



July 1, 2010

To: Mayor and Board of Aldermen

It is with pleasure that I transmit to you the adopted budget for fiscal year 2010-2011. The Town Manager's recommended budget was adopted with no changes by the Board of Aldermen.

The adopted budget, faced with a decrease in its overall revenue stream, is focused on the similar primary interests that marked the FY09-10 budget process:

- Avoid a tax rate increase,
- Maintain current service delivery levels,
- Maintain current active employees' jobs and benefits,
 - Set aside the pay-for-performance plan for second year in a row,
 - Provide for a lump sum payment for each employee (prorated for part-time permanent employees) equivalent to 1% of total budgeted payroll,
 - Afford the recently completed market pay and position reclassification study at minimum levels as recommended by Springsted,
 - Continue current health insurance plan,
 - Grant employees an additional leave day to be taken off for their birthday, effective July 1, 2010 and for FY 10-11 only, and
 - Continue with freeze on specific vacant positions.
- Continue with planned long-term capital initiatives to extent possible.

By tightening the operating expenditures, the Town can continue the capital initiatives, including the Weaver Street reconstruction project, sidewalk and greenways bond initiatives, and proceed with the opening of northern area fire substation. The Town is also able to fund vehicle replacements that are considered critical to providing day-to-day services.

The fiscal year 2010-2011 budget document reflects the budget appropriations and program information as adopted by the Board on June 15, 2010. The Town Manager's Executive Summary however, is included as in the recommended budget of May 11, 2009.

Sincerely,

Steven E. Stewart
Town Manager

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