2019	$ 1,000	
TOH-NC86	5300-NC86-WS002	Microsoft Windows 7 Professional (Service Pack 1)	2/26/2014	SLIC-BPC	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	3.9	2/26/2019	$ 1,000	
TOH-NC86	5300-NC86-WS004	Microsoft Windows 7 Professional (Service Pack 1)	3/6/2014	HP EliteDesk 800 G1 SFF	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	3.9	3/6/2019	$ 1,000	
TOH-NC86	5300-NC86-WS017	Microsoft Windows 7 Professional (Service Pack 1)	6/6/2011	DQ67SW__	Intel(R) Core(TM) i5-2400 CPU @ 3.10GHz	2.9	6/6/2016	$ 1,000	
TOH-NC86	5550-NC86-LT004	Microsoft Windows 7 Professional (Service Pack 1)	12/3/2012	U46E	Intel(R) Core(TM) i7-2640M CPU @ 2.80GHz	7.9	12/3/2017	$ 1,500	
TOH-NC86	5550-NC86-LT011	Microsoft Windows 7 Professional (Service Pack 1)	8/18/2014	HP EliteBook Folio 9470m	Intel(R) Core(TM) i7-3687U CPU @ 2.10GHz	3.9	8/18/2019	$ 1,500	
TOH-NC86	5550-NC86-LT012	Microsoft Windows 7 Professional (Service Pack 1)	12/2/2013	Latitude E6330	Intel(R) Core(TM) i7-3540M CPU @ 3.00GHz	7.9	12/2/2018	$ 1,500	
TOH-AUX	5600-AUX-LT001	Microsoft Windows 7 Professional (Service Pack 1)	6/24/2015	HP ProBook 650 G1	Intel(R) Core(TM) i7-4610M CPU @ 3.00GHz	3.9	6/24/2020	$ 1,500	
TOH-NC86	5600-AUX-WS014	Microsoft Windows 7 Professional (Service Pack 1)	6/6/2011	DQ57TM__	Intel(R) Core(TM) i3 CPU 530 @ 2.93GHz	3.8	6/6/2016	$ 1,000	

FY17 IT Refresh Schedule

Site Name	Machine Name	OS	Install Date	Model	Processor Type	RAM (GB)	Refresh Date	Est Replc Cost	Notes
TOH-AUX	5800-AUX-WS015	Microsoft Windows 7 Professional (Service Pack 1)	6/15/2010	DQ57TM__	Intel(R) Core(TM) i3 CPU 530 @ 2.93GHz	3.8	6/15/2015	$ 1,000	
TOH-TH	5900-TH-WS007	Microsoft Windows 7 Professional (Service Pack 1)	1/10/2013	DH77EB	Intel(R) Core(TM) i7-3770 CPU @ 3.40GHz	15.9	1/10/2018	$ 1,000	
TOH-TH	6400-TH-WS009	Microsoft Windows 7 Professional (Service Pack 1)	11/26/2013	HP Compaq Elite 8300 SFF	Intel(R) Core(TM) i7-3770 CPU @ 3.40GHz	3.9	11/26/2018	$ 1,000	
TOH-NC86	6600-NC86-LT010	Microsoft Windows 7 Professional (Service Pack 1)	1/18/2013	HP EliteBook 8770w	Intel(R) Core(TM) i7-3630QM CPU @ 2.40GHz	7.9	1/18/2018	$ 1,500	
TOH-TH	6600-TH-LT004	Microsoft Windows 7 Professional (Service Pack 1)	1/17/2014	HP ProBook 450 G1	Intel(R) Core(TM) i7-4702MQ CPU @ 2.20GHz	7.9	1/17/2019	$ 1,500	
TOH-TH	7220-TH-LT007	Microsoft Windows 7 Professional (Service Pack 1)	3/18/2011	Latitude E5510	Intel(R) Core(TM) i7 CPU M 640 @ 2.80GHz	3.8	3/18/2016	$ 1,500	
TOH-TH	7220-TH-LT017	Microsoft Windows 7 Professional (Service Pack 1)	7/23/2013	2359CTO	Intel(R) Core(TM) i7-3520M CPU @ 2.90GHz	15.7	7/23/2018	$ 1,500	
TOH-TA	7240-TA-CTR1	Microsoft Windows 7 Professional (Service Pack 1)	5/30/2013	HP Compaq Elite 8300 CMT	Intel(R) Core(TM) i7-3770 CPU @ 3.40GHz	3.9	5/30/2018	$ 1,000	
TOH-TA	7240-TA-LT005	Microsoft Windows 7 Professional (Service Pack 1)	3/24/2015	HP ProBook 650 G1	Intel(R) Core(TM) i7-4610M CPU @ 3.00GHz	7.9	3/24/2020	$ 1,500	
TOH-TA	7240-TA-LT006	Microsoft Windows 7 Professional (Service Pack 1)	7/23/2015	HP ZBook 15u G2	Intel(R) Core(TM) i7-5500U CPU @ 2.40GHz	7.9	7/23/2020	$ 1,500	
TOH-TA	7240-TA-LT007	Microsoft Windows 10 Pro	8/31/2015	HP Pavilion Notebook	AMD A4-6210 APU with AMD Radeon R3 Graphics	6.9	8/31/2020	$ 1,500	
TOH-TA	7240-TA-LT008	Microsoft Windows 10 Pro	8/25/2015	HP Pavilion Notebook	AMD A4-6210 APU with AMD Radeon R3 Graphics	6.9	8/25/2020	$ 1,500	
TOH-TA	7240-TA-LT029	Microsoft Windows 7 Professional (Service Pack 1)	4/7/2010	Precision M6400	Intel(R) Core(TM)2 Duo CPU P8700 @ 2.53GHz	3.5	4/7/2015	$ 1,500	
TOH-TA	7240-TA-WS011	Microsoft Windows 7 Professional (Service Pack 1)	10/31/2011	HP Compaq 6200 Pro MT PC	Intel(R) Core(TM) i5-2500 CPU @ 3.30GHz	4	10/31/2016	$ 1,000	
TOH-TA	7240-TA-WS013	Microsoft Windows 7 Professional (Service Pack 1)	8/8/2012	HP Compaq 8200 Elite USDT PC	Intel(R) Core(TM) i5-2400S CPU @ 2.50GHz	3.9	8/8/2017	$ 1,000	
TOH-TA	7240-TA-WS014	Microsoft Windows 7 Professional (Service Pack 1)	6/3/2011	Vostro 460	Intel(R) Core(TM) i5-2400 CPU @ 3.10GHz	3.1	6/3/2016	$ 1,000	
TOH-TA	7240-TA-WS015	Microsoft Windows 7 Professional (Service Pack 1)	3/24/2015	HP EliteDesk 800 G1 DM	Intel(R) Core(TM) i7-4785T CPU @ 2.20GHz	3.9	3/24/2020	$ 1,000	
TOH-AUX	8120-AUX-WS021	Microsoft Windows 7 Professional (Service Pack 1)	1/27/2015	HP EliteDesk 800 G1 TWR	Intel(R) Core(TM) i7-4790 CPU @ 3.60GHz	3.9	1/27/2020	$ 1,000	
TOH-AUX	8120-AUX-WS022	Microsoft Windows 7 Professional (Service Pack 1)	1/19/2012	Vostro 460	Intel(R) Core(TM) i5-2400 CPU @ 3.10GHz	3.9	1/19/2017	$ 1,000	
TOH-AUX	8140-AUX-LT001	Microsoft Windows 7 Professional (Service Pack 1)	9/1/2015	HP ZBook 15u G2	Intel(R) Core(TM) i7-5500U CPU @ 2.40GHz	7.9	9/1/2020	$ 1,500	
TOH-AUX	8140-AUX-LT002	Microsoft Windows 7 Professional (Service Pack 1)	10/23/2015	HP ProBook 450 G2	Intel(R) Core(TM) i7-5500U CPU @ 2.40GHz	7.9	10/23/2020	$ 1,500	
TOH-AUX	8140-AUX-LT003	Microsoft Windows 7 Professional (Service Pack 1)	10/23/2015	HP ProBook 450 G2	Intel(R) Core(TM) i7-5500U CPU @ 2.40GHz	7.9	10/23/2020	$ 1,500	
TOH-AUX	8140-AUX-WS001	Microsoft Windows 7 Professional (Service Pack 1)	10/23/2015	10A7003SUS	Intel(R) Core(TM) i7-4790 CPU @ 3.60GHz	7.8	10/23/2020	$ 1,000	
TOH-AUX	8140-AUX-WS012	Microsoft Windows 7 Home Premium (Service Pack 1)	12/1/2009	NY646AA-ABA s5213w	AMD Sempron(tm) Processor LE-1250	3.9	12/1/2014	$ 1,000	
TOH-AUX	8140-NC86-LT017	Microsoft Windows 7 Professional (Service Pack 1)	10/22/2013	HP ProBook 4540s	Intel(R) Core(TM) i7-3632QM CPU @ 2.20GHz	3.9	10/22/2018	$ 1,500	
TOH-NC86	8140-NC86-WS010	Microsoft Windows 7 Professional (Service Pack 1)	8/2/2011	HP Compaq 8200 Elite CMT PC	Intel(R) Core(TM) i5-2400 CPU @ 3.10GHz	3.9	8/2/2016	$ 1,000	
TOH-AUX	8140-NC86-WS013	Microsoft Windows 7 Professional (Service Pack 1)	1/31/2011	Latitude E6510	Intel(R) Core(TM) i7 CPU Q 740 @ 1.73GHz	0	1/31/2016	$ 1,000	
TOH-WWTP	8220-AUX-LT012	Microsoft Windows 7 Professional (Service Pack 1)	12/27/2013	Precision M4700	Intel(R) Core(TM) i7-3740QM CPU @ 2.70GHz	7.9	12/27/2018	$ 1,500	
TOH-AUX	8220-AUX-WS015	Microsoft Windows 7 Professional (Service Pack 1)	9/18/2012	Precision WorkStation T3500	Intel(R) Xeon(R) CPU W3503 @ 2.40GHz	12	9/18/2017	$ 1,000	
TOH-WWTP	8220-NC86-WS001	Microsoft Windows 7 Professional (Service Pack 1)	6/11/2014	HP EliteDesk 800 G1 TWR	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	7.9	6/11/2019	$ 1,000	
TOH-WWTP	8220-NC86-WS003	Microsoft Windows 7 Professional (Service Pack 1)	9/3/2014	HP EliteDesk 800 G1 SFF	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	3.9	9/3/2019	$ 1,000	
TOH-WWTP	8220-WWTP-WS002	Microsoft Windows 7 Professional (Service Pack 1)	9/3/2014	HP EliteDesk 800 G1 SFF	Intel(R) Core(TM) i7-4770 CPU @ 3.40GHz	3.9	9/3/2019	$ 1,000	
TOH-WWTP	8220-WWTP-WS003	Microsoft Windows 7 Professional (Service Pack 1)	8/5/2015	HP EliteDesk 800 G1 SFF	Intel(R) Core(TM) i7-4790 CPU @ 3.60GHz	3.9	8/5/2020	$ 1,000	
TOH-PD	HPD-WS009	Microsoft Windows 7 Professional (Service Pack 1)	9/20/2010	Compaq 500B Microtower	Pentium(R) Dual-Core CPU E5400 @ 2.70GHz	2	9/20/2015	$ 1,000	
TOH-TH	TRMSWORKSTATION	Microsoft Windows 7 Professional (Service Pack 1)	1/13/2015	HP Compaq dc7900 Small Form Factor	Intel(R) Core(TM)2 Duo CPU E8400 @ 3.00GHz	3.5	1/13/2020	$ 1,000	

GLOSSARY OF BUDGET & BALANCED SCORECARD TERMS & COMMON ACRONYMS

Accrual Basis of Accounting (or Full Accrual): Accounting method for proprietary funds that recognizes revenues in the accounting period in which they are earned and become measurable. Expenses are recognized in the period incurred, if measurable.

Ad Valorem Tax: A tax levied in proportion to the value of real property.

Amortization: Paying the principal amount of a debt issue through periodic payments either directly to bondholders or to a sinking fund for later payment to bondholders. Amortization payments include interest and any payment on principal.

Appropriation: Authorization granted by the Board of Commissioners to obligate and expend resources for purposes specified in the Budget Document.

Assessed Valuation: The value of real estate or personal property as determined by tax assessors and used as a basis for levying taxes. (Note: the County establishes Property values.)

Authorized Bond: Bonds that have been legally approved but may or may not have been sold.

Balanced Budget: Occurs when planned expenditures equal anticipated revenues. North Carolina state law requires the annual operating budget to be balanced.

Base Budget: Those resources necessary to meet an established and existing service level.

Basis of Accounting: The accounting method that determines when, for accounting purposes, expenditures, expenses, and revenues are recognized. The two bases of governmental accounting include accrual (or full accrual) and modified accrual.

Benchmarking: The systematic process of searching for best practices, innovative ideas and highly effective operating procedures that lead to superior performance; The process of identifying the best-in-class and duplicating or surpassing their performance.

Board of Commissioners: A five member governing board elected within districts for four-year terms by the citizens of Hillsborough.

Bond: A written promise to pay a specific amount of money with interest within a specific time period, usually long-term.

Bond Rating: A grade indicating a governmental unit's investment qualities. Generally, the higher the bond rating, the less risk investors assume resulting in a more favorable interest rate and lower cost of financing capital projects for the governmental unit.

The three main bond rating agencies include: Standard and Poor's, Moody's, and Fitch.

Budget: The budget translates organizational intentions into actions, allocating resources in support of organizational goals, objectives, and desired service levels.

Budget Amendment: A legal procedure used by Town staff and the Board of Commissioners to revise a budget appropriation.

Budget Document: A formal document outlining the Town's financial plan for a fiscal year.

Budget Message: A written overview of the proposed budget from the Town Manager to the Mayor and Board of Commissioners that discusses the major budget items and changes and the Town's present and future financial condition.

Budget Ordinance: The official enactment by the Board of Commissioners to establish legal authority for Town officials to obligate and expend resources.

Capital Improvement Plan (CIP): A multi-year plan (10 years for the Town) for the construction or acquisition of major capital items (over $50,000). The plan usually outlines spending needs, the financing source or sources expected, and the impact of the CIP on future annual operating budgets.

Capital Outlay: An expenditure expected to have a useful life greater than one year or a total value of $5,000 or more resulting in the acquisition of or addition to a fixed asset. Examples of capital outlay expenditures include vehicles, mowing equipment, and buildings.

Capital Project: A capital improvement that usually requires a major initial investment, and a significant and continuing financial commitment in the form of operating costs.

Cash Accounting: Basis of accounting which recognizes revenues when a government receives cash and costs when it disburses cash.

Cash Management: The management of cash necessary to pay for governmental services while investigating temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, and establishing and maintaining banking relationships.

Certificates of Participation (COPS): A security created as a part of a lease-purchase agreement. The lender, the holder of the certificate, owns a right to participate in periodic lease payments (interest and return of principal) as they are paid.

Community Development Block Grant (CDBG): An entitlement grant from the U.S. Department of Housing and Urban Development (HUD) to assist low and moderate income persons of the Town in targeted neighborhoods. This fund is required by federal regulations to account for the use of these funds.

Contingency: An account where funds are set aside for unforeseen expenditures which and become necessary during a fiscal year. Board approval is required for appropriation of these funds.

Cost Allocations: Portion of the budget pertaining to payments made to other departments for costs involved in supporting a primary service.

Cost Center: An organizational budget / operating unit within each City department or division (e.g. Engineering is a cost center within the Water & Sewer department.).

Debt Service: The portion of the budget pertaining to payment of principal and interest requirements on outstanding debts.

Debt Service Funds: Funds used for the accumulation and disbursement of financial resources that will be used to make principal and interest payments on general long-term debt.

Deficit: The amount by which expenditures exceed revenues during an accounting period.

Department: A major administrative division of the Town that has overall management responsibility for an operation within a function area.

Delinquent Taxes: Taxes that remain unpaid on or after the due date and on which a penalty for non-payment is attached.

Depreciation: The process of estimating and recording the lost usefulness, expired useful life, or diminution of service from a fixed asset that cannot or will not be restored by repair and must be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to the reserve to replace the item at the end of its useful life.

Designated Fund Balance: Monies over the years that remain unspent after all budgeted expenditures have been made, but which are reserved for specific purposes and are unavailable for appropriation.

Effectiveness Measure: A performance measure identifying quality or extent to which an organization is obtaining its objectives (ex. percentage of yard waste/leaf collection points serviced on time).

Efficiency Measure: A performance measure identifying inputs used per unit of output, or unit costs (ex. cost per ton of yard waste/leaves collected).

Encumbrance: A financial commitment or earmark for services, contracts, or goods that have not as yet been delivered by a specified time frame, usually the end of the fiscal year.

Enterprise Fund: A fund that accounts for a governmental activities supported wholly or partially with user fees or charges and operated using business principles.

Expenditures: The measurement focus of governmental fund accounting identifying financial resources expended during a period for operations, capital outlay, and long-term debt principal retirement and interest. With the exception of long-term debt principal retirement expenditures, expenditures reflect the cost incurred to acquire goods and services.

Expenses: The measurement focus of proprietary fund accounting identifying costs expired during a period, including depreciation and other allocations as in business accounting. Expenses reflect the cost of goods or services used.

External Agency: A non-governmental agency, usually of nonprofit legal status, which may request public funds for use on programs benefiting social, cultural, or economic needs of the Town.

FICA: Social Security Tax paid by the Town for each permanent and temporary employee.

Fiscal Policy: The financial plan embracing the general goals and acceptable procedures for managing the City's financial resources.

Fiscal Year: A 12-month period of time, from July 1 through June 30, to which the annual budget applies.

Fixed Asset: An asset of long-term character. For budgetary purposes, a fixed asset is defined as an item costing $5,000 or more with an expected life of more than one year.

Fringe Benefits: For budgeting purposes fringe benefits include employer payments for social security, retirement, group health insurance, life insurance, dental insurance, workers compensation, and travel allowances.

Fiduciary Funds: Funds used to separate, control, and track financial resources in which the government oversees as a third party, or on behalf of, another public entity. The four fiduciary fund types include: 1) Agency Fund, 2) Pension Trust, 3) Expendable Trust, and 4) Non-Expendable Trust.

Full Cost Accounting: Type of accounting concerned with accumulating both direct and indirect costs for financial reporting and decision-making purposes. By using this accounting technique, the Town is able to assess the complete total cost of providing a service and its associated benefits.

Full-time Equivalent (FTE): An FTE converts the hours worked by a position into a percentage of a full year's number of hours. Generally, one FTE equals 2080 hours per year per permanent position (based on a 40hr. work week and a 52 week work year; does not include temporary part-time staff).

Function: A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a similar broad goal or major service. Examples of functions within the Town of Hillsborough include Public Safety, Public Works, and General Government.

Fund: A fiscal and accounting entity that has a self-balancing set of accounts recording cash and other financial resources, as well as related liabilities and residual equity. These are segregated to carry on specific activities or objectives in accordance with special regulations, restrictions or limitations as established by State and Federal governments.

Fund Balance: Amounts shown as fund balance represent a running total of monies over the years that remain unspent after all budgeted expenditures have been made. Generally speaking, fund balance includes reserve or "rainy day" monies. North Carolina General Statutes require general fund balance reserves of at least 8% of General Fund expenditures at the end of the fiscal year. The Board of Commissioners requires the Town to maintain a minimum 20% General Fund fund balance reserve with a target balance of 33%.

Funding Sources: Identifies fund(s) that will provide money for project expenditures.

Goal: A broad policy statement outlining the general direction or intent of an organizational unit's major activities within a medium-range time period, usually 3-5 years.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards and guidelines for financial accounting and reporting. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices.

General Obligation Bonds (GO Bonds): Bonds issued by a government that are backed by the full faith and credit of its taxing authority.

General Fund: A governmental fund used to account for all financial resources of the Town, except those required to be accounted for in another fund. Revenues to support the General Fund are derived from sources such as property tax, sales tax, franchise fees and service fees.

Governmental Funds: Funds used to separate, control, and track financial resources of general government operations. The four governmental fund types include: 1) General Fund, 2) Special Revenue Funds, 3) Capital Projects Funds, and 4) Debt Service Funds.

Grant: A contribution by a government or other organization to support a particular function.

Indirect Cost: The component of the total cost for a service that is provided by and budgeted within another department or division. Indirect costs are budgeted to more accurately reflect the true total cost for such services such as those provided by the General Government Departments.

Intergovernmental Revenues: Revenues from other governments (State, Federal or local) that can be in the form of grants, shared revenues, or entitlements.

Internal Service Fund: This fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, on a cost-reimbursement, or cost allocation, basis.

Lease/Installment-Purchase Financing: A method of purchasing equipment in which payments are spread over a period of time, usually 3-7 years. The purchased equipment serves as collateral.

Line-Item: A budgetary account representing a specific object of expenditure.

Mayor: An individual elected at-large for four-year terms to serve as chair the Town's governing body and the leader of the Town.

Mission: A broad statement outlining a department's purpose for existing.

Modified Accrual Basis of Accounting: Accounting method for governmental funds that recognizes revenues in the accounting period in which they become available and measurable. Expenditures are recognized in the period the fund liability is incurred, if measurable, except for unmatured interest on (and principal of) general long-term debt, which should be recognized when due.

Objective: Outcome-based statements that specify - in measurable terms - what will be accomplished within the budget year.

Operating Budget: A financial plan for the provision of direct services and support functions.

Operations: The portion of the budget pertaining to the daily operations that provides basic governmental services. The operating portion of the budget contains appropriations for such expenditures as supplies, utilities, materials, and travel.

Outcome Management: A refinement of the Performance Management concept, Outcome Management is structured to place the focus on the end product, not the process. It is defined by high level, core outcomes that determine the service delivery components.

Pay-As-You-Go (or Pay-Go): Financial policy of a government unit that finances capital outlays from current revenues rather than from borrowing.

Performance Based Budget: A budget wherein expenditures, planning, and management decisions are based primarily upon measurable performance of activities.

Performance Indicator: A performance indicator is a measurement designed to determine whether or not a service objective has been met. It measures the effectiveness of achieving the objective or how well the objective has been accomplished.

Performance Measurement: The regular collection of quantifiable information regarding the results of town services. It includes the measurement of the kind of job we are doing and includes the effects our efforts are having in our community

Personnel Services: Salaries and wages paid to employees for full-time, part-time, and temporary work including overtime and similar compensation. Also included in this account group are fringe benefits paid for employees.

Policy: A direction that must be followed to advance toward a goal. The direction can be a course of action or a guiding principle.

Powell Bill Funds: Funding from state-shared gasoline taxes that are restricted for use on maintenance of local streets and roads.

Productivity Measure: A performance measure combining efficiency and effectiveness measures into a single factor (ex. cost per ton of on-time yard waste/leaf collection)

Program: A well-defined portion of the operating plan for which a distinct set of goals and outcomes may be developed.

Proprietary Funds: Funds used to separate, control, and track financial resources of business-type activities carried out by a government. The two proprietary fund types include: 1) Enterprise Funds and 2) Internal Service Fund.

Public Safety: A group of expenditure related to the provision and enforcement of law enforcement, fire, disaster protection, traffic safety, and communication.

Reappraisal: The process of revaluing a jurisdiction's real property in order to adjust the tax value to the market value. By North Carolina law, a revaluation must be conducted at a minimum of every eight years.

Reserve: An account designated for a portion of the fund balance that is to be used for a specific purpose.

Retained Earnings: Amounts shown as retained earnings represent accumulated earnings of proprietary funds after all budgeted business expenses have been made.

Revenue: Funds the Town receives as income. It includes tax payments, fees for services, grants, fines, forfeitures and interest income.

Revenue Bonds: Bonds issued by a government that are backed by a specific revenue source – such as special assessments and water/sewer fees.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments. This term, also, does not refer to user charges for enterprise type services (i.e. water/sewer) or special or enhanced services or products benefiting a single party. See also "User Fees/Charges."

Tax Levy: The resultant product when the tax rate per one-hundred dollars valuation is multiplied by the total taxable valuation, or tax base.

Town Manager: An individual appointed at the discretion of the Mayor and Board of Commissioners to serve as the chief administrative officer of the Town.

Special Revenue Fund: A fund used to account for the revenues from specific sources that are to be used for legally specified expenditures.

Surplus: The amount by which revenues exceed expenditures.

Undesignated Fund Balance/Undesignated Retained Earnings: The portion of a fund's unspent monies, or reserves that are not restricted for a specific purpose and are available for general appropriation.

User Fee/Charge: The payment for direct receipt of a service by the party benefiting from the service.

Workload Measure: A performance measure identifying how much or how many products or services were produced (ex. number of yard waste/leaf collection points served).

Common Budget & Performance Measurement Acronyms

BSC = Balanced Scorecard

CDBG = Community Development Block Grant

CIP = Capital Improvement Plan

COPS = Certificates of Participation

FTE = Full-time Equivalent

FY = Fiscal Year

GAAP = Generally Accepted Accounting Principles

GASB = Governmental Accounting Standards Board

GFOA = Government Finance Officers Association

GO Bonds = General Obligation Bonds

NCGS = North Carolina General Statute

ORFD = Orange Rural Fire Department

PM = Performance Measurement

Town of Hillsborough

Since 1754

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