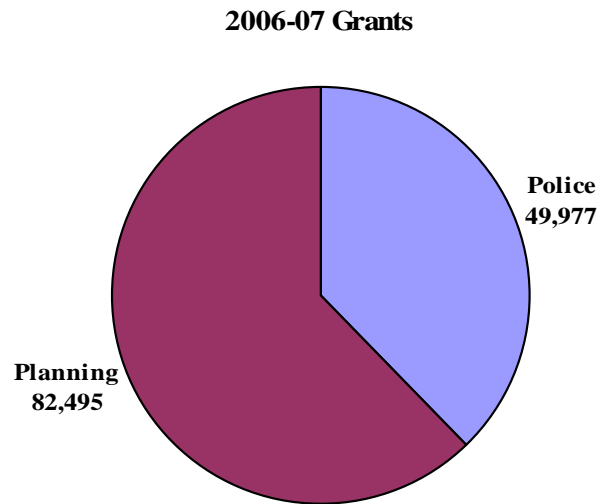


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GRANTS FUND

The Grants Fund was established to account for miscellaneous small grants.



GRANTS FUND BUDGET SUMMARY

The Grants Fund was established in 2004-05 to account for grants previously included in the General Fund.

EXPENDITURES

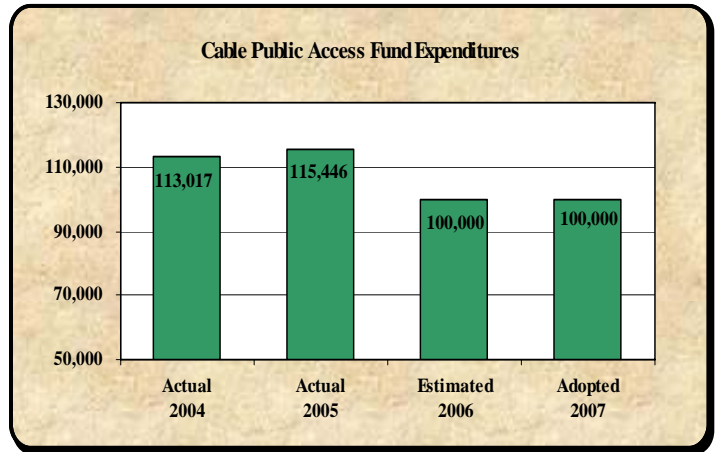
	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Police Grants	407,550	63,534	587,800	587,800	49,977	-21.3%
Fire Grants	-	-	346,830	346,830	-	N/A
Parks Grants	1,031	-	6,219	6,219	-	N/A
Planning Grants	-	143,723	138,723	138,723	82,495	-42.6%
Total	408,581	207,257	1,079,572	1,079,572	132,472	-36.1%

REVENUES

	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Grants	349,223	170,628	1,001,132	1,001,132	103,478	-39.4%
Transfer from General Fund	121,803	36,629	36,629	36,629	28,994	-20.8%
Appropriated Fund Balance	(62,445)	-	41,811	41,811	-	N/A
Total	408,581	207,257	1,079,572	1,079,572	132,472	-36.1%

CABLE PUBLIC ACCESS FUND

The Cable Public Access Fund accounts for the financial resources for community cable programming.



CABLE PUBLIC ACCESS FUND

BUDGET SUMMARY

There are changes in Cable Public Access revenue sources beginning in January 2007 when certain funds will flow through the State rather than come directly to the Town because of changes in State law. We do not anticipate that the total revenues will be affected by the change.

EXPENDITURES

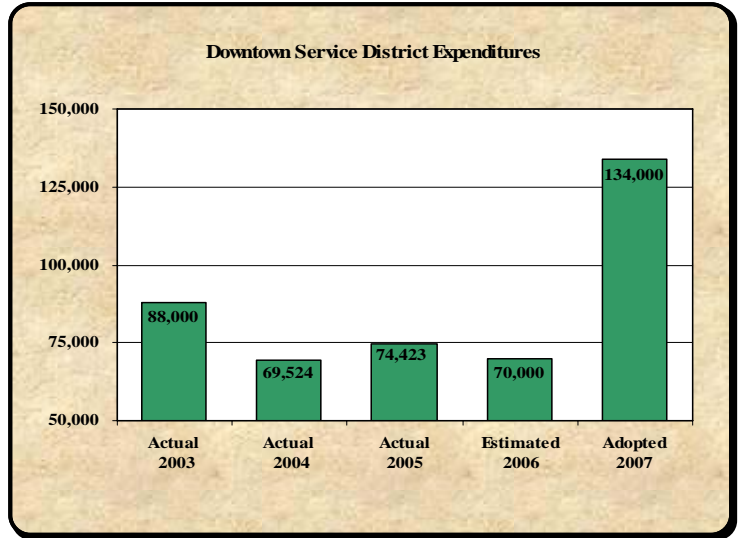
	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Contracted Services	115,446	100,000	100,000	100,000	100,000	0.0%
Total	115,446	100,000	100,000	100,000	100,000	0.0%

REVENUES

	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Cablevision Public Access Fees	115,002	100,000	100,000	100,000	100,000	0.0%
Interest Income	444	-	-	-	-	N/A
Total	115,446	100,000	100,000	100,000	100,000	0.0%

DOWNTOWN SERVICE DISTRICT FUND

The Downtown Service District Fund accounts for the programs and capital improvements for the downtown service district established by the Town Council.



DOWNTOWN SERVICE DISTRICT FUND

Major Revenue Sources – Descriptions and Estimates

The Downtown Service District Fund has a total budget of \$134,000. The revenue source for the Downtown Service District is the special district property tax, with a tax rate of 9.0 cents, an increase of 3.7 cents over the 2005-06 tax rate of 5.3 cents.

We made minor adjustments to the Downtown Service District border for the 2006-07 fiscal year to take into account changes in business status between commercial and residential uses. Changing District boundaries may have a small affect on the assessed property value of the District (\$151 million as of March 1, 2006).

Major Expenditures and Estimates

The budget provides for continued funding of \$70,000 for the Downtown Partnership. The Chapel Hill Downtown Partnership brings the resources of the Town, University and downtown community together to maintain, enhance and promote downtown as the social, cultural and spiritual center of Chapel Hill through economic development.

The budget includes the addition of a groundskeeper for nine months (\$26,700) and a reserve of \$37,300 to address parking concerns. The Council established a Parking Committee which will meet in the fall. The reserve would be used at the discretion of the Council once the Parking Committee report is received.

DOWNTOWN SERVICE DISTRICT FUND
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2004-05 ADOPTED	2005-06 ADOPTED	2006-07 ADOPTED
Groundskeeper*	0.00	0.00	1.00
Downtown Service District Fund Totals	0.00	0.00	1.00

*Position supervised by Public Works

DOWNTOWN SERVICE DISTRICT FUND BUDGET SUMMARY

The Downtown Service District Fund has a total budget of \$134,000 with a tax rate of 9.0 cents, an increase of 3.7 cents over the 2005-06 tax rate of 5.3 cents. The budget provides for continued funding of \$70,000 for the Downtown Partnership. The budget includes the addition of a groundskeeper for nine months (\$26,700) and a reserve of \$37,300 to address parking concerns. The Council established a Parking Committee that will meet in the fall. The reserve would be used at the discretion of the Council once the Parking Committee report is received.

EXPENDITURES

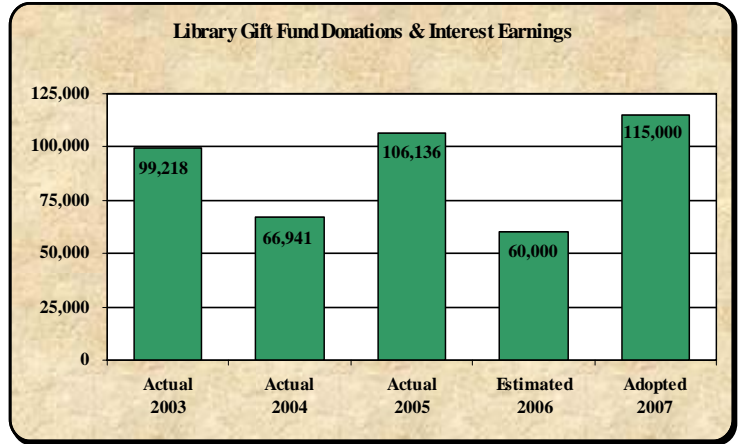
	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Personnel	-	-	-	-	26,700	N/A
Contracted Services	74,423	70,000	70,000	70,000	70,000	0.0%
Reserve	-	-	-	9,000	37,300	N/A
Total	74,423	70,000	70,000	79,000	134,000	91.4%

REVENUES

	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Property Taxes	73,474	70,000	70,000	79,000	134,000	91.4%
Interest Income	949	-	-	-	-	N/A
Total	74,423	70,000	70,000	79,000	134,000	91.4%

LIBRARY GIFT FUND

The Library Gift Fund accounts for private contributions to the Town's library.



LIBRARY GIFT FUND

BUDGET SUMMARY

The adopted budget for the Library Gift Fund for 2006-07 reflects an increase in expected donations. These funds will be held in reserve for future year allocations for the library renovations project.

EXPENDITURES

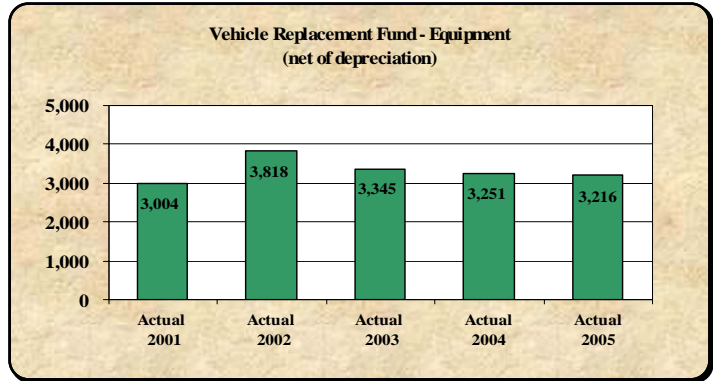
	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Transfer to General Fund	45,000	45,000	45,000	45,000	45,000	0.0%
Capital Equipment	13,500	-	-	-	-	N/A
Books	9,645	-	3,955	-	-	N/A
Contribution to Capital Reserve	42,511	45,000	45,000	15,000	70,000	55.6%
Total	110,656	90,000	93,955	60,000	115,000	27.8%

REVENUES

	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Interest Income	2,870	-	-	-	-	N/A
Sculpture Donations	4,520	-	3,955	-	-	N/A
Gifts and Donations	103,266	90,000	90,000	60,000	115,000	27.8%
Total	110,656	90,000	93,955	60,000	115,000	27.8%

VEHICLE REPLACEMENT FUND

The Vehicle Replacement Fund accounts for the purchase and financing of motor vehicles and related costs to other Town departments.



VEHICLE REPLACEMENT FUND

BUDGET SUMMARY

The adopted budget for the Vehicle Replacement Fund includes a 13.8% increase in lease purchase payments that will be due during 2006-07. Large equipment purchases in 2005-06 include the vacuum truck for drainage maintenance and a fire truck, which are responsible for the increases in both lease purchase payments and vehicle fees charged to departments.

EXPENDITURES

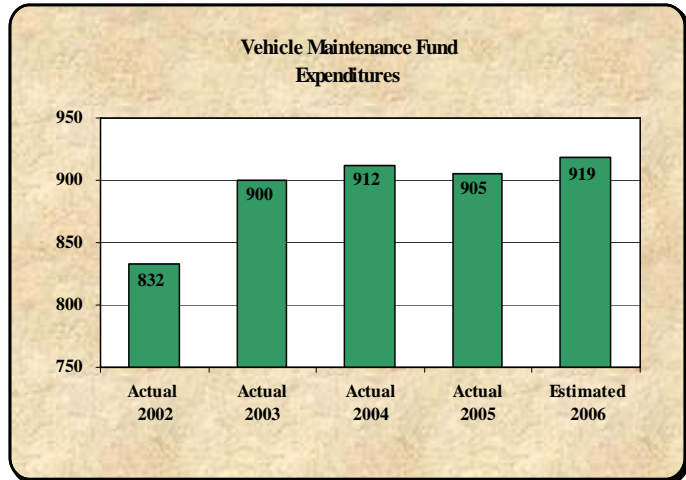
	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Lease Purchase Payments	-	1,046,100	1,046,100	1,046,100	1,190,632	13.8%
Depreciation Expense	885,755	-	-	-	-	N/A
Interest Expense	98,546	-	-	-	-	N/A
Other Expense	24,007	-	16,500	16,500	16,500	N/A
Capital Equipment	-	1,823,500	2,057,962	2,009,963	1,870,800	2.6%
Total	1,008,308	2,869,600	3,120,562	3,072,563	3,077,932	7.3%

REVENUES

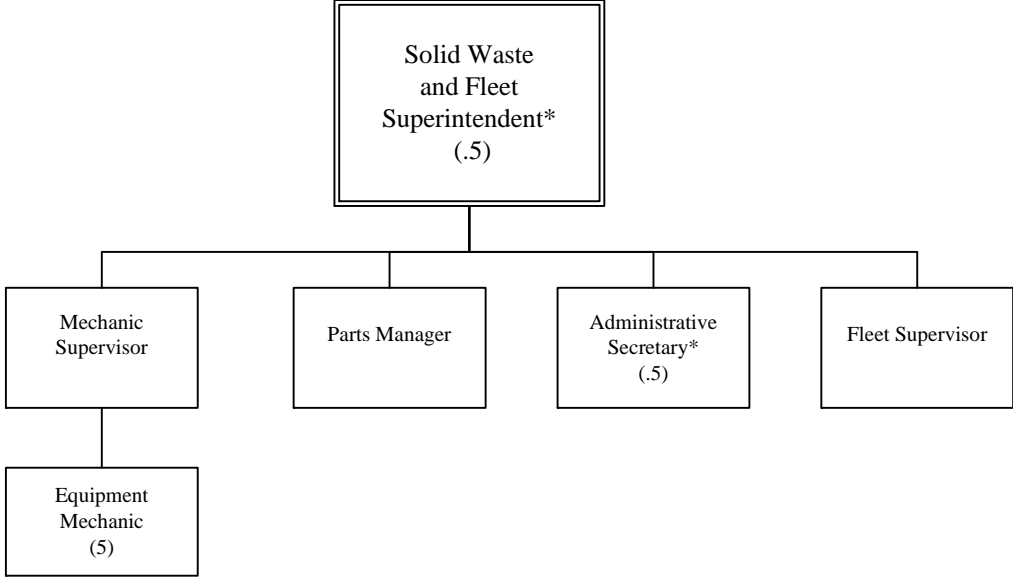
	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Vehicle Use Fees	1,034,000	1,020,392	1,020,392	1,020,392	1,153,005	13.0%
Interest Income	3,082	-	-	-	-	N/A
Sale of Fixed Assets	96,662	25,708	25,708	100,000	20,000	-22.2%
Insurance Claims	10,717	-	-	-	-	N/A
Financing Proceeds	-	1,823,500	1,823,500	1,775,501	1,870,800	2.6%
Transfer from Vehicle Maintenance	-	-	-	-	34,127	N/A
Appropriated Fund Balance	(136,153)	-	250,962	176,670	-	N/A
Total	1,008,308	2,869,600	3,120,562	3,072,563	3,077,932	7.3%

VEHICLE MAINTENANCE FUND

The Vehicle Maintenance Fund accounts for the repair and maintenance of all the Town's cars, trucks, and heavy equipment, excluding those used in public transportation operations.



VEHICLE MAINTENANCE



*Position is split with Solid Waste division of Public Works.

VEHICLE MAINTENANCE FUND
STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS

	2004-05	2005-06	2006-07
	ADOPTED	ADOPTED	ADOPTED
Superintendent-Solid Waste	0.00	0.50	0.50
Supervisor-Mechanic	1.00	1.00	1.00
Parts Manager	1.00	1.00	1.00
Mechanic (I-III)	5.00	5.00	5.00
Supervisor-Fleet	1.00	0.00	1.00
Administrative Secretary	0.00	0.50	0.50
Superintendent-Internal Services	1.00	0.00	0.00
Unit Totals	9.00	8.00	9.00

Note: Vehicle Maintenance is supervised by the Public Works Department.

VEHICLE MAINTENANCE FUND

BUDGET SUMMARY

The adopted budget for the Vehicle Maintenance Fund reflects an 21.6% increase in personnel costs as a result of the transfer of a position from Administration to Vehicle Maintenance, continuing the Public Works Department reorganization. The 4.0% increase in operating costs is related chiefly to increases in maintenance and repair expenditures for Fire Department vehicles.

EXPENDITURES

	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Personnel	492,143	444,311	444,311	446,346	540,113	21.6%
Operating Costs	413,010	477,646	508,115	472,255	496,867	4.0%
Capital Outlay	-	-	-	-	34,127	N/A
Total	905,153	921,957	952,426	918,601	1,071,107	16.2%

REVENUES

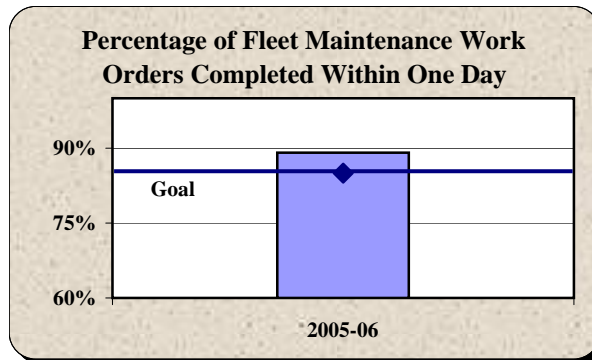
	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Vehicle Maintenance Fees	1,020,968	886,086	886,086	886,086	974,700	10.0%
Interest Income	2,723	500	500	2,600	1,900	280.0%
Insurance Claims	-	-	-	-	-	N/A
Transfer from General Fund	-	-	-	-	-	N/A
Appropriated Fund Balance	(118,538)	35,371	65,840	29,915	94,507	167.2%
Total	905,153	921,957	952,426	918,601	1,071,107	16.2%

VEHICLE MAINTENANCE TRENDS

COUNCIL SERVICE GOALS: Maintain basic Town services.

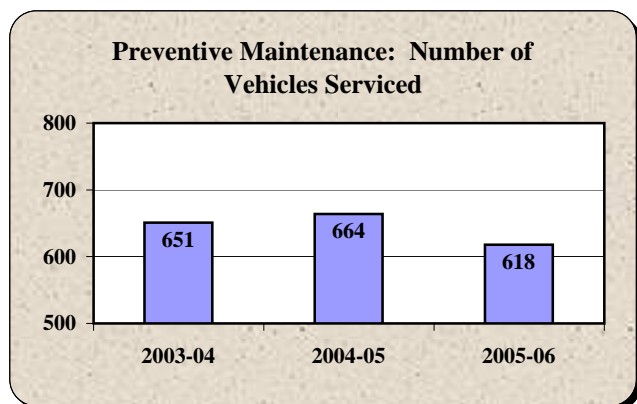
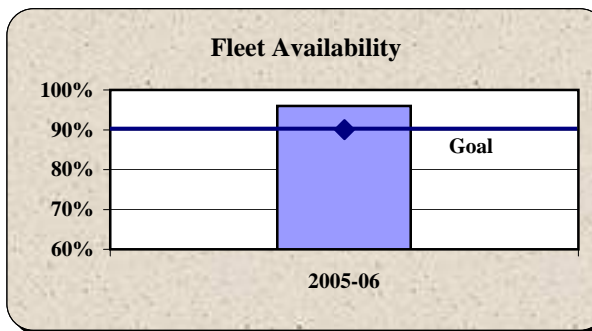
GOAL: Complete 85% of fleet maintenance work orders within one day. (Note: This goal was established in fiscal year 2005-06.)

In fiscal year 2005-06, 89% of all fleet maintenance work orders were completed within one day. Vehicle Maintenance will strive to achieve and exceed its goal of 85% again in fiscal year 2006-07.



GOAL: Achieve an average fleet availability of 90%. (Note: This goal was established in fiscal year 2005-06.)

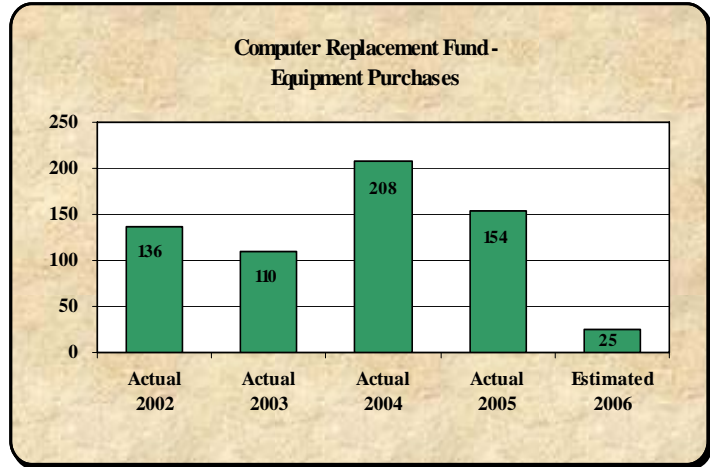
In fiscal year 2005-06, an average fleet availability of 96% was achieved. Vehicle Maintenance will strive to achieve and exceed its goal of 90% again in fiscal year 2006-07.



In fiscal year 2005-06, we provided preventive maintenance for 618 vehicles, despite a staffing shortage.

COMPUTER REPLACEMENT FUND

The Computer Replacement Fund accounts for the purchase and financing of computer equipment and software to the Town departments.



COMPUTER REPLACEMENT FUND

BUDGET SUMMARY

The adopted budget for the Computer Replacement Fund reflects the decision to move to a four-year replacement cycle from the previous three-year cycle. No borrowing or purchases are planned for 2006-07. The adopted budget for 2006-07 reflects the first year of purchases on the four-year cycle.

EXPENDITURES

	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Lease Purchase Payments	-	183,000	183,000	183,000	133,100	-27.3%
Small Equipment	154,134	150,000	174,703	174,703	150,000	0.0%
Other Expense	-	-	-	-	-	N/A
Depreciation Expense	8,280	-	-	-	-	N/A
Interest Expense	6,541	13,000	13,000	13,000	14,372	10.6%
Capital Equipment	-	-	-	-	-	N/A
Total	168,955	346,000	370,703	370,703	297,472	-14.0%

REVENUES

	2004-05 Actual	2005-06 Original Budget	2005-06 Revised Budget	2005-06 Estimated	2006-07 Adopted Budget	% Change from 2005-06
Computer Use Fees	225,010	196,000	196,000	196,000	189,868	-3.1%
Interest Income	5,369	-	-	-	-	N/A
Financing Proceeds	-	150,000	150,000	150,000	150,000	0.0%
Appropriated Fund Balance	(61,424)	-	24,703	24,703	(42,396)	N/A
Total	168,955	346,000	370,703	370,703	297,472	-14.0%
