

MEMORANDUM

TO: Mayor and Board of Commissioners

FROM: Bryan Gruesbeck, Town Manager

SUBJECT: FY 2013-2014 Budget – Attached Updated Version

DATE: June 10, 2013

Background: Attached please find an updated version of the FY 2013-2014 Budget. Based on input from the Board and citizens, I have recommended a few additions:

- Staff increases at 2%, effective July 1, 2013. As you have discussed, Town employees last received a pay increase in January 2012. This proposed pay increase has the effect of adding \$28,549 in General Fund expenses and \$18,047 in Enterprise Fund expenses. The 2% pay increase is higher than the most recent Consumer Price Index for all Urban Consumers (CPI-U) 12-month change of 1.1%. Enterprise Fund salaries were increased to accommodate the end of probationary periods and attained certifications.
- Property Tax Increase of \$0.036. As we have also seen in previous discussions, Pittsboro's tax rate remains comparatively low to other communities. If approved this amount would raise sufficient revenue to prevent a General Fund Balance loss of \$152,189.
- Police – Records Retention. A part-time salary (\$15,000) was added to the Police Department to replace the departure of Anne Wilkie. It is anticipated that this person will also serve as a Reserve Police Officer. This amount would be offset by a change in reserve officer policy to require reserve officers to donate eight (8) of their first hours of duty each month, thereby reducing budget reserve officer spending by \$6,470. This policy is consistent with other police departments. Please note that we are not replacing a full-time Police Officer following the departure of the previous Lieutenant, as previously discussed, thereby generating sufficient savings to accommodate this change.
- Planning/Engineering Office Cleaning. \$1,500 was added to accommodate the need for cleaning services at the 41 Fayetteville St.

Please also note that I have not eliminated the Town of Pittsboro contract with Chapel Hill Transit/Chatham Transit/Pittsboro express (\$12,000) until the Board reaches consensus to not fund this contract in FY 2013-2014. Brian Litchfield, Director at Chapel Hill Transit, has provided me with the following numbers relating to Pittsboro Express:

- Ridership (FY 2012) – 20,042 (Avg.: 1,670)
- Ridership (FY 2013 to date) – 21,050 (Avg. to date: 2,105)
- Estimated Avg customers per trip - 11

Action Requested: Receive the FY 2013-2014 Budget and recommend any changes, as appropriate.