



TOWN of CARY

TOWN COUNCIL QUARTERLY REPORT

TOWN OF CARY, NORTH CAROLINA
FY 2022 FOURTH QUARTER

CARY MAYOR & TOWN COUNCIL MEMBERS

THANK YOU FOR YOUR CONTINUED LEADERSHIP, VISION, AND SETTING THE CULTURE OF EXCELLENCE FOR OUR ORGANIZATION AND COMMUNITY. WE LOOK FORWARD TO WORKING WITH EACH OF YOU TO KEEP CARY CARY.



Mayor
Harold Weinbrecht



Mayor Pro Tem
Don Frantz



Council Member
Lori Bush



Council Member
Ya Liu



Council Member
Jennifer Robinson



Council Member
Jack Smith



Council Member
Ed Yerha

ON THE COVER:

This quarter, Cary celebrated 100 years since the establishment of its fire department with several events, including a fire truck parade. Today, Cary has nine fire stations, 16 fire apparatus, and 225 personnel who respond to more than 12,000 calls a year.

IN MOVING CARY FORWARD

In 1922, Cary set the wheels in motion to establish its own fire service so that the Town would no longer have to rely solely on outside agencies. Over the past 100 years, as Cary has grown from a population of less than 1,000 people to more than 180,000, the Cary Fire Department has continued to uphold its mission to protect and enhance the quality of life of citizens and visitors. Today, Cary has nine fire stations, 16 fire apparatus, and 225 personnel who respond to more than 12,000 calls a year. Consistently earning top marks in the biennial citizen survey, the Cary Fire Department sets the standard for providing high-quality services to our community. This quarter, we celebrated that excellence during events that marked the fire department's 100th anniversary.

In other public safety news, Cary hired Terry Sult to serve as the new police chief following a national search. With 40 years of law enforcement experience, Sult most recently served as Cary's interim chief after retiring in 2021 from the Hampton Police Division in Hampton, Va. In addition, Cary is maintaining police department staffing levels at near 100%, an impressive feat given vacancy rates among peer agencies throughout the region.

In a further effort to support our employees, we rolled out a new benefits package to retain our talented staff and recruit new high-performing individuals to the organization. Finally, this quarter marked the culmination of more than a decade's worth of work to activate the 90-acre property north of Cary Towne Boulevard as Fenton cut the ribbon on the new live, work, and play development. The buildout of this site over the coming years will mean huge progress in terms of fulfilling the vision for the Eastern Cary Gateway as laid out in the Imagine Cary Community Plan.

Thank you for all you do to make this work and our success possible. We look forward to providing further updates to you at a future date.

#BeSafe

#BeKind

#BeCary

Sean R. Stegall

Sean R. Stegall
Town Manager



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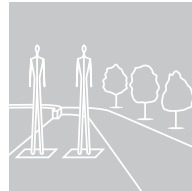
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FINANCIAL HIGHLIGHTS

EXECUTIVE SUMMARY

Q4 closed with normal operations and no unusual financial activity to report. The FY 2023 budget, adopted on June 23, was a focus of this quarter. The \$443.6 million budget maintains Cary's tax rate at \$0.345 per every \$100 of assessed valuation. It includes a 3% increase to utility rates, addressing utility operations, capital infrastructure, and debt repayment, and implements a \$1.50 per month increase to Cary's sanitation and recycling fee, bringing that program's cost recovery rate to 94%.

The FY 2023 budget focuses on priority areas like housing, stormwater, and the environment. It also provides funding to bring the Downtown Cary Park online, support staffing and vehicle needs within Police operations, and retain Cary's talented workforce.

The Q4 results in this report are unaudited and will vary from the results in the FY 2022 Annual Comprehensive Financial Report (ACFR). Results are limited by the data available at the time as not all revenues attributed to FY 2022 will be known until late summer. Preliminary Q4 projections indicate that Cary's General Fund will end FY 2022 better than budget, which is typical for Cary. The FY 2022 budget anticipated a reduction in fund balance; however, positive results, primarily in sales tax revenue, will help offset those planned fund balance reductions.



2022 FOURTH QUARTER FINANCIAL RESULTS

GENERAL FUND

FY 2022 Q4 GENERAL FUND SUMMARY

	FY 2022 YTD ADJ BUDGET	FY 2022 YTD ACTUAL	% OF BUDGET	FY 2021 YTD ACTUAL	FY 2021 VARIANCE	VARIANCE %
Revenues	\$ 237.3	\$ 197.7	83%	\$ 201.8	\$ (4.1)	-2%
Expenditures	237.3	212.0	89%	203.9	8.1	4%
TOTAL REVENUE OVER/ (UNDER) EXPENDITURES	\$ -	\$ (14.3)	-	\$ (2.1)	\$ (12.2)	581%

* The above and following tables are represented in millions. Revenues, authorized expenditures, and transfers among funds are classified and summarized differently for the Council budget ordinance and for accounting and reporting purposes. Individual line items are consistent. The annual budgets referred to throughout this report reflect the budget as of the quarter end as adjusted (ADJ) by Council action or staff action where authorized.

Preliminary net Q4 General Fund results reflect \$14.3 million more in expenditures than revenues. As in years past, several significant revenue sources will not be received and attributed to FY 2022 until late summer. Sales tax is a primary example given the two-and-a-half-month lag between taxes collected at the point of sale in June and receipt of actual Q4 sales tax revenue in September. Staff estimates that Cary will receive approximately \$13.8 million of additional sales tax revenue.



FY 2022 Q4 GENERAL FUND REVENUES

	FY 2022 YTD ADJ BUDGET	FY 2022 YTD ACTUAL	% OF BUDGET	FY 2021 YTD ACTUAL	FY 2021 VARIANCE	VARIANCE %
Property Tax	\$ 116.2	\$ 116.4	100%	\$ 116.0	\$ 0.4	0%
Sales Tax	43.5	38.1	88%	31.6	6.5	21%
Other Taxes & Licenses	2.2	2.7	123%	1.9	0.8	42%
Unrestricted Intergovernmental	10.4	8.8	85%	8.3	0.5	6%
Restricted Intergovernmental	0.3	0.5	167%	3.2	(2.7)	-84%
Permits & Fees	5.3	6.0	113%	4.9	1.1	22%
PRCR Sales & Services	5.5	6.9	125%	2.8	4.1	146%
Solid Waste Sales & Services	12.9	12.9	100%	12.1	0.8	7%
Other Sales & Services	1.7	1.8	106%	2.4	(0.6)	-25%
Miscellaneous	2.0	1.8	90%	1.7	0.1	6%
OPERATING REVENUES	200.0	195.9	98%	184.9	11.0	6%
Non-Operating	37.3	1.8	5%	16.9	(15.1)	-89%
TOTAL GENERAL FUND REVENUES	\$ 237.3	\$ 197.7	83%	\$ 201.8	\$ (4.1)	-2%

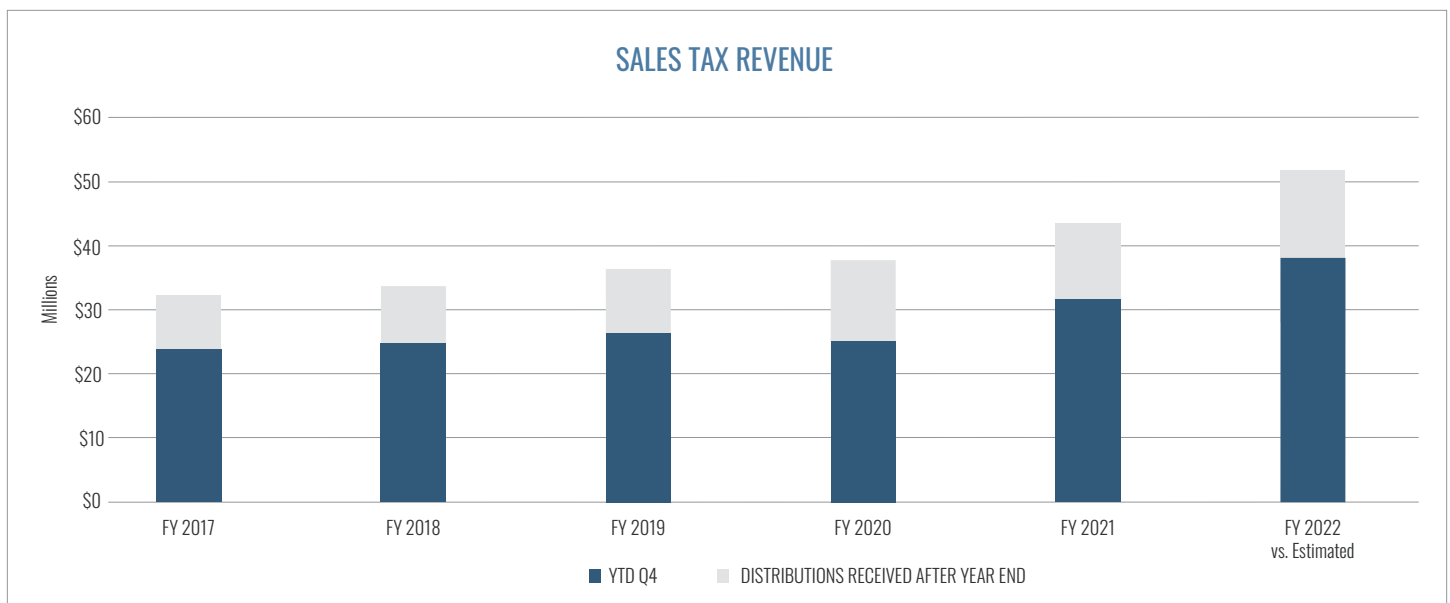
Overall, FY 2022 General Fund revenues are down \$4.1 million, or 2%, from the same period in FY 2021. Operating revenues increased \$11 million, mainly due to increases in sales tax and Parks, Recreation, and Cultural Resources (PRCR) sales and services revenues. The operating revenue increase was offset by a \$15.1 million decrease in non-operating revenues, which is mainly due to the refinancing of the 2014 general obligation bonds in FY 2021. When debt is refinanced, revenue in the form of debt proceeds is received that equally offsets the new debt expense.

OPERATING REVENUES

Property Tax revenue is 49% of total budgeted revenue and is the largest revenue source for the General Fund. Property taxes are based on an ad valorem tax levy on real and personal property. Real property are items such as land and buildings while personal property are items such as vehicles, boats, airplanes, and commercial business equipment. Real property taxes were billed in July 2021 and were due no later than January 5, 2022. Therefore, most real property tax revenue is received during Q2. Most personal property tax revenue, however, is collected throughout the year based on the state of North Carolina’s Tax and Tag program, which combines the vehicle ad valorem tax collection with the state’s vehicle license renewal process. The FY 2022 budget for property tax is \$116.2 million, and as of Q4, Cary had met it. Property tax collections remain steady when compared with FY 2021.

Sales Tax revenue is 18% of total budgeted revenue and is the second largest revenue source for the General Fund. This revenue through Q4 is \$6.5 million, or 21%, more than Q4 of FY 2021. Sales tax is distributed to municipalities by the N.C. Department of Revenue about two and a half months after the month when taxable sales occurred. Cary received nine distributions for July through March sales, and these have outpaced the prior year’s Q4 results despite the effects of the COVID-19 pandemic.

Current sales tax projections suggest this revenue will end the fiscal year at \$51.9 million, which would be a 19% increase over the FY 2022 budget. When Council adopted the FY 2022 budget, a significant amount of uncertainty remained related to the long-term economic impacts of the pandemic. FY 2021 had significantly outperformed expectations, but many believed this growth was tied to economic factors related to the pandemic such as additional federal unemployment benefits and economic stimulus. Instead, significant growth has continued and is anticipated to continue in FY 2023 based on a strong local economy and Cary’s continued development activity.



Overall, **Other Taxes and Licenses** increased 42% when compared with Q4 of the prior year. With COVID-19 restrictions being lifted across the nation, travel and tourism is increasing, and the occupancy tax Cary receives from travelers renting hotel rooms doubled in FY 2022 compared with the prior year.

Restricted Intergovernmental revenues decreased 84%. The decrease is primarily a result of \$3 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act funding received in FY 2021.

Permits and Fees revenue increased 22% when compared with the prior year and has met the budget for FY 2022. Watershed maintenance fee revenues doubled from FY 2021, which is driving the increase in the Permits and Fees category. In compliance with N.C. General Statutes, Cary collects watershed maintenance fees from developers at the completion of a development project, such as Fenton, to ensure that the water quality device will be maintained.

The **Sales and Services** category is made up of PRCR programming revenues, solid waste sales and services, and other sales and services. Solid waste revenue, the largest revenue in this category, met the \$12.9 million budget with a slight increase of \$800,000 over FY 2021. PRCR revenues increased \$4.1 million compared with FY 2021 due to the continued opening of indoor facilities and reprisal of many in-person programs and events in response to the decline of the COVID-19 pandemic.



FY 2022 Q4 GENERAL FUND EXPENDITURES

	FY 2022 YTD ADJ BUDGET	FY 2022 YTD ACTUAL	% OF BUDGET	FY 2021 YTD ACTUAL	FY 2021 VARIANCE	VARIANCE %
General Government	\$ 48.3	\$ 35.5	73%	\$ 28.0	\$ 7.5	27%
Public Safety	60.8	57.2	94%	51.3	5.9	12%
Operations (PW & PRCR)	55.6	49.8	90%	42.0	7.8	19%
Development & Infrastructure	17.6	15.3	87%	13.5	1.8	13%
OPERATING EXPENDITURES	182.3	157.8	87%	134.8	23.0	17%
Non-Operating	55.0	54.2	99%	69.1	(14.9)	-22%
TOTAL GENERAL FUND EXPENDITURES	\$ 237.3	\$ 212.0	89%	\$ 203.9	\$ 8.1	4%

Overall, General Fund expenditures increased 4%. This is primarily driven by a \$23 million increase in operating expenditures offset by a \$14.9 million decrease in non-operating expenditures directly related to FY 2021 transfers for capital project spending. Additionally, increases resulted from increased debt payments associated with the prior year refinancing of the general obligation bonds.

As of Q4, General Fund operating expenditures are 13% less than budgeted expenditures and 17% more than FY 2021 year-to-date actuals. Cary started to resume normal operations toward the end of FY 2021. Therefore, in FY 2022, Cary experienced a full year of normal activities, such as hosting events and classes, leading to an increase in temporary and overtime salaries as well as other general operating expenses.

Encumbrances represent funds that have been reserved in Cary’s financial system to satisfy a commitment to make a purchase. The following table shows the total outstanding

encumbrances in the financial system that are remaining at the end of Q4. After accounting for year-to-date spending and the encumbrances listed below, the General Fund has \$11 million remaining in the operations budget for expenditures not yet recorded as of this report.

**GENERAL FUND OPERATIONS –
FY 2022 REMAINING ENCUMBRANCES (Q4)**

General Government	\$ 7,058,036
Public Safety	1,717,087
Operations (PW & PRCR)	4,241,917
Development & Infrastructure	1,036,206
Debt Service	34,679
Contingencies & Reserves	177,560
TOTAL ENCUMBRANCES	\$ 14,265,485

UTILITY FUND

FY 2022 Q4 UTILITY FUND SUMMARY

	FY 2022 YTD ADJ BUDGET	FY 2022 YTD ACTUAL	% OF BUDGET	FY 2021 YTD ACTUAL	FY 2021 VARIANCE	VARIANCE %
Revenues	\$ 99.7	\$ 81.6	82%	\$ 178.1	\$ (96.5)	-54%
Expenditures	99.7	82.6	83%	185.7	(103.1)	-56%
TOTAL REVENUE OVER/ (UNDER) EXPENDITURES	\$ -	\$ (1.0)	-	\$ (7.6)	\$ 6.6	-87%

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As of Q4, FY 2022 expenditures outpaced revenues by \$1 million, which is an improvement from the prior year by 87%.

FY 2022 Q4 UTILITY FUND REVENUES

	FY 2022 ADJ BUDGET	FY 2022 YTD ACTUAL	% OF BUDGET	FY 2021 YTD ACTUAL	FY 2021 VARIANCE	VARIANCE %
Water Service	\$ 32.5	\$ 30.8	95%	\$ 29.0	\$ 1.8	6%
Sewer Service	49.1	47.6	97%	45.8	1.8	4%
Permits & Fees	1.4	2.3	164%	1.6	0.7	44%
OPERATING REVENUES	83.0	80.7	97%	76.4	4.3	6%
Non-Operating	16.7	0.9	5%	101.7	(100.8)	-99%
TOTAL UTILITY FUND REVENUES	\$ 99.7	\$ 81.6	82%	\$ 178.1	\$ (96.5)	-54%

The Utility Fund’s **operating** revenues increased 6% through Q4 of FY 2022 compared with that same period in FY 2021. The increases in water and sewer revenue are the direct result of the \$0.50 increase in base rates and the 1.5% volumetric rate increase approved in the FY 2022 budget. Billing for utility services delivered in FY 2022 is not yet complete. Audited revenues are expected to meet the budget as of fiscal year end.

Non-operating revenues decreased significantly compared with Q4 of FY 2021. This decrease is directly related to the refinancing of multiple revenue bonds and the Utility Fund’s portion of the 2014 general obligation bonds in FY 2021, totaling \$100.5 million in debt proceeds.

FY 2022 Q4 UTILITY FUND EXPENDITURES

	FY 2022 ADJ BUDGET	FY 2022 YTD ACTUAL	% OF BUDGET	FY 2021 YTD ACTUAL	FY 2021 VARIANCE	VARIANCE %
Administration	\$ 9.5	\$ 8.6	91%	\$ 8.6	\$ 0.0	0%
Field Operations	19.0	16.1	85%	15.5	0.6	4%
Wastewater (net of Apex)	12.1	9.9	82%	9.6	0.3	3%
Water Treatment Facility (net of Apex)	9.0	8.6	96%	8.0	0.6	8%
OPERATING EXPENDITURES	49.6	43.2	87%	41.7	1.5	4%
Non-Operating	50.1	39.4	79%	144.0	(104.6)	-73%
TOTAL UTILITY FUND EXPENDITURES	\$ 99.7	\$ 82.6	83%	\$ 185.7	\$ (103.1)	-56%

Utility operations and spending trends are consistent with FY 2021 and within budgetary expectations. Non-operating expenditures decreased more than \$100 million due to the refinancing of revenue and general obligation bonds in FY 2021.

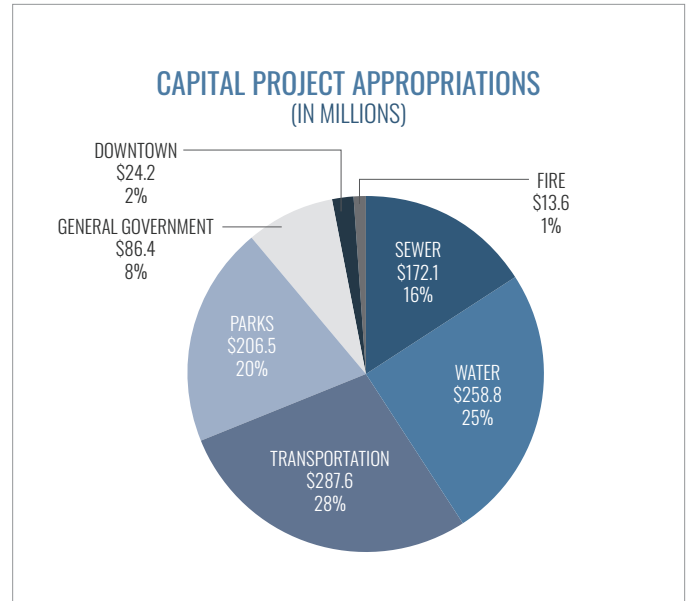
The following table shows the total outstanding encumbrances for the Utility Fund remaining at the end of Q4. After accounting for year-to-date spending and the encumbrances, the Utility Fund has approximately \$14 million in the operations budget for expenditures not recorded as of this report.

UTILITY FUND OPERATIONS –
FY 2022 REMAINING ENCUMBRANCES (Q4)

Administration	\$ 531,252
Field Operations	681,508
Wastewater (net of Apex)	1,236,713
Water Treatment Plant (net of Apex)	657,016
Debt Service	8,675
Contingencies & Reserves	5,052
TOTAL ENCUMBRANCES	\$ 3,120,216

CAPITAL PROGRAM

Cary has 535 active capital projects; utility capital projects with a total budget of \$430.9 million constitute 41% of the capital spending authorizations, and general capital projects total \$618.3 million, or 59% of the \$1 billion budget authorization.



CAPITAL PROJECT SPENDING THROUGH Q4 (IN MILLIONS)

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Downtown	\$ 2.1	\$ 8.6	\$ 1.4	\$ 1.1	\$ 1.0
Fire	1.1	5.0	5.4	1.9	1.8
General Government	4.6	8.2	6.2	10.6	5.7
Parks	10.5	6.8	20.3	24.8	30.1
Streets	7.0	7.4	11.7	21.3	22.5
Sewer	22.6	20.2	20.9	17.5	12.6
Water	23.2	27.6	12.6	13.8	11.8
TOTAL	\$ 71.1	\$ 83.8	\$ 78.5	\$ 91.0	\$ 85.5

Capital project spending totaled \$85.5 million through Q4. The fluctuation in capital spending is due to the timing of projects becoming active and nearing completion. The three largest investments in capital for the community in Q4 were \$7.9 million for the Downtown Cary Park, \$4.6 million for the Morrisville Parkway Interchange Project with the North Carolina Turnpike Authority, and \$2.7 million for sewer system rehabilitation projects.

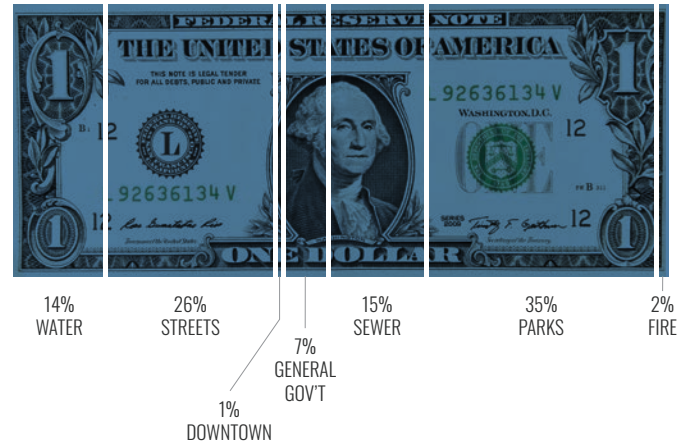


Image Credit:
Kurt Hilton Photography

BUDGET

MID-YEAR APPROPRIATIONS

The FY 2022 operating budget includes \$1 million to support emerging or unforeseen program needs during the fiscal year; less than half of this funding was utilized during the fiscal year. The General Government Mid-Year Appropriations table summarizes the projects supported by available mid-year funding dollars through Q4 and identifies all fund balance appropriations approved during the year for the General Fund.



Q4 GENERAL GOVERNMENT MID-YEAR APPROPRIATIONS

GENERAL FUND

	QUARTER	AMOUNT
AVAILABLE FOR MID-YEAR APPROPRIATIONS		\$ 1,000,000
	Q3	Fire Truck Idle Reduction Technology (324,000)
	Q4	Electric Sanitation Truck (189,446)
		REMAINING AVAILABLE FOR MID-YEAR APPROPRIATIONS \$ 486,554
APPROPRIATIONS FROM FUND BALANCE	Q2	USA Baseball National Training Complex Improvements \$ 4,500,000
	Q3	Funds to Support American Rescue Plan Act Initiatives 3,523,928
	Q3	Funds for Public Street Improvements and Business Improvement District Fee Mitigation 1,317,572
	Q4	Downtown Business Improvement District Development Fees 761,572
	Q4	Hunter and East Chatham Street Improvements 556,000
		TOTAL MID-YEAR GENERAL FUND FUND BALANCE APPROPRIATIONS \$ 10,659,072

The Governmental General Capital Project Fund table notes year-to-date mid-year appropriations related to general and utility capital projects. These appropriations were approved by Council and reflect both Cary funds and funds received from outside agencies for specific uses.

GOVERNMENTAL GENERAL CAPITAL PROJECT FUND

FUNDING SOURCE	QUARTER	FUNDING USE	AMOUNT
GENERAL CAPITAL RESERVE FUND UNRESTRICTED FUND BALANCE	Q2	Cary Tennis Park Facility Improvements	\$ 775,000
911 SPECIAL REVENUE FUND BALANCE	Q2	Purchase of Emergency Communications Center Equipment	414,647
GENERAL FUND FUND BALANCE	Q2	USA Baseball National Training Complex Improvements	4,500,000
GENERAL CAPITAL RESERVE FUND UNRESTRICTED FUND BALANCE	Q2	Weston Parkway Area Bicycle/Pedestrian/Greenway Connectivity Study	150,000
GENERAL CAPITAL RESERVE FUND RECREATION PAYMENT-IN-LIEU - WEST	Q3	Neighborhood Park on Carpenter Fire Station Road	1,300,000
GENERAL FUND FUND BALANCE	Q3	Funds to Support American Rescue Plan Act Initiatives	3,523,928
GENERAL CAPITAL RESERVE FUND RECREATION PAYMENT-IN-LIEU - WEST	Q3	Neighborhood Park on McCrimmon Parkway	1,400,000
MID-YEAR APPROPRIATION NON-DEPARTMENTAL	Q3	Fire Truck Idle Reduction Technology	324,000
UTILITY CAPITAL RESERVE FUND	Q4	Purchase Solar Farm	475,000
UTILITY FUND FUND BALANCE	Q4	Watershed Protection for White Oak Creek	40,000
GENERAL FUND FUND BALANCE	Q4	Downtown Business Improvement District Development Fees	761,572
GENERAL CAPITAL RESERVE FUND POWELL BILL	Q4	Street Improvement Program	698,953
TOTAL MID-YEAR APPROPRIATIONS			\$ 14,363,100

Q4 DELEGATED BUDGET AUTHORITY ACTION

Throughout the fiscal year, challenges and opportunities can develop that warrant financial resources not included in the original budget. Often staff can repurpose existing resources to address the highest priorities and initiatives. The budget ordinance authorizes the town manager to approve inter-functional budget adjustments and requires reporting to Council. One inter-functional budget adjustment totaling \$2.7 million was conducted during Q4.

BUDGET TRANSFER FROM			BUDGET TRANSFER TO		
O&M	General Fund - Development & Infrastructure	\$ (115,035)	PERSONNEL SERVICES	General Fund - General Government	\$ 115,035
O&M	General Fund - Development & Infrastructure	(663,716)	O&M	General Fund - General Government	663,716
PERSONNEL SERVICES	General Fund - Development & Infrastructure	(140,000)	O&M	General Fund - General Government	140,000
O&M	General Fund - Non-Departmental	(38,769)	O&M	General Fund - General Government	38,769
O&M	General Fund - Non-Departmental	(656,000)	PERSONNEL SERVICES	General Fund - Public Safety	656,000
O&M	General Fund - Non-Departmental	(410,000)	O&M	General Fund - Public Safety	410,000
O&M	General Fund - Non-Departmental	(75,000)	PERSONNEL SERVICES	General Fund - Operations	75,000
PERSONNEL SERVICES	General Fund - General Government	(642,436)	O&M	General Fund - Operations	642,436
TOTAL 4TH QUARTER INTER-FUND AND INTER-FUNCTIONAL TRANSFERS		\$ (2,740,956)			\$ 2,740,956

BUDGET PUBLIC INPUT AND RECOMMENDATIONS

Citizens are invited to share their budget priorities throughout the year, specifically via social media, voicemail, and email. Q4 yielded three budget public input comments.

CATEGORY	COMMENTS RECEIVED	PLATFORM RECEIVED	TYPE OF COMMENT
Greenways	1	Email	Would like to see a greenway connector between Black Creek Greenway and Madison Avenue.
Greenways	1	Email	Would like to see additional greenway connectors to neighborhoods.
GoCary	1	Email	Proposed additional GoCary bus stops.
TOTAL	3		

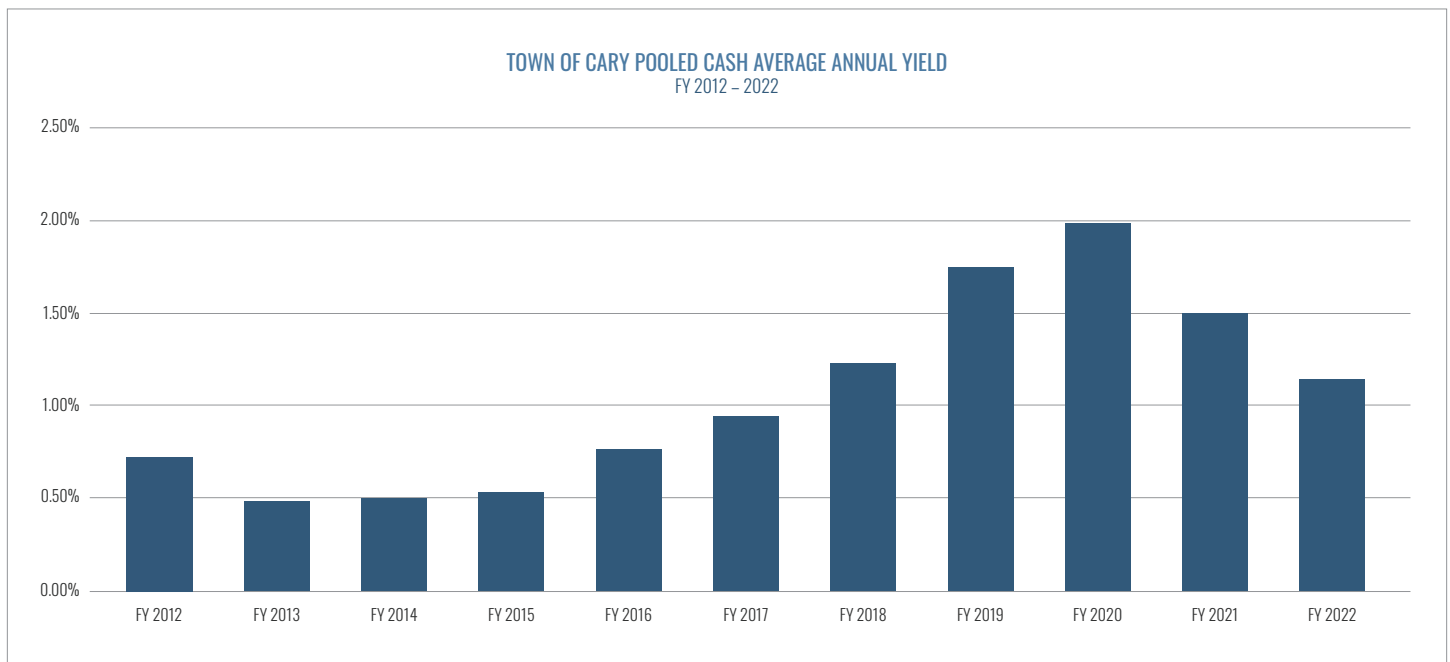


CASH AND INVESTMENTS

Cary ended FY 2022 with a cash and investment balance of more than \$555 million. Cash resources for all funds are pooled to maximize efficiency and interest earning potential. About \$40 million is maintained in bank accounts to ensure immediate access to funds. The remainder is invested in securities that first, ensure the safety of the principal; second, provide quick access to additional funds for any unforeseen needs (liquidity); and finally, earn the maximum interest income.

Interest earnings totaled \$6.4 million in FY 2022, which is a decrease of more than \$1.4 million, or 19%, compared with FY 2021. FY 2022 actual interest earnings are \$1.3 million over the budget of \$5.1 million. This was anticipated, as interest rates have continued to increase over this past year as the Federal Reserve continues to raise rates. While interest rates continue to rise, the portfolio still includes securities that were purchased when rates were lower. Until the lower-earning securities mature, interest earnings will increase at a slower rate than the rise in interest rates. As a result, the FY 2023 budget for interest income is about \$1 million less than FY 2022 actual earnings.

In accordance with accounting standards, Cary reports the market value of all investments at the end of every fiscal year to reflect the impact on the financial results in the unlikely case that Cary would have to sell all its investments at fiscal year-end market prices. This acknowledgment of year-end market value is referred to as a “mark to market” adjustment. This adjustment depends on the change in market values over the prior year. Due to the rapid increase in interest rates in the last half of the year, Cary’s mark to market adjustment for FY 2022 will decrease interest earnings on the audited year-end financial statements by approximately \$24 million. While Cary is required to report this adjustment on the financial statements, Cary will not realize this loss in interest earnings because investments are generally held until maturity to meet future cash flow needs.



DEBT

Cary’s overall debt burden is about \$464 million, with \$223 million attributable to the General Fund and \$241 million to the Utility Fund. Of the \$223 million General Fund debt, about \$20 million is variable rate debt with an interest rate that is reset weekly. This rate was as low as 0.02% in FY 2022 and then began to consistently increase beginning in February 2022 to end the fiscal year at a high of 0.80%. The average rate for FY 2022 was 0.18% compared with 0.10% in FY 2021. The average budgeted rate for FY 2022 was 2%, resulting in interest payment savings in FY 2022 of more than \$400,000 for the General Fund.

CARY KUDOS

KAREN MILLS RETIRES

Karen Mills, Cary’s Chief Finance Officer, retired having served the community for 31 years. Karen’s remarkable legacy is reflected both in Cary’s excellent financial standing and the relationships she developed with citizens, staff, and Council. Perhaps her proudest accomplishment is the implementation of



Aquastar, an innovative advanced meter infrastructure system that gives citizens instant access to their utility usage information and allows staff to remotely read water meters. In addition to serving Cary, Karen served as president of both the N.C. Government Finance Officers Association and the N.C. Local Government Investment Association and is an alum of the Public Executive Leadership Academy. Under Karen’s leadership, Cary obtained AAA ratings, the highest credit ratings given by rating agencies, for both general obligation and revenue bonds. Town Manager Sean Stegall dubbed Karen “the unicorn,” as she is that magical blend of professional expertise, nurturing friend and mentor, and lifelong learner.







FOSTERING STRONG NEIGHBORHOODS



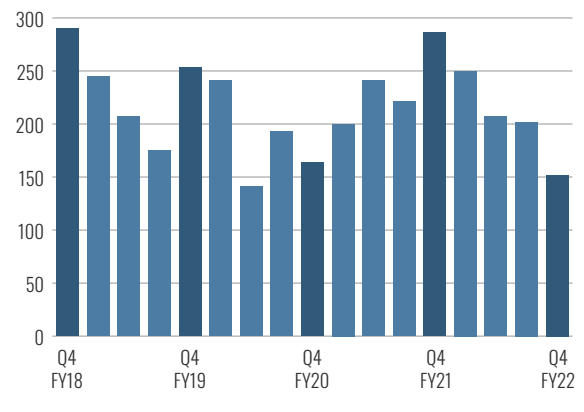


RESIDENTIAL PERMITS

Cary issued 152 permits for new detached houses and townhouses this quarter. The top three subdivisions permitted were James Grove (52), Carpenter Village (21), and Carpenter Pointe Townhomes (14). Overall, permits for new detached houses and townhouses decreased 47% compared with the same period last year.

Cary issued 221 detached residential and townhouse certificates of occupancy (COs), an average of 3.5 certificates per workday. This is a 3% decrease compared with the same period last year. James Grove (35), Savaan (26), and Channing Park (23) received the most COs. Cary also issued building permits for 309 units for multi-family projects in Twin Lakes (156) and Searstone (153).

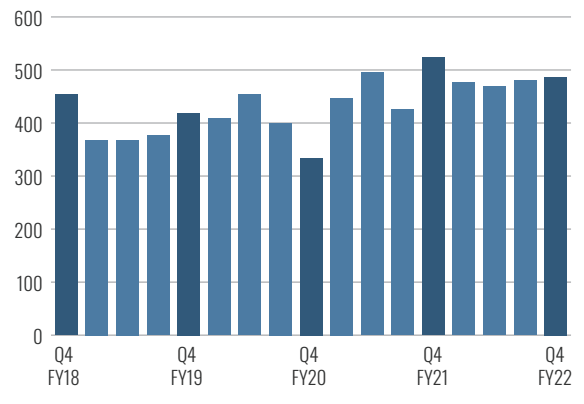
DETACHED RESIDENTIAL & TOWNHOUSE PERMITS ISSUED
5-YEAR COMPARISON



RESIDENTIAL ALTERATION AND ADDITION PERMITS

Cary issued 487 permits for residential alterations and additions. This is a 7% decrease from the same period last year and a 1.5% increase from last quarter.

RESIDENTIAL ALTERATIONS & ADDITIONS
5-YEAR COMPARISON





CARY HOUSING PROGRAM EXPANDS TO JOB TRAINING



To help fill the gap between housing needs and job losses due to the pandemic, Cary partnered with county anti-poverty nonprofit Passage Home to launch a job training initiative for underemployed residents. This program will help residents earn certifications for positions in leading employment industries and will include job placement after graduation. The initiative is funded by Cary's Community Development Block Grant program and works with job seekers one-on-one to understand their situation and unique barriers to self-sufficiency. The program also helps job seekers overcome challenges with childcare, transportation, and education to help in the success of their future careers.

CARY IN TOP 10 FOR STARTER HOMES

A report from StorageCafe ranked Cary the eighth best market in the country for starter homes. The study, which reviewed more than 100 cities, defines a starter home as 1,700 square feet or less with two bedrooms that is below the local median price. With millennials making up a large segment of the starter home market, this ranking is consistent with prior housing accolades for Cary regarding millennial home ownership. The Triangle Business Journal noted the transformation of downtown as one contributing factor to why Cary is attracting more young professionals and families.







ASSURING CONTINUED PROSPERITY





PUBLIC SAFETY RECRUITMENT



After a national search, Cary hired Terry Sult on June 10 as its new police chief. With 40 years of law enforcement experience, Sult most recently served as Cary's interim chief after retiring in 2021 from the Hampton Police Division in Hampton, Va. He formerly served as chief in Sandy Springs, Ga., and Gastonia, N.C., following a 27-year career with the Charlotte-Mecklenberg Police Department.

This quarter, Cary also focused successfully on hiring new public safety staff despite the challenging hiring environment for agencies across the nation. The onboarding of 14 new police officers this spring brings staffing levels to nearly 100%, an impressive feat given vacancy rates among peer agencies throughout the region. In addition to these new recruits, the FY 2023 budget includes expansion of service for the Downtown Cary Park to include six new officer positions; recruitment is under way.

Fire also conducted a swift and successful recruitment, hiring 26 new firefighters out of 530 applicants hailing from across the country. Human Resources worked with Fire to conduct its fastest hiring process ever, running seven weeks and involving 19 fire personnel conducting three different interview phases, including a physical abilities assessment, required medical evaluations, and background checks. Cary recognized the need to move quickly in today's highly competitive public safety hiring environment to be able to secure the best people. Cary also holds an advantage in recruiting police officers and firefighters thanks to the organization's superior reputation, pay, benefits, career opportunities, training, and leadership development.

BENEFITS MY WAY

On July 1, with the support of Council, Town Manager Sean Stegall, directors, Human Resources, and many others, Cary proudly announced the new Benefits My Way package to meet the needs of employees at all phases of their lives.

Each year, Cary evolves its benefits program by listening to staff's needs while also exploring benefit options provided by other public and private entities. In recent years, Cary's benefits reflected the organizational culture by putting employees first and leading with the human experience. This year, the new benefits package intentionally emphasizes that Cary values each employee, who together help cocreate its success.

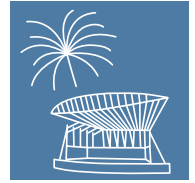
NONDISCRIMINATION ORDINANCE

This quarter, Council approved a resolution that permits Wake County's nondiscrimination ordinance to apply within Cary's corporate limits. The ordinance prohibits discrimination in public accommodations and employment against a broader base of protected classes than those traditionally covered by federal and state law. Cary also adopted a nondiscrimination policy for Town operations that would apply to all Cary citizens and those who interact with the Cary government. By adopting this resolution and policy, Cary continues to further its commitment in fostering a diverse, equitable, and inclusive workplace and community.



EXPERIENCING THE CARY COMMUNITY





SHAPING CARY'S TOMORROW BOND PROJECTS

This section offers Cary citizens an update on the projects funded by the Shaping Cary's Tomorrow Parks and Transportation Bonds overwhelmingly approved in a 2019 referendum.



DOWNTOWN CARY PARK UPDATE



Downtown Cary Park has been under construction for one year and is nearing 50% completion. Five of the six buildings are now going vertical, and bridges and foundational stones are being placed. While construction moves forward, operational planning is also advancing, including filling a position that will oversee all the maintenance in the park.

NEIGHBORHOOD PARKS GROUNDBREAKING



In May, Cary held a groundbreaking celebration to recognize the start of construction for two neighborhood parks, one on Carpenter Fire Station Road and one on McCrimmon Parkway. The celebration featured music, ice cream, activities, and entertainment for about 400 attendees. Soon after, clearing and grading began at the two parks, which are being built simultaneously and will greatly expand recreational opportunities for the surrounding neighborhoods. Both parks are projected to open in late 2023.





SUMMER CAMPS OPEN FOR BUSINESS



More than 500 campers ages 4 to 17 attended camps the first week after camps opened June 13 at eight different locations. A wide variety of camps are offered this summer, and camp specialties include visual arts, ceramics, performing arts, outdoor recreation, full-day summer camps, STEM, sports, skateboard, tennis, and many others. Camps will serve more than 5,700 children this summer across a dozen facilities. A sampling of parent comments from the first week:

- “My daughter loved this camp and came home with beautiful artwork.” (Drawing Bootcamp)
- “Flag football coaches were so enthusiastic.” (Flag Football Camp)
- “Great experience from everyone from staff to instructors. Really great people and experience all around.” (Guitar Camp)
- “The staff included everyone and made it fun.” (Soccer Camp)

SPRING DAZE



The 29th annual Spring Daze Arts and Crafts Festival welcomed more than 10,000 patrons and vendors to Bond Park for the first time in three years to celebrate North Carolina arts as well as host Cary’s Earth Day celebration. Attendees wandered the trails of Bond Park shopping for ceramics, jewelry, paintings, and more from their favorite local artists. Many enjoyed cold beverages from local breweries such as Cotton House, Fortnight Brewery, and Bull City Cider. Families enjoyed make-and-take crafts in Kids World. The Cary Arts Center raised more than \$1,000 for the Play-It-Forward Scholarship Fund. Internationally-recognized topiary artist Michael Gibson showcased his talents through live topiary demonstrations. The festival made a triumphant return, blending the arts and sustainability and showcasing Cary’s largest park.



PRIDE MONTH



In recognition of Pride Month, Cary offered a variety of activities in June for the community, including lighting the façade of the Cary Arts Center in rainbow colors; hosting LGBTQ+ films and discussions at The Cary Theater; erecting artist Matt McConnell’s rainbow art installation, “Evolution Field”; and launching an initiative to gather and document LGBTQ+ stories in Cary using a video story booth. Additionally, the Office of Diversity, Equity, and Inclusion launched an LGBTQ+ educational program series for Town of Cary staff. Workshops were developed to equip staff with knowledge, awareness, and skills to become more inclusive, informed, and supportive allies to the LGBTQ+ community. Internally and externally, Cary is committed to fostering a safe and respectful environment for all people to live, work, and play.

HIPPITY HOPPITY EASTER EGG HUNT



The Easter Bunny delivered lots of eggs to Middle Creek High School football stadium and Alston Ridge Middle School football field on April 9. Nearly 700 children and their families attended this fun event, where they enjoyed pre-hunt entertainment by stilt walkers, jugglers, magicians, hoop artists, a mime, and of course the Easter Bunny. At 10 a.m. the start horn went off, and kids scrambled to grab eggs. They were given goodie bags for returning their empty eggs, and some even won special prizes.





FLY AWAY HOME WILLOW STRUCTURE



Fly Away Home, Patrick Dougherty's large-scale willow sculpture built by more than 100 community volunteers, is taking on a new life. A rarely seen phenomenon, the sculpture has rooted and is now a living sculpture. Students from Green Level High School, Cary's "sculpture stewards," are responsible for tending the new shoots, tucking and clipping where needed, over the next two years to help keep it a great experience for the community. Check out photographer Kurt Hilton's documentary of the process at bit.ly/Caryfly.

CARING FOR HEMLOCK BLUFFS



On April 5, the N.C. Forest Service, N.C. State Parks, and Cary partnered to conduct the annual prescribed burn at Hemlock Bluffs Nature Preserve. A total of one acre was burned along Chestnut Oak Loop Trail. Prescribed burns are a proven and safe way to reduce fuel loads in forests and other areas. Also in April, Cary, in partnership with the N.C. Forest Service and North Carolina State University Camcore, a nonprofit tree breeding organization, conducted a check and treatment for the hemlock woolly adelgid. The invasive, aphid-like insect, which first arrived at Hemlock Bluffs in 2010, attacks hemlock trees and has no native predators. This partnership saves Cary thousands of dollars every year, with checks and treatments occurring several times throughout the year.



SAS CHAMPIONSHIP ADDS HBCU GOLF EVENT



For more than 20 years, SAS has been the title sponsor for the PGA Tour Champions SAS Championship, hosted at Prestonwood Country Club. For the 2022 event, the SAS Championship announced the inaugural SAS Championship Historically Black Colleges and Universities (HBCU) Invitational, which will be played during the week of the SAS Championship and will include 17 teams — 6 women’s and 11 men’s — representing North Carolina Central University in Durham, Saint Augustine’s University in Raleigh, and Winston-Salem State University. Cary is a major sponsor of the SAS Championship.





GUIDING COMMUNITY GROWTH





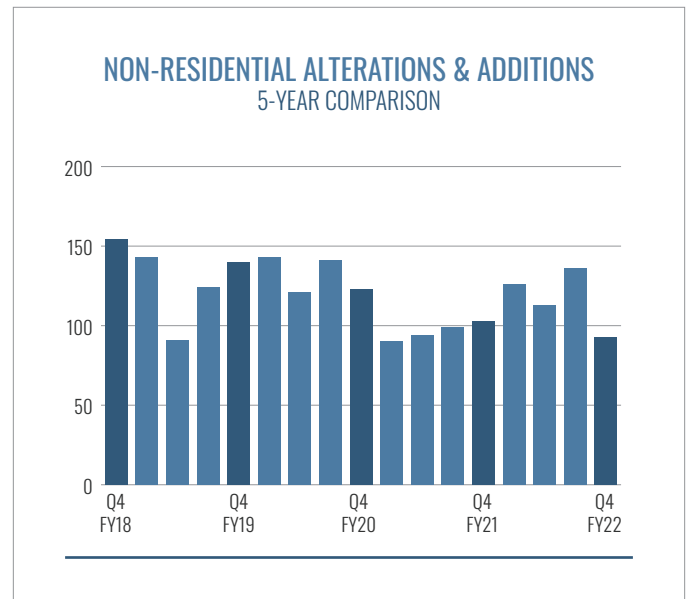
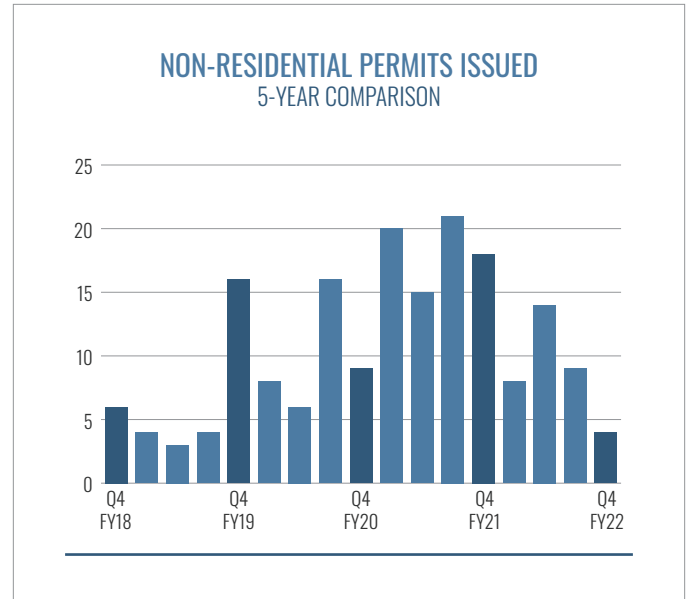
NON-RESIDENTIAL PERMITS

In Q4, Cary issued four non-residential permits for a total of 72,570 square feet. The largest project was a new 67,188-square-foot shell building for a future office at 1700 Kildaire Farm Road.

NON-RESIDENTIAL ALTERATION AND ADDITION PERMITS

Cary issued 93 non-residential alterations and additions permits in Q4. Projects of note include:

- Protolabs, 3615 Pleasant Grove Church Road: Permit for the first interior fit-up of 68,694 square feet of warehouse space.
- 301 MetLife Way: Permit for the renovation of the first and seventh floors to fit-up a new corporate tenant.
- Sports and Social at Fenton, 301 Fenton Drive, Suite 110: Permit for the first interior fit-up of 23,940 square feet for a restaurant and bar.





REZONING

In Q4, 28 cases were in the rezoning process, with three cases approved:

- 21-REZ-21, Fenton: The request adds a second development option for the retail anchor and clarifies additional flexibility for signage at Fenton.
- 21-REZ-15, 109 Appaloosa Trail: The request establishes Residential 40 Conditional Use zoning for the construction of a detached dwelling and connection to Cary's water and sewer services.
- 21-REZ-19, Estes Residential: The request rezones six acres of property at 7824 Emery Gayle Lane from Residential 40 to Residential 12 Conditional Use to develop a maximum of 15 detached dwelling units.

DEVELOPMENT PLANS

In Q4, Cary approved 31 development plans. Notable plans approved this quarter were:

- Avention Kit Creek Apartments, 7655 Kit Creek Road and 5329 N.C. 55: Development plan for 293 multi-family dwelling units.
- Bitting Redevelopment, 520 Old Apex Road: Development plan to redevelop former industrial service buildings into brewery space.
- Higgins Greenway Phase III, Union Street: Development plan for the extension of the Higgins Greenway.
- Meridian East Chatham, 229 E. Chatham St.: Development plan for a mixed-use project including a five-story building with 220 apartments and 8,200 square feet of retail.





FENTON RIBBON CUTTING



Cary Council members and more than 60 staff members participated in a ribbon-cutting ceremony at Fenton on June 2. The event marked the culmination of more than four years of hard work since the approval of the development's original zoning in 2018. The ribbon cutting served as a prelude to the grand opening festivities on June 4 and 5. Even though Phase 1 was only partially occupied, several tenants broke or exceeded national opening day sales numbers:

- With \$60,000 in sales on opening weekend, Nike Live exceeded the opening sales performance of its stores in Atlanta and Nashville.
- Southern Tide's opening day broke its single-day sales record.
- Honeysuckle Gelato's sales on June 4 were the highest single day in company history.

As of the end of June, a dozen tenants and Paragon Theaters were open, with Fenton's first restaurant scheduled to open in July. Another two dozen retail tenants and a half-dozen restaurants are working on finishing their spaces.

CARRBORO SUSTAINABILITY COMMITTEE TOURS DOWNTOWN

On June 10, Cary hosted five members from the Carrboro Economic Sustainability Committee on a driving and walking tour of downtown. Participants included Carrboro Council member Randee Haven-O'Donnell, Economic Development Director Jon Hartman-Brown, and members of Cary's economic sustainability committee. The tour and discussion focused on land assemblage and working with private property owners and developers to achieve Cary's vision for downtown revitalization.





PROVIDING TRANSPORTATION CHOICES





SHAPING CARY'S TOMORROW BOND PROJECTS

This section offers Cary citizens an update on the projects funded by the Shaping Cary's Tomorrow Parks and Transportation Bonds overwhelmingly approved in a 2019 referendum.



CARPENTER FIRE STATION ROAD WIDENING

Right-of-way acquisition and negotiations with property owners began for the Carpenter Fire Station Road widening project, which will expand the road between Cameron Pond Drive and N.C. 55 to a four-lane, median-divided street. In addition, staff is coordinating with the multi-family development in the southwest corner of Carpenter Fire Station Road and N.C. 55 to minimize impacts. As part of the project, a street-side trail will be installed on the south side of the street and pedestrian fencing installed across the Carpenter Fire Station Road Bridge over N.C. 540. These improvements will help enhance safety for pedestrians, bicyclists, and drivers traveling through the corridor and to the future park near Highcroft Drive. Installation of the pedestrian fencing is anticipated to be complete this summer, and the road widening project is anticipated to begin summer of 2023.

STREET IMPROVEMENTS PROJECT



Construction began on the 2022 Street Improvements Project in June. This year's work covers Norwell Boulevard and includes new bike lanes and ADA-compliant curb ramp updates to support a detour of the Black Creek Greenway. About 21 miles of street repaving are scheduled for this year with construction expected to be complete this winter. The 2023 Street Improvements Project is in the planning and design phase with bidding expected this fall and construction next spring.





SIDEWALK UPDATE

Cary's commitment to pedestrian connectivity and safety is reflected in the 40 sidewalk projects under way. More information can be found at townofcary.org/sidewalks.

Construction Starting:

- Northwest Maynard Road, west of North Harrison Avenue

90% Design Complete,

Beginning Real Estate Negotiations:

- Byrum Street from Kildaire Farm Road to Walnut Street
- Ederlee Drive from Richelieu Drive to Avenue of the Estates
- Summerwinds Drive from Tryon Road to Summerview Lane
- South Walker Street from First United Methodist Church parking lot to East Park Street

60% Design Complete, Beginning Utility Relocations/ Environmental Permitting:

- Laura Duncan Road from town limits to Southwest Cary Parkway
- Northwest Cary Parkway from Sheldon Drive to Waltonwood Silverton Planned Development District
- Highfield Avenue from N.C. 55 to Batchelor Branch Greenway
- Maynard Road from Chapel Hill Road to Maynard Creek Court
- West Lake Road from Fairview Ridge Lane to Larboard Drive
- Old Apex Road from Murphy Drive to West Chatham Street

Survey Complete, Beginning Design:

- West Chatham Street from Old Apex Road to Fallsworth Drive
- Northwest Cary Parkway from Saddle Creek Lane to town limits
- Wrenn Drive from Kildaire Farm Road to Bargate Drive

ARPA-FUNDED SIDEWALK PROJECTS

The RFQ process is complete and negotiations are ongoing with the selected engineering firms for the 14 American Rescue Plan Act-funded sidewalk projects previously approved by Council. Surveying is expected to start later this year. A full list of ARPA-funded sidewalks can be found at townofcary.org/arpasidewalk.

A SUSTAINABLE GOCARY

GoCary is one of 7 systems in the state and 177 systems nationwide committed to President Biden's Sustainable Transit for a Healthy Planet Challenge. This includes working with the Federal Transit Administration to develop climate action, sustainability, and fleet transition plans with a goal of achieving 50% reduction in greenhouse gases from public transit by 2030. This effort involves increasing the use of solar energy and increasing ridership to reduce the number of single-occupancy vehicles on the road. Cary is leading the way with a record year of ridership as numbers exceed pre-COVID levels. In addition, pole-mounted solar lights are being installed at bus stops that do not have adequate street lighting. By the end of summer, 90% of Cary bus stops will have some form of security lighting, with 38% powered by solar.





BIKES, BIKES, AND E-BIKES



Cary kicked off two bike-related pilots during National Bike Month in May. The first, an e-bike pilot, will allow electric-assisted bicycles on Cary's greenways through the end of the year. E-bike users must obey Cary greenway rules, including the 15-mph speed limit, and must be pedaling in order to engage the electric motor. Enhanced educational signage along the greenways reinforces these key messages and provides a survey link so that staff can gather feedback from all greenway users during this pilot. Staff anticipates analyzing findings from the survey and additional research in late fall.

Cary also launched a bike rental program in May that ended July 5. Citizens were able to rent bicycles from a docking station located by the Boathouse at Bond Park using an app managed by the bike rental company. As of June 28, 338 rides were taken on the bikes. The e-bike and bike rental pilots complemented additional activities during Bike Month in May and National Trails Day on June 4. Cary hosted a Love to Ride competition, a Find Your Greenway scavenger-style hunt, and a bike ride on White Oak Creek Greenway. Every year, Cary takes advantage of National Bike Month and National Trails Day to highlight, educate, and engage citizens about Cary's 90-mile greenway network and the opportunities afforded by cycling in Cary.

COUNCIL APPROVES UPDATED TRAFFIC CALMING PROGRAM POLICY



May marked a significant milestone in the evolution of Cary's Traffic Calming Program with Council's approval of revisions to Policy Statement 124. The updated policy supports the expansion of the Traffic Calming Program to include additional road classifications in response to citizen requests for action on the streets that serve their neighborhoods. Additionally, the policy now provides for a more streamlined citizen engagement process and expands Cary's flexibility in responding to citizen concerns on roads where excessive speeding is confirmed by data. The amended policy now fully aligns with Cary's commitment to providing a transportation system designed to function for all residents inclusive of all preferred modes of travel, whether that be driving, walking, or biking.

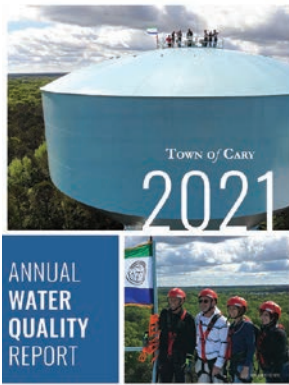


MEETING COMMUNITY NEEDS





2021 ANNUAL WATER QUALITY REPORT



During the final quarter of the fiscal year, Cary produces an annual Water Quality Report. The document shows what it takes to produce Cary's high-quality drinking water 24 hours a day, 365 days a year. Cary's report shares the results of over 450,000 tests performed in 2021 and confirms its compliance with all state and national drinking water regulations. The full report can be found at townofcary.org/waterreport.

SEWER REHAB ALONG CRABTREE TRAIL



Rehabilitation of the 48-inch sewer line along the Crabtree Creek Greenway is nearing completion, and the remaining work in this area can be accomplished without closing the greenway. The next phase of this project will consist of rehabilitating the sewer lines along the Black Creek Greenway between West Dynasty Drive and North Cary Park. Signs have been installed to notify citizens of the upcoming work along the Black Creek Greenway and the associated detour route. During this phase, the remaining portions of the Black Creek Greenway and the Crabtree Creek Greenway outside the work zone will be open to the public.





NCWRF AERATION IMPROVEMENTS PROJECT COMPLETE



The Aeration Improvements Project at the North Cary Water Reclamation Facility is complete following two years of construction. This \$15 million project to help modernize Cary's oldest wastewater treatment facility was finished on schedule and under budget. The capital upgrades to the aeration system replace obsolete equipment and will supply future energy savings while supporting advanced treatment technology. The project also includes a new blower building and a 2-megawatt standby generator. This capital investment in the North Cary Water Reclamation Facility will allow the treatment process to continue exceeding industry standards.

WINDING PINE WASTEWATER PUMP STATION

In April, Council approved the construction bid award for the Winding Pine Wastewater Pump Station Project. With a price tag of just under \$18 million, this investment in reliable utility service maintains and expands sewer capacity in Research Triangle Park, northwest Cary, Morrisville, and portions of Chatham County. The Winding Pine Pump Station will have a capacity of 10.7 million gallons per day and replaces the Kit Creek Pump Station. Originally constructed in 1991 with a capacity of 2 million gallons per day, the Kit Creek Pump Station was expanded in 2003 to its current capacity of 8.2 million gallons per day. The new Winding Pine Pump Station strategically positions Cary in two significant ways. First, it moves the location from the banks of Kit Creek and out of the floodplain, thereby eliminating numerous operational issues. Second, it allows for the build-out of the Wake County portion of RTP and other future development within the sewer basin. Construction start is scheduled for July.





FIRST CARY PD MOTORCYCLE INSTRUCTOR



In May, Officer Dustin Preston became the first Cary police officer to earn the police motorcycle instructor certification through the Institute of Police Technology and Management in Daytona Beach, Fla. The extensive two-week course curriculum included advanced riding skill-building, setting up and improving department training programs, and presenting a block of instruction. His training and expertise will enable Cary to host its own police motorcycle training courses, enhance its internal motor officer training program, and assist other agencies with their motorcycle training courses.

K9 DONOR APPRECIATION



On April 20, members of the police department’s K9 unit and command staff welcomed residents Richard and Judy Hendrickson for a meet and greet with Cary’s newest police canines and their handlers. The Hendricksons have been longtime supporters of and financial donors to the K9 unit, and their contributions have allowed Cary to expand to four canine and handler teams. During the visit, officers presented the Hendricksons with a plaque honoring their generosity and enduring support.

CARY KUDOS

OFFICER DAVID LANGDON

This quarter, the Exchange Clubs of Wake County honored Cary Officer David Langdon for outstanding service and performance in law enforcement. Langdon works tirelessly to promote traffic safety throughout the community. He is a leader in arrests for driving while impaired and is a dedicated standardized field sobriety testing and DWI detection instructor as well as a drug recognition expert. He has assisted many officers in DWI investigations where controlled substances were the apparent cause of impairment.



PROJECT PHOENIX ANNIVERSARY EVENT

On April 6, Cary Police’s Project PHOENIX unit celebrated 10 years (plus 1) since program creation. Delayed one year due to the pandemic, the celebration at the Cary Senior Center welcomed more than 100 people to enjoy a presentation on how Project PHOENIX came about and the officers who were instrumental in its creation. Council member Jack Smith expressed his appreciation for the program’s impact and read a proclamation to recognize its success. Council, staff, and several community partners were recognized for their contributions to Project PHOENIX events and initiatives over the years.



DEVELOPING CARY'S OFFICERS



In a continual effort to build a legacy of excellence, Cary strives to hire, train, and develop the best staff. Cary is committed to helping employees reach their personal and professional goals as well as develop the leaders of tomorrow. This past quarter, members of the Cary Police Department achieved numerous milestones in their careers:

- Lieutenant Sheri Abraham graduated from the Administrative Officers Management Program hosted by North Carolina State University's School of Public and International Affairs.
- Corporals Jann Leach, Tim Hageter, Armando Bake, and Matt Cavalear graduated from the West Point Leadership Program through Methodist University's Center for Excellence in Justice Administration. WPLP is a 16-week course designed to develop an informed, systematic, and dynamic approach to leading in police organizations.
- Captain Robert Carey graduated from the Southern Police Institute's Administrative Officers Course through the University of Louisville. This 12-week course is designed to develop informed, effective, and ethically and technically competent law enforcement leaders.
- Justin Kosobucki, Devon Perillo, and Taylor Shealy graduated from Wake Technical Community College's Basic Law Enforcement Training Academy. The 787 hours required by the North Carolina Criminal Justice Education and Training Standards Commission includes topic areas such as constitutional law, ethics, elements of criminal law, mental illness and people with disabilities, patrol duties, investigations, communications, hazardous materials, and physical fitness.
- Captain Kat Christian graduated from the Senior Management Institute for Police through Boston University's School of Law. This demanding program of the Police Executive Research Forum provides senior police executives with intensive training in the latest management concepts and practices used in business and government.





FIRE CELEBRATES 100 YEARS



After kicking off its 100-year celebration in May with a breakfast for all current employees and retirees, Fire ramped up festivities beginning June 3 with a movie on the lawn at the former Cary Library site with refreshments and family-friendly activities. June 4 saw a fire truck parade downtown followed by a street dance with a live band featuring a Fire retiree on bass guitar. On June 6, the department's actual anniversary date, all nine fire stations opened their doors for an open house that included station and apparatus tours, a new fire prevention video premiere, dinner cooked by the firefighters, and giveaways. Mayor Harold Weinbrecht shared a brief history of the department and presented a proclamation recognizing the milestone at a June Council meeting. Battalion Chief Tracy Williams, who organized the events, and Fire Chief Mike Cooper accepted the proclamation on behalf of the department. The final event was a showcase on June 25 at Bond Park with apparatus displays, demonstrations, obstacle courses for kids and adults, a band, a DJ, food and beer trucks, and other activities.

SOLAR FACILITY ACQUISITION



Momentum continues in the acquisition of the 1.8-megawatt solar facility at the South Cary Water Reclamation Facility. This will advance Cary's commitment to renewable energy strategies and carbon emission reduction. In one year, the facility produces approximately 2.1 million kWh of energy — avoiding 1,526 metric tons of CO₂ — equivalent to the energy required for approximately 184 homes. Following Council's review at its May quarterly meeting, staff have executed the purchase agreement and are diligently working through the closing transactions, which are expected this fall.





CARY COMPOSTS



This quarter marks a year from when Cary was awarded the N.C. Community Waste Reduction and Recycling grant to develop Cary's first food waste recycling drop-off site. Cary has received 90% reimbursement in grant funding with the remainder expected this summer. In five months of operation, there were more than 4,500 drop-offs resulting in 27,940 pounds (just shy of 14 tons) of food scraps diverted from the landfill. More than 2,000 pounds of compost generated through this effort is available for use at Good Hope Farm. All metrics are updated monthly and shared on Cary's open data portal. To celebrate the milestone, Cary welcomed N.C. Department of Environmental Quality Secretary Elizabeth Biser and her staff for a tour of the drop-off facility. Secretary Biser recognized the service as a model for other communities and was excited to learn how Cary may build upon this initiative.

COMMUNITY COMPOSTING



Cary provided several opportunities to enhance its long-standing compost education and outreach program this quarter. In addition to continuing online classes, a special effort was made to educate citizens about food waste drop-off. Participants were empowered to join Cary in waste reduction and received a free kitchen caddy to start collecting their scraps to compost. For citizens who want to see composting in action, Cary partnered with Dorcas Ministries to provide a steady stream of produce-based food scraps at the Compost Education Center. Citizens who were inspired to compost at home purchased 233 backyard units this spring to reduce their waste and create their own soil amendment. By continuously innovating in outreach techniques, Cary leads the state in bin sales and is consulted by other communities for lessons learned.

COMPOST TOURS

Cary regularly connects with regional municipal neighbors to explore and share solid waste operations and waste management initiatives. This quarter, staff toured the City of Durham's yard waste site and compost facility to learn how operations are handled through contracted services with Atlas Organics. Staff also toured New Hanover County's compost facility to learn about its in-vessel, staff-run operations and its impact on waste diversion.



GROWING GARDENS



Cary's spring garden education programs are growing strong with family-friendly volunteer days and open house events. Ongoing free education events are being hosted at Good Hope Farm, the Carpenter Park Community Garden, the Compost Education Center, and fire station gardens to help connect the community to garden and compost education. Participants can sample garden-fresh veggies and learn tips and tricks for growing a greener garden at home, all while touring beautiful urban agriculture facilities.

In April, more than 60 volunteers gathered at fire stations across town to restore and plant gardens in support of first responders. After planting, staff began working with the fire station garden model to create and pilot Sustainable Garden Best Practices guides that can be implemented in future urban agriculture projects and programs townwide. Cary's agricultural accomplishments abound, as Good Hope Farm was one of 20 regional farms selected by the Carolina Farm Stewardship Association's 25th Piedmont Farm Tour. Guests toured historic buildings, purchased produce from farmers, and celebrated Cary's agricultural past while learning how regenerative agriculture is a vital part of a sustainable future.

In June, Good Hope Farm resumed the annual produce box subscription program. Collectively, 19 farmers provide eight weeks of produce to 25 families through this dynamic program. Participants enjoy fresh vegetables, fruits, herbs, and seasonal flowers. Additionally, an average of 50 pounds of produce each week is donated to Dorcas Ministries food pantry to help provide food security to families in need. The work of Good Hope Farm has been a segue for urban agriculture expansion at other Cary facilities, including the addition of fig and persimmon trees at Jack Smith Park.





CARY VOLUNTEERS



The community showed its commitment to environmental conservation through volunteerism this spring. About 450 volunteers contributed 975 hours of service to 56 individual projects through the Spruce and Adopt a Spot programs. Projects included Cary's Spring Litter Sweep, monthly workdays at Good Hope Farm, Scout projects, invasive plant removals, and more. Environmental service learning is a key element of Cary's community engagement goals and creates a culture of environmental conservation.



BUZZING WITH POLLINATORS



To help ensure the pollination of the newly planted food trees and plants at the South Cary Water Reclamation Facility, staff installed two honeybee hives near the orchard. Combined with the 20 hives at Good Hope Farm, Cary's beehives house approximately 1.3 million bees. Some of these wonderful winged creatures will travel to surrounding neighborhoods, joining the butterflies and birds that pollinate flowers, such as the 400 milkweed plugs and the more than 100 sunflower plugs that were planted at Jack Smith Park this quarter.

Good Hope Farm's native plant sanctuary also increased thanks to a Council-driven project to add 30 new milkweed plants. Participating volunteers of all ages learned the value of ecosystem restoration and enjoyed a monarch butterfly release activity. The projects are a key element to our commitment to the National Wildlife Federation's Mayors' Monarch Pledge program and Cary's designation as a certified Community Wildlife Habitat.



URBAN FOREST MASTER PLAN

Started in fall 2021, the creation of the Urban Forestry Master Plan is about 50% complete. This quarter, Cary and its consultant engaged internal and external stakeholders to help envision goals, review current operations and policies impacting trees, and recommend strategies to help achieve the vision for the next 10 years of Cary's tree canopy.

During May's technical tree workshop, consultants shared preliminary findings with and garnered input from Cary staff, regional experts, and citizen representatives. Findings included Cary's existing robust tree canopy of about 50% and opportunities to continue to diversify tree plantings across Town properties. During the Community Voice Tree Summit in June, more than 75 citizens learned about current Cary tree programs, the canopy cover at their homes, and the breadth of benefits of trees, and they shared their feedback and preferences at 11 stations on topics that ranged from native plant preferences to what the future canopy could look like. An initial review of their feedback shows that there is a desire for outreach into the community, including more publicly available tree programs and specific information for groups such as HOAs. Many participants conveyed their gratitude for the opportunity to learn more about Cary's commitment to preserve and protect the tree canopy and provide their opinions in an interactive way. This feedback will help inform the recommendation for the final plan, which is expected in 2023.

STORMWATER WORK SURGES



In FY 2022, Cary completed more than \$2 million in capital projects related to stormwater, including nine projects this quarter. Of those nine projects, five of them were culvert crossings that had been identified as being in critical condition during an N.C. Department of Transportation review.

Using leading-edge trenchless technology, Cary rehabilitated large culverts that effectively convey stormwater under Belhaven Road, Carrousel Lane, Queensferry Road, and West Dynasty Drive.

As part of Cary's adaptive stormwater approach, these projects used innovative technology called plating that reinforced and repaired pipes in place. In contrast to the standard "dig and replace" method that typically disrupts traffic for a prolonged period of time and takes up to a year to complete, trenchless plating is complete in a little over a week. Disruption to traffic, the environment, and surrounding property owners is dramatically minimized. Two other projects this quarter used a different innovative trenchless method, UV lining, to complete subdivision street storm drainage repairs. Quickly and with minimal disruption, sinkholes between the sidewalk and the street were repaired. These projects highlight the essential role that consistent attention, innovative technology, and financial resources devoted to maintenance play in preserving Cary's critical infrastructure.



MOVING FROM VISION TO REALITY





CARY 101 GRADUATION



A group of 20 citizens graduated from the Cary 101 program after participating in a series of engaging presentations, activities, and facility tours over several weeks. Cary staff enjoyed sharing their work and passion with the group, and the students appreciated this opportunity to learn about Cary's values, operations, projects, and services. After pausing the program in 2020 and operating in a hybrid format in 2021, staff and participants were pleased to enjoy the full program in person this year.

CARY ELECTIONS

The election for three seats on the Cary Town Council was held May 17, the same day as the statewide partisan primary election. Leading up to that day, Cary hosted two early voting site locations from April 28 to May 14 at Cary Senior Center and Herb Young Community Center. More than 25% of all people who voted in Wake County on the first day of early voting did so at these locations.

EARTH DAY PROCLAMATION



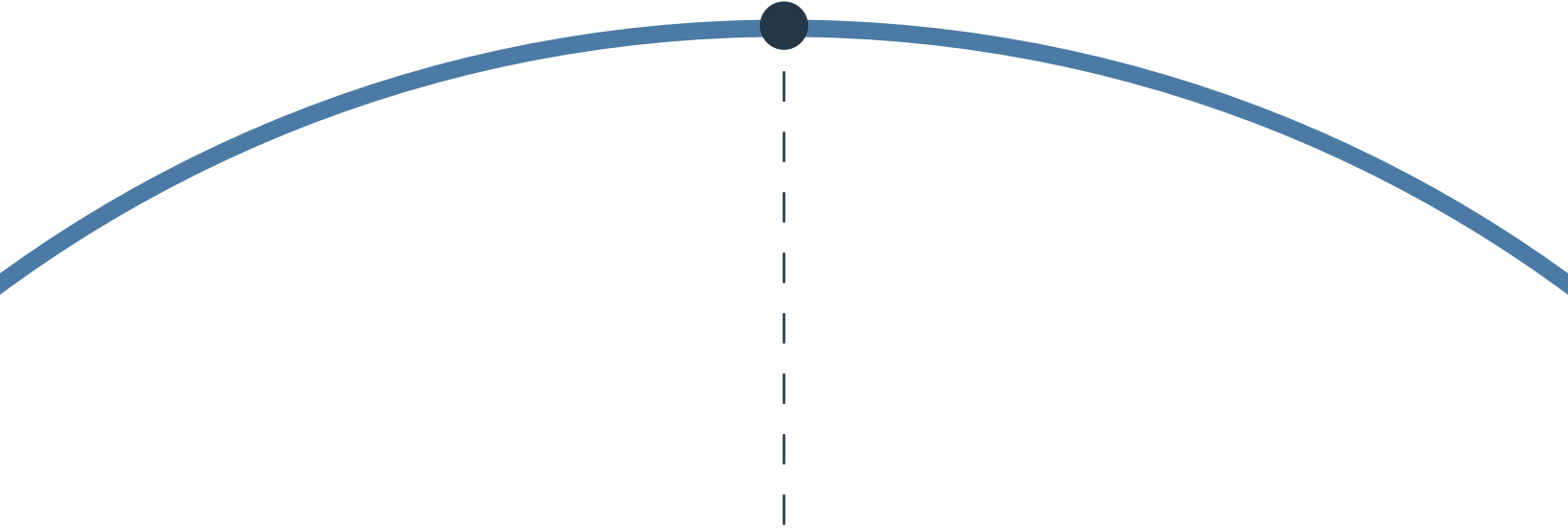
Elizabeth Biser, secretary of the North Carolina Department of Environmental Quality, attended the April 28 Council meeting and was presented with the Earth Day Proclamation by Council member Jack Smith. Following comments from Smith about Cary's environmental efforts and Earth Day events, Biser thanked Cary for being a leader in food waste reduction and talked about the importance of celebrating Earth Day.

HUMAN RELATIONS, INCLUSION, AND DIVERSITY TASK FORCE

On June 7, the members of the Human Relations, Inclusion, and Diversity Task Force gathered for their first meeting. Over the next few months, the Task Force will develop a work plan to create objectives and goals for the group to work on to achieve the mission of improving the quality of life for the organization and community by encouraging fair treatment and promoting mutual understanding and respect among all people.



KEEPING CARY CARY



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