



TOWN of CARY

BUDGET HIGHLIGHTS

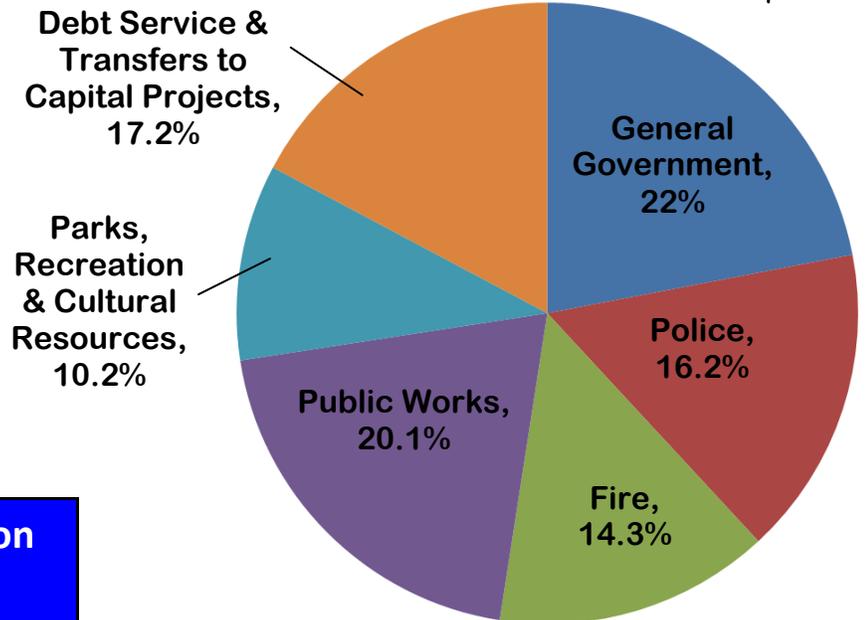
Fiscal Year 2012

July 1, 2011— June 30, 2012

PROJECTED REVENUE = \$119.2 million

The top two revenue generators are the ad valorem (property) and sales taxes. They are budgeted at \$68.3 million and \$21 million respectively. Together they combine to make up 75% of projected revenue. As the recession has impacted revenue, the Town has adjusted expenditure levels accordingly.

OPERATING EXPENDITURES = \$118.1 M
CAPITAL TRANSFERS = \$10.2M



Tax or fee	Change from FY11	More Information
Property Tax	None	The Town has not increased the tax rate since 1989. It is currently set at 33¢ per \$100 valuation.
Solid Waste & Recycling Fee	None	The solid waste and recycling fee is still \$14 per month and has not changed since 2008. This fee covers 92% of operation costs for garbage and recycling pick-up.
Utility Rate	Up 5.6%	Utility customers using an average of 7,000 gallons per month should expect to see an increase of \$4.83 on their monthly bill.

What is the General Fund and How Is It Used?

The Town uses the General Fund to account for daily operations to keep citizens safe, healthy, and happy. During a typical day, you can see the Town at work. The police and fire departments are ready to respond 24 hours a day. Utility service is provided to your home and place of business. Many of the roads are constructed and maintained by the Town and all of the traffic signals are maintained by the Town. Parks and greenways are available for fun and exercise, while cultural events are hosted at Town facilities.

The full FY 2012 Adopted Budget can be found at www.townofcary.org



The new Cary Arts Center opened August 2011.

CAPITAL EXPENDITURES = \$41.8M

Projects like roads, sidewalks, pipelines and facility construction or upgrades require long-term planning. It is important to anticipate needs and keep everything up-to-date and safe. To do this, the Town operates separate funds known as capital funds to help pay for these types of projects.

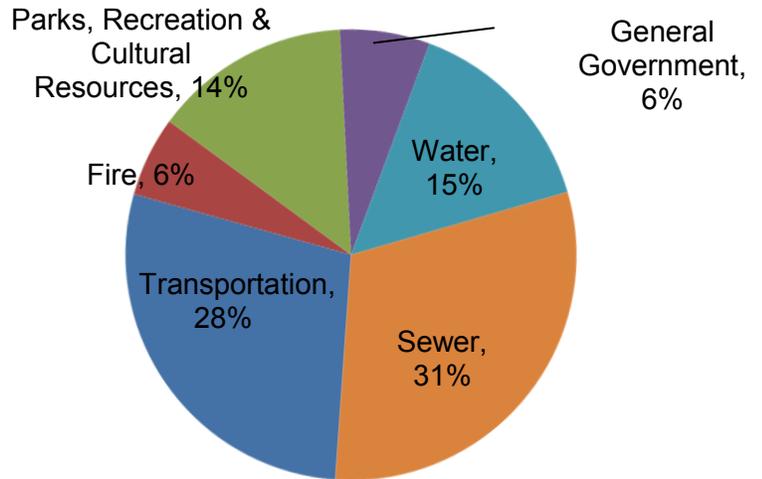
Larger capital projects are sometimes paid for with debt by issuing bonds. The economic downturn has resulted in the Town putting some projects on hold and cancelling others to help conserve resources.

The chart below shows how the General and Utility Capital funds are allocated this fiscal year. The general government category below supports primarily storm drainage and solid waste & recycling trucks.

WHAT CAPITAL PROJECTS ARE GOING ON NOW?

To meet the needs of a growing community and its infrastructure demands, capital projects selected each year vary but typically include road resurfacing, sidewalk additions and park improvements.

The Cary Arts Center opened its doors in August 2011. Fire Station #8 will begin construction in 2012 and be ready for operation by late 2013. WakeMed Soccer Park will see its Phase I upgrades begin. To help spur economic development investment and improvements in the downtown area, \$8 million was allocated in FY 2012.



How is the Recession Affecting the Town?

- The Town has operated without a property tax increase since 1989 due in part to the growth in population and tax base. The recession slowed the growth rate and is putting pressure on related revenues such as investment income (expected to be \$3.6M in FY 2012, which is \$16M or 82% lower than it was in FY 2008, just four years ago).
- The sales tax has also suffered due to the economy. Since a high in FY 2008, sales tax revenue decreased until seeing a slight uptick in FY 2011. From FY 2004 to FY 2008, growth averaged over 10% per year. Real growth is only expected to be 2% in FY 2012.
- The level of the Town's fund balance and the amount paid in debt service each year compared to the total budget affect the Town's bond rating, which still stands at AAA, the best possible rating. Council makes it a priority to keep the Town in good financial condition despite the economy.

Questions?

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FAST FACTS

Cary's Population: 139,672 (July 1, 2011 estimate)
The Town of Cary is the 7th largest municipality in NC.
Cary's tax rate of 33 cents is the lowest in Wake County.