



**COUNCIL
QUARTERLY
REPORT**

CARY, NORTH CAROLINA
FY 2023 FIRST QUARTER

ARTISTS
SERVING
ARTISTS

CARY MAYOR & 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 Bryson Robinson



Council Member
Jack Smith



Council Member
Carissa Kohn-Johnson

On the cover: Attendees purchased art from more than 250 artisans, enjoyed food from a variety of vendors, and listened to music on four stages this summer at the 46th annual Lazy Daze Arts & Crafts Festival. Image Credit: Alyson Boyer Rode

AS YOU CAN SEE, CARY HAS A NEW LOOK AND FEEL SINCE WE COMPLETED OUR BRANDING PROCESS.

We have begun efforts to roll out the brand on the website, social media, and in the Quarterly Report. Moving forward, the rebranding of additional assets will be accomplished through phases. Our branding effort has been a multiyear endeavor, so it is essential that the rollout be slow, deliberate, and intentional. We are excited about the new brand and looking forward to showcasing it to the community.

The start of the new fiscal year is always revitalizing, and this time of year has been no different. In addition to branding, this quarter has been one of great progress in terms of fulfilling the vision of the Imagine Cary Community Plan. It is impossible for me not to bring up the Downtown Cary Park as we inch closer to its completion. The park is now 70% complete, and jobs related to programming and operations are now being filled. While we build a destination like the Downtown Cary Park, we are also maintaining what we have. This summer, Cary completed renovations at R.S. Dunham Park, Annie Jones Park, and Walnut Street Park, bringing new tennis and pickleball courts to the area.

Despite a shift in preferences following the COVID-19 pandemic in terms of shopping, dining, and work, Cary businesses are flourishing. Fenton continues to take shape, private companies like MetLife are expanding operations, and new businesses are moving into downtown.

I could not be prouder of where we are as an organization and a community, and a large part of that is because of the proactive planning of our Council and staff in recent years and decades. We look forward to providing additional updates as well as welcoming our newest Council member, Carissa Kohn-Johnson, at our upcoming Quarterly meeting on Nov. 10.

Live Inspired,



Sean R. Stegall
Town Manager



IN MOVING CARY FORWARD

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FINANCIAL
HIGHLIGHTS

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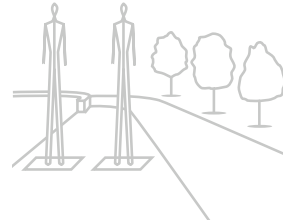
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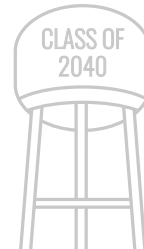
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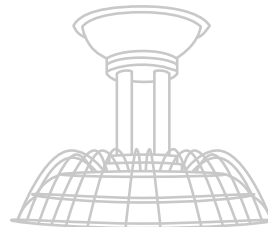
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FINANCIAL HIGHLIGHTS

FY 2023

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EXECUTIVE SUMMARY

The fiscal year began July 1 with an approved \$443 million budget supporting both operating and capital spending. Cary maintained the property tax rate at \$0.345 per \$100 of assessed valuation. The FY 2023 budget focuses on maintaining and expanding service levels, bringing the Downtown Cary Park online, and retaining employees. The utility base and volumetric rates for water, sewer, and irrigation increased by 3% in Q1, which equates to an estimated \$2.30 per month for the average family of four.

Cary is committed to providing the highest-quality, safest drinking water and utility services while keeping the financial impacts to consumers in mind. This commitment is evident in Cary's strategy for eliminating large utility rate spikes by implementing smaller, more frequent rate adjustments in accordance with Cary's 10-year financial forecasting model.



FY 2023 FIRST QUARTER FINANCIAL RESULTS

GENERAL FUND

FY 2023 Q1 GENERAL FUND SUMMARY

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
REVENUES	\$ 268.2	\$ 25.2	9%	\$ 26.8	\$ (1.6)	-6%
EXPENDITURES	268.2	79.6	30%	55.2	24.4	44%
TOTAL REVENUE OVER/(UNDER) EXPENDITURES	\$ -	\$ (54.4)	-	\$ (28.4)	\$ (26.0)	92%

* The above and following tables are represented in millions. Revenues, authorized expenditures, and transfers between 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.

Overall, expenditures surpassed revenues this quarter. This is expected and consistent with prior years as revenues are not received evenly throughout the year. Q1 expenditures are higher than the same time last year primarily as a result of inflation and increased debt service payments. Staff continue to monitor both revenues and expenditures and anticipate both will moderate as the fiscal year progresses.



Image Credit: Alyson Boyer Rode

FY 2023 Q1 GENERAL FUND REVENUES

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
PROPERTY TAX	\$ 119.4	\$ 17.7	15%	\$ 18.8	\$ (1.1)	-6%
SALES TAX	53.0	0.0	0%	0.0	0.0	0%
OTHER TAXES & LICENSES	3.1	0.2	6%	0.5	(0.3)	-60%
UNRESTRICTED INTERGOVERNMENTAL	10.8	0.0	0%	0.0	0.0	0%
RESTRICTED INTERGOVERNMENTAL	0.3	0.3	100%	0.2	0.1	50%
PERMITS & FEES	5.9	1.1	19%	1.3	(0.2)	-15%
PRCR SALES & SERVICES	8.5	1.7	20%	1.6	0.1	6%
SOLID WASTE SALES & SERVICES	13.9	3.5	25%	3.2	0.3	9%
OTHER SALES & SERVICES	1.9	0.4	21%	0.3	0.1	33%
MISCELLANEOUS	2.2	0.1	5%	0.1	0.0	0%
OPERATING REVENUES	219.0	25.0	11%	26.0	(1.0)	-4%
NON-OPERATING	49.2	0.2	0%	0.8	(0.6)	-75%
TOTAL GENERAL FUND REVENUES	\$ 268.2	\$ 25.2	9%	\$ 26.8	\$ (1.6)	-6%

FY 2023 General Fund revenues decreased 6% compared with the same period in FY 2022. Revenues often fluctuate year to year due to the timing of allocations from state and federal sources.

OPERATING REVENUES

Property tax revenue is 45% of total budgeted revenue and is the largest revenue source for the General Fund. 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 and commercial business equipment. Real property taxes were billed in July 2022 and are due no later than Jan. 5, 2023. Therefore, most real property tax revenue will be received during Q2. Conversely, personal property tax revenue 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 property tax rate remained unchanged at \$0.345 for FY 2023, and Q1 revenues totaled \$17.7 million. Although property tax revenue decreased by 6% from FY 2022, Cary collected 15% of the property tax budget, which is consistent with the prior year. It is quite possible that this decline is due to the timing of the receipt of tax revenues. As mentioned, most of this revenue is received during Q2, at which time staff will know whether this initial decline was due to the timing of receipts.

The **Other Taxes and Licenses** category saw a decrease of 60% compared with the prior year. This decrease is due to ABC revenue received during Q1 of FY 2022 that has not yet been received as of Q1 of FY 2023. This decrease is solely due to timing of receipt, and this revenue is expected to be received during the fiscal year.

NON-OPERATING REVENUES

Non-operating revenues decreased by 75% in Q1 of FY 2023 compared with the same period last year primarily due to bond proceeds. In FY 2022, Cary received \$500,000 in bond premiums from the bond sale to cover the bond issuance expenditures.



Image Credit: Alyson Boyer Rode

FY 2023 Q1 GENERAL FUND EXPENDITURES

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
GENERAL GOVERNMENT	\$ 54.6	\$ 13.2	24%	\$ 9.2	\$ 4.0	43%
PUBLIC SAFETY	68.1	14.8	22%	10.6	4.2	40%
OPERATIONS (PW & PRCR)	64.6	11.6	18%	8.7	2.9	33%
DEVELOPMENT & INFRASTRUCTURE	20.8	3.8	18%	2.9	0.9	31%
OPERATING EXPENDITURES	208.1	43.4	21%	31.4	12.0	38%
NON-OPERATING	60.1	36.2	60%	23.8	12.4	52%
TOTAL GENERAL FUND EXPENDITURES	\$ 268.2	\$ 79.6	30%	\$ 55.2	\$ 24.4	44%

General Fund operating expenditures increased 38% compared with FY 2022 and are consistent with budgetary expectations. Inflation rates have increased from the prior year, which has led to increased costs for goods and services. Non-operating expenditures increased because of higher transfers for capital needs and increased debt service payments.

Encumbrances represent funds that have been reserved in Cary’s financial reporting system to satisfy a commitment to make a purchase. The following table shows the total outstanding encumbrances in the financial system at the end of Q1. After accounting for year-to-date spending and the encumbrances listed, the General Fund has about \$160 million of budgeted funds available for the remainder of the fiscal year.

GENERAL FUND OPERATIONS –
FY 2023 REMAINING
ENCUMBRANCES (Q1)

GENERAL GOVERNMENT	\$ 9,019,788
PUBLIC SAFETY	4,843,353
OPERATIONS (PW & PRCR)	12,316,856
DEVELOPMENT & INFRASTRUCTURE	1,186,372
DEBT SERVICE	100,614
CONTINGENCIES & RESERVES	499,581
TOTAL ENCUMBRANCES	\$ 27,966,564

UTILITY FUND

FY 2023 Q1 UTILITY FUND SUMMARY

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
REVENUES	\$ 103.2	\$ 18.5	18%	\$ 18.2	\$ 0.3	2%
EXPENDITURES	103.2	27.2	26%	25.1	2.1	8%
TOTAL REVENUE OVER/(UNDER) EXPENDITURES	\$ -	\$ (8.7)	-	\$ (6.9)	\$ (1.8)	26%

* The above table is in millions. Revenues, authorized expenditures, and transfers between 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.

Utility Fund net results in Q1 of FY 2023 declined compared with Q1 of FY 2022 by 26% due to increases in operating expenditures primarily related to inflation.



FY 2023 Q1 UTILITY FUND REVENUES

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
WATER SERVICE	\$ 33.2	\$ 7.4	22%	\$ 7.2	\$ 0.2	3%
SEWER SERVICE	51.2	10.3	20%	10.0	0.3	3%
PERMITS & FEES	2.2	0.7	32%	0.7	0.0	0%
OPERATING REVENUES	86.6	18.4	21%	17.9	0.5	3%
NON-OPERATING	16.6	0.1	1%	0.3	(0.2)	-67%
TOTAL GENERAL FUND REVENUES	\$ 103.2	\$ 18.5	18%	\$ 18.2	\$ 0.3	2%

Utility revenues in FY 2023 remained consistent with FY 2022 levels for the same period. The marginal increases in water and sewer revenue align with the 3% increase to water and sewer rates.

Non-operating revenues for Q1 declined 67% when compared with the same period in the prior year due to a decrease in investment earnings. Although investment earnings for Cary as a whole increased from FY 2022, the amount of investment income for the Utility Fund decreased. Investment earnings are allocated based off each fund’s cash balance as a percentage of total cash. At the end of Q1, the Utility Fund had less cash than the previous year due to increases in operations spending.



FY 2023 Q1 UTILITY FUND EXPENDITURES

	FY 2023 YTD ADJ BUDGET	FY 2023 YTD ACTUAL	% OF BUDGET	FY 2022 YTD ACTUAL	FY 2022 VARIANCE	VARIANCE %
ADMINISTRATION	\$ 11.6	\$ 2.4	21%	\$ 1.9	\$ 0.5	26%
FIELD OPERATIONS	33.3	4.0	12%	3.8	0.2	5%
WASTEWATER (NET OF APEX)	3.7	2.9	78%	2.3	0.6	26%
WATER TREATMENT FACILITY (NET OF APEX)	10.8	3.0	28%	2.2	0.8	36%
OPERATING EXPENDITURES	59.4	12.3	21%	10.2	2.1	21%
NON-OPERATING	43.8	14.9	34%	14.9	0.0	0%
TOTAL GENERAL FUND EXPENDITURES	\$ 103.2	\$ 27.2	26%	\$ 25.1	\$ 2.1	8%

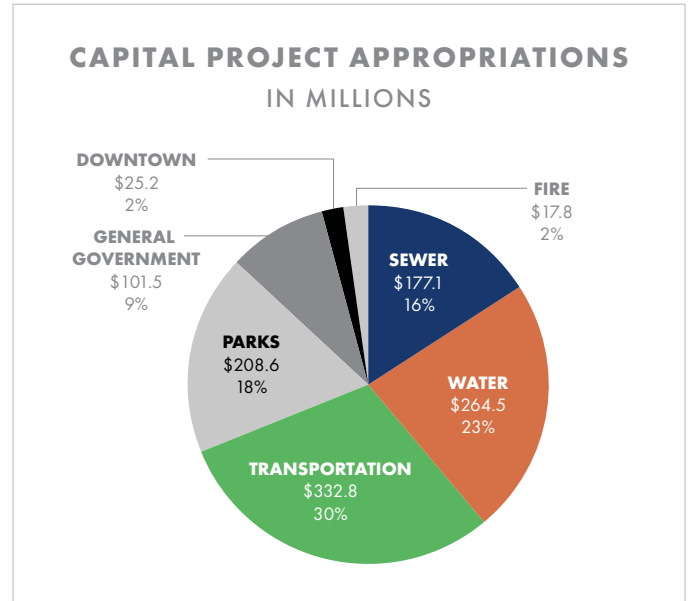
Utility operating expenses increased 21% compared with Q1 of FY 2022 primarily due to inflation. The following table shows the total outstanding encumbrances for the Utility Fund remaining at the end of Q1. After accounting for year-to-date spending and the encumbrances, the Utility Fund has approximately \$68 million in the budget for use for the remainder of the year.

UTILITY FUND OPERATIONS –
FY 2023 REMAINING
ENCUMBRANCES (Q1)

GENERAL GOVERNMENT	\$ 1,284,928
PUBLIC SAFETY	1,273,908
OPERATIONS (PW & PRCR)	2,350,115
DEVELOPMENT & INFRASTRUCTURE	2,395,227
DEBT SERVICE	13,375
CONTINGENCIES & RESERVES	253,517
TOTAL ENCUMBRANCES	\$ 7,571,070

CAPITAL PROJECTS

As of Q1, Cary has 546 active capital projects. Utility capital projects, with a total budget of \$441.6 million, constitute 39% of the capital budget authorization. General capital projects total \$685.9 million, or 61%, of the total \$1.1 billion capital budget authorization.



CAPITAL PROJECT SPENDING THROUGH Q1 (IN MILLIONS)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
DOWNTOWN	\$ 4.0	\$ 0.1	\$ 0.7	\$ -	\$ 0.7
FIRE	-	1.6	-	0.1	0.1
GENERAL GOVERNMENT	1.6	1.6	1.3	1.2	1.2
PARKS	0.5	2.3	15.4	4.2	9.6
STREETS	1.3	1.4	5.1	2.1	6.1
SEWER	1.6	3.8	4.3	1.6	4.7
WATER	5.4	2.1	2.6	2.8	0.7
TOTAL	\$ 14.4	\$ 12.9	\$ 29.4	\$ 12.0	\$ 23.1

Capital project spending totaled \$23.1 million in Q1 of FY 2023. The fluctuation in capital spending is due to the timing of projects becoming active and nearing completion. The three largest investments in capital in Q1 were \$4.3 million for street improvements throughout the community, \$3.4 million for the purchase of the York site at Carpenter Fire Station Road Park, and \$2.6 million for the Downtown Cary Park, which is expected to open in the summer of 2023. Because the mix of capital projects changes over time, there are no discernible patterns in capital spending.



BUDGET

MID-YEAR APPROPRIATIONS

The FY 2023 operating budget includes \$1 million to support emerging or unforeseen needs arising during the fiscal year. There were no Q1 mid-year appropriations by Council, leaving the full \$1 million available for use during the remainder of the fiscal year. Additionally, Q1 saw no appropriations of General or Utility Capital Reserve fund balance for capital needs.

Q1 DELEGATED BUDGET AUTHORITY ACTION

Throughout the fiscal year, challenges and opportunities develop that warrant financial resources not included in the original budget. Staff can often redirect 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. There were no inter-functional budget adjustments approved during Q1 of FY 2023.



BUDGET PUBLIC INPUT AND RECOMMENDATIONS

Citizens are invited to share their budget priorities throughout the year specifically via social media, voicemail, and email. There was one budget public input comment received via these channels in Q1.

CATEGORY	COMMENTS RECEIVED	PLATFORM RECEIVED	TYPE OF COMMENT
GREENWAYS	1	Email	Supports extending Batchelor Branch Greenway to connect with Thomas Brooks Park
TOTAL	1		

CASH AND INVESTMENTS

Cary’s cash and investments totaled about \$623 million for Q1 with about \$79 million of the total being bond proceeds. About \$50 million is maintained in bank accounts to ensure that Cary has immediate access to funds. Furthermore, the bond proceeds are maintained in bank accounts so they are available for large capital expenditures to support bond projects. 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. At any one time, Cary holds about 150 different investments that are scheduled to mature about every three to seven days over the next three to four years to match projected disbursements for payroll and expenditures.

Interest rates continue to rise as the federal funds rate is increased. It is expected that interest earnings will be slow to realize until securities with lower interest earnings roll off the portfolio. Cary traditionally completes the majority of investing in Q2 and Q3 as property taxes are received and will be able to take advantage of the higher interest rates at that time.

Cary earned just over \$2 million in interest income in the first quarter, which is an increase of more than 25% from this time last year. The average interest rate for all funds is 1.15% at the end of Q1 compared with 1.24% last year. Cary’s cash and investment program is overseen by a fixed-fee independent consultant. The financial advisers compile the weekly cash flow forecast and provide market insights, advice, and reporting on a quarterly basis.

DEBT

Cary’s total outstanding debt is about \$465 million, with \$223 million attributed to the General Fund and \$242 million for the Utility Fund. All the various issuances of debt have fixed interest rates except for the debt issued in 2006. The interest rate for the variable rate debt, with an outstanding balance of \$20.8 million, is reset weekly, and the interest is paid monthly. As interest rates have increased for investments, they also have for the variable rate interest payments. Interest was budgeted for Q1 at an average of 1.5%, and the average interest actually paid was at a rate of 1.2%, resulting in about \$17,000 in interest savings.

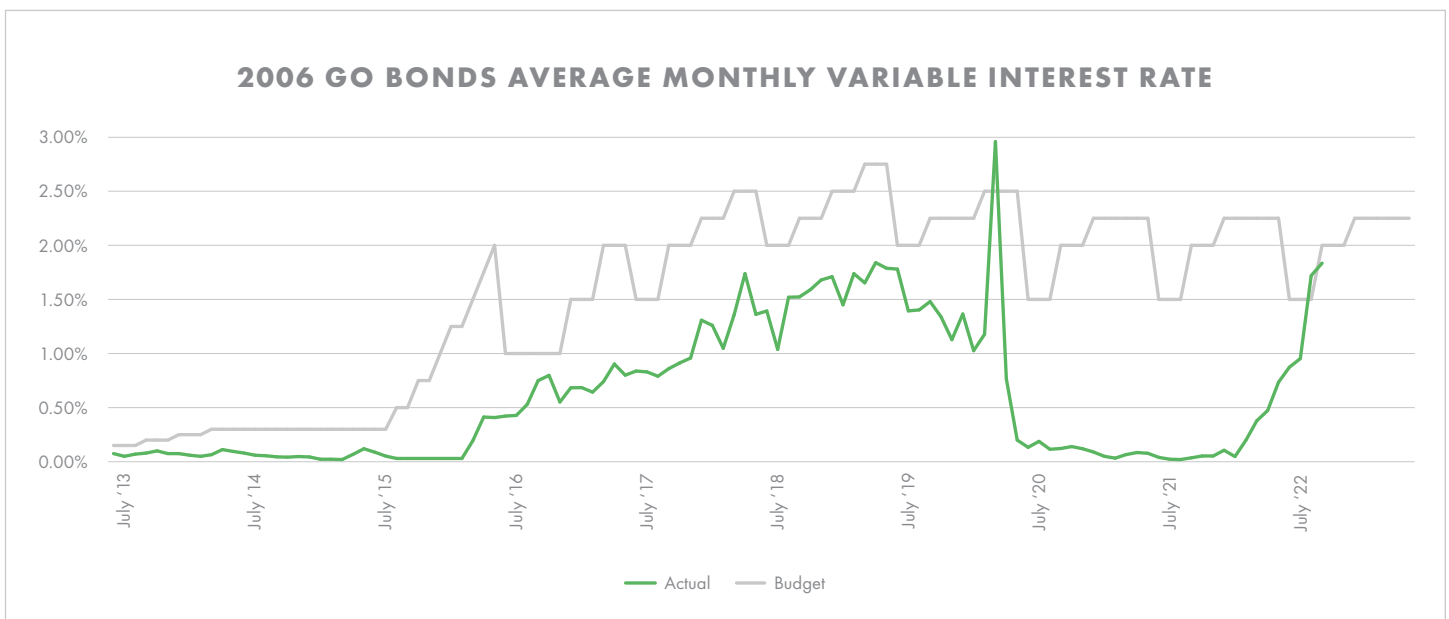




Image Credit: Alyson Boyer Rode



LIVE

FOSTERING STRONG NEIGHBORHOODS



Image Credit: Alyson Boyer Rode



NEW CAPACITY-BUILDING PROGRAM FOR HOUSING NONPROFITS

Cary is proud to announce the launch of its first capacity-building program for housing and community development nonprofits in Cary. In partnership with the North Carolina Center for Nonprofits, this program will cover topics including board governance, strategic communications, fundraising, partnerships and collaboration, and financial management.

Additionally, individuals who complete the program can apply their 15 credit hours earned toward the Duke University Certificate in Nonprofit Management. Empowering nonprofits by equipping them with capacity-building opportunities is a key initiative of the Cary Housing Plan. Through this program, Cary hopes to strengthen nonprofits' foundational management practices, allowing them to focus their resources on the services and support they bring to Cary residents.



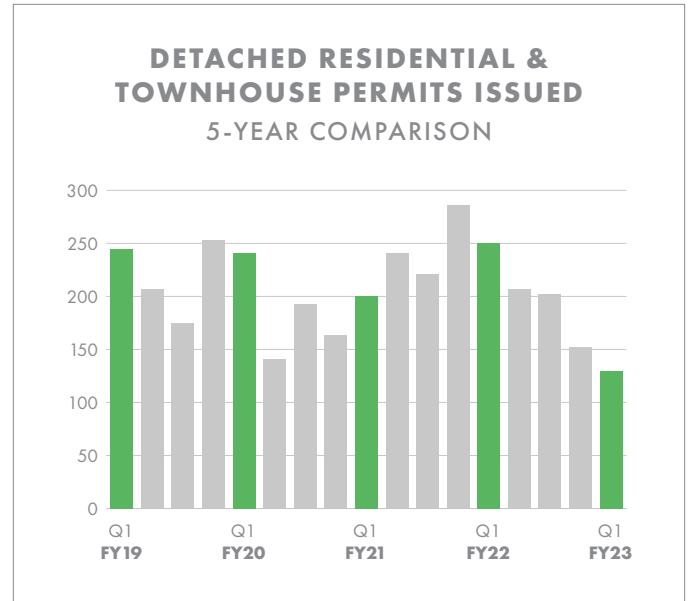


RESIDENTIAL PERMITS

Cary issued 130 permits for new detached houses and townhouses in Q1. The top three subdivisions permitted were Carpenter Village (31), James Grove (23), and Estates at Weddington (22). Overall, permits for new detached homes and townhouses decreased 48% in comparison with Q1 of FY 2022.

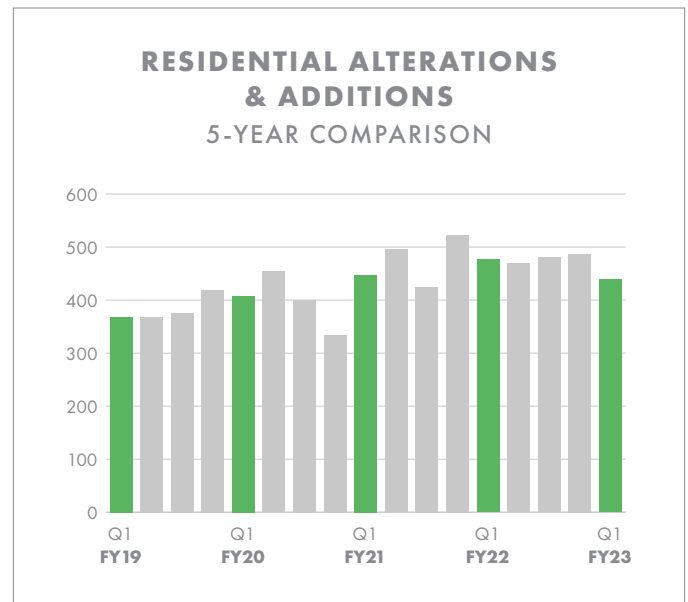
Q1 saw 198 detached houses and townhouses certificates of occupancy (COs) issued, an average of 3.1 certificates per workday. This is a 2.6% increase compared with the COs issued in Q4 of FY 2021. The subdivisions receiving the most COs were James Grove (37), Brickyard (31), and Carpenter Pointe (16).

Cary also issued building permits for 349 units in three multifamily projects in Q1: Avention at Kitts Creek (293), Weatherstone Creek (40), and Franklin Park (16).



RESIDENTIAL ALTERATION AND ADDITION PERMITS

In Q1, Cary issued 439 permits for residential alterations and additions. This is an 8% decrease from the same period last year and a 10% increase from last quarter.





HARVEST FEST

SEPTEMBER 17
OCTOBER 15
NOVEMBER 19
12-4 p.m.

A FREE family-friendly event series with food and beer for sale, live music, retail vendors, farm tours, lawn games, and more!
Free parking and shuttle service at Good Hope Baptist Church.



lowndacary.org/goodhopesfarm



A man with a beard and glasses, wearing a red baseball jersey with "Cary" and "04" on it, is working at a food stall. He is wearing a white glove on his right hand and is scooping red food into a clear plastic cup. The background shows an outdoor event with other people and structures. A large green diagonal graphic is on the right side of the image.

WORK

**ASSURING
CONTINUED
PROSPERITY**





METLIFE TO ADD HUNDREDS OF WORKERS IN CARY



Nearly a decade after picking Cary for its technology hub, MetLife is again disclosing plans to hire hundreds of technology workers in the region. Bill Pappas, executive vice president and head of Global Technology and Operations at MetLife, said the firm is “doubling down” on hiring locally amid growing demand. He estimates the company will be adding close to 400 new jobs in areas such as software engineering, data science, cybersecurity, and customer service.





ENGAGE

EXPERIENCING THE
CARY COMMUNITY



Image Credit: Alyson Boyer Rode



SHAPING CARY'S TOMORROW BOND PROJECTS



SHAPING CARY'S TOMORROW
2019 BOND REFERENDUM

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



The Downtown Cary Park is 70% complete. All buildings and bridges are under construction, and hardscape preparation and installation have begun. Jobs for the new park have been posted for planning and marketing supervisors and a maintenance coordinator, and marketing efforts continue to build excitement for the new park. In addition, the contractor Balfour Beatty selected the park to host its 2022 Kay Yow Pink Out, for which the company's subcontractors raised \$36,000 for cancer research.

CARY TENNIS PARK

In November 2021, funding was approved to add upgraded LED sports lighting at the Cary Tennis Park on four tennis courts. Cary tested the new lights this summer and used them for the recent U.S. Tennis Association tournament. The new technology allows staff to activate the lights and adjust the level of lighting from a smart phone.

PARK UPGRADES COMPLETE



Cary completed renovations at R.S. Dunham Park, Annie Jones Park, and Walnut Street Park this summer. Additions and improvements included new tennis courts for Dunham Park and Annie Jones Park, two new pickleball courts and one basketball court for Walnut Street Park, and court lighting and public Wi-Fi for all three parks. Renovations at Dunham Park included adding a hitting wall and a paved greenway connection from Ryan Road to Walnut Street, and the Annie Jones Park work included a new restroom facility.

While renovating Dunham Park, staff engaged with the Coronado Village community, which resulted in a mutually beneficial solution to existing drainage issues. A temporary sediment basin installed as a requirement of construction became a permanent stormwater control measure. This vegetated wetland will significantly reduce peak stormwater runoff from the park and slowly release it after rainfall, lessening the likelihood of impact to nearby properties. Nine species of native wetland vegetation were planted, and the majority of the plants are flowering pollinators. The wetland adds beauty, removes pollutants from stormwater, and provides stormwater detention.



LAZY DAZE

PHOTOGRAPHED RIGHT, BELOW

The 46th annual Lazy Daze Arts & Crafts Festival operated at full scale for the first time since 2019. Council member Jennifer Bryson Robinson provided remarks for the festival's opening ceremonies and was joined by Council members Don Frantz, Ya Liu, and Carissa Kohn-Johnson. Festival founder Jerry Miller participated in the opening ceremonies and presented six artists with the best in show awards. Attendees purchased art from more than 250 artisans, enjoyed food from a variety of vendors, listened to music on four stages, and painted 18,432 squares to complete two paint-by-number murals. More than 250 volunteer shifts were filled, and the Cary Teen Council sold a record number of bottles of water to raise \$4,480. A cross-departmental team served in unified command off-site at Fire Station 9, providing support to the operations team on the ground at Town Hall.



Image Credit: Alyson Boyer Rode



Image Credit: Alyson Boyer Rode



ATLANTIC TIRE CHAMPIONSHIPS



Cary Tennis Park hosted the Atlantic Tire Championships from Sept. 11 to 18. Attendance at this year's event increased 25% over the same event in 2021, and new court lighting made play later into the evening possible. The tournament sponsored several community events, including a wheelchair tennis clinic, an Abilities Tennis clinic, and a Cary Chamber of Commerce Business After Hours event. Cary staff and a core group of more than 60 volunteers contributed to the tournament's success. Singles champion Michael Mmoh expressed gratitude for everything the tournament had to offer, stating, "the hospitality, the facility, the crowd, the atmosphere — nothing really matches it."

SUMMER CAMPS



This summer, 1,750 youth participated in Cary summer camps via about 450 different full- and half-day experiences offered for ages 4 to 15 over 11 weeks. Highlights of the summer included the reopening of camps at 13 different locations, engaging summer interns to assist in day-to-day operations, a wider variety of specialty camp options, and full-day camps

returning to weekly field trips. However, the challenges of staffing and COVID-19 led to some unexpected cancellations and an unusually high number of camp withdrawals (25%). In comparison, the previous average withdrawal rate was around 14%. As Cary looks ahead to 2023, staff will build on successes and expand collaborations to continue to serve the Cary community.

FALL FAMILY NIGHT AT BOND PARK

Families enjoyed quality time together at the second Fall Family Night at Bond Park. Created as a replacement for the Bond Park Campout during COVID-19, Cary citizens requested the return of the event, which grew to 25 families this year. The park was lit with luminaries so citizens could rotate through a variety of stations at their leisure, including tie dye, stargazing, axe throwing, boating, and s'mores. Participants requested similar, more frequent events moving forward.



BEYOND: THE CARY FILM FESTIVAL 2022

PHOTOGRAPHED RIGHT, BELOW

The 5th annual BEYOND: The Cary Film Festival took place Sept. 15 to 18 at The Cary. The festival featured more than 20 short films from around the world, a live table read of “Dark Ride,” the 2022 winning screenplay, industry workshops, and networking events for filmmakers. More than 450 people and 19 filmmakers and industry representatives attended the festival, and this was the first year Cary awarded cash prizes to winners.





NEW CARY TEEN COUNCIL MEMBERS

Cary Teen Council returned to in-person volunteering this fiscal year. The Teen Council offered new-member registration this quarter and now has 860 members ready to serve their community at area schools, special events, races, and much more. Keep a lookout for their signature red shirts.

REPAIR CAFÉ

After a two-year hiatus, Cary welcomed back the Repair Café, an event focused on repairing items to keep them out of the landfill. Through this event, local “fix-it coaches” provide free repair services for a variety of objects to support the community’s waste reduction efforts. About 45 attendees brought in a total of 51 items for repair, including talking teddy bears and televisions. Cary is planning a second Repair Café for spring 2023 to continue supporting an appreciation of materials and the value of repair and reuse versus disposal.

STRATEGIC ENVIRONMENTAL PLANNING

In keeping with long-range environmental goals, staff teamed up with consultants to develop a climate action plan and a municipal pathways analysis that will create a united approach to ensure a sustainable and resilient future. The consultants are reviewing the existing greenhouse gas inventory data, plans, and policies for the community to assemble baseline metrics before the next phase of developing a draft analysis of existing conditions.





SHAPE

GUIDING
COMMUNITY
GROWTH





HINES BUYS WAVERLY PLACE

PHOTOGRAPHED BELOW

Hines, through its Hines Global Income Trust, bought Waverly Place for \$88.5 million from Dallas-based Northwood Retail, which acquired the retail center in 2014 for more than \$52 million. Hines is one of the developers behind the recently opened Fenton development.

NEW CHAMPAGNE BAR OPENING DOWNTOWN



Downtown Cary, already home to a cidery and multiple breweries, is getting a champagne bar. RBF Champagne Bar is set to open at 210 E. Chatham St. this fall. The new concept across the street from Bond Brothers Beer Company will be located on the bottom floor of the restored Williams House, under Bull City Ciderworks and a&bé Bridal Shop.





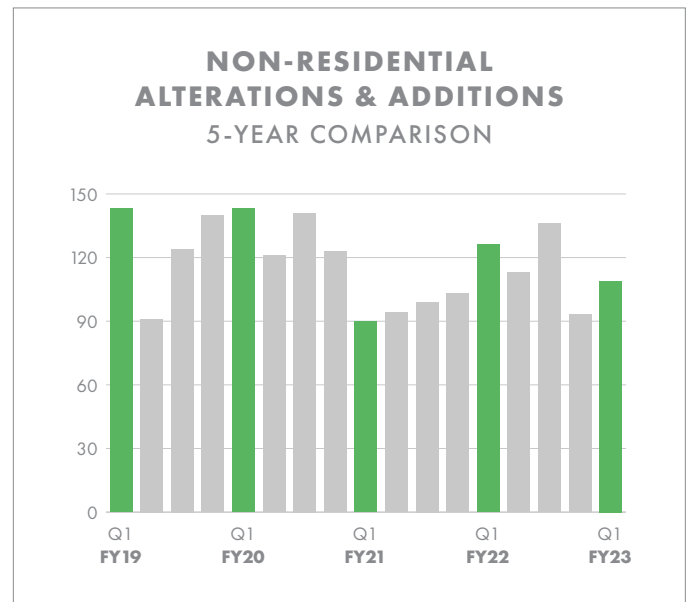
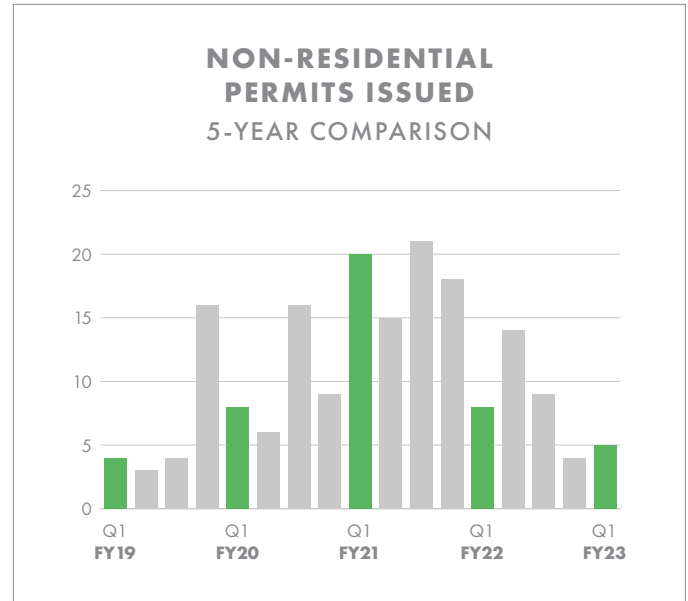
NON-RESIDENTIAL PERMITS

In Q1, Cary issued permits for five new non-residential projects for a total of 14,396 square feet. This included permits for restrooms and structures at Carpenter Fire Station Road Park and McCrimmon Parkway Park.

NON-RESIDENTIAL ALTERATION AND ADDITIONS PERMITS

This quarter, 109 non-residential alterations and additions permits were issued. The highlighted projects were:

- The Umstead Hotel & Spa – Spa Renovation, 100 Woodland Pond Drive: Permit issued for the renovation of the two-story spa and to expand the exterior pool deck.
- Former Belk Change of Use, 1105 Walnut St.: Permit issued to change the former Belk building to a storage use and to repair the east face of the building.
- Fenton, 301 Fenton Drive: Seven permits were issued for new tenant up-fits, multifamily exterior amenities spaces, and leasing office.





REZONING

During Q1, 34 cases were in the rezoning process with three cases approved:

- 21-REZ-08, The Terraces at West Cary, 3753, 3761, and 0 N.C. 55: Rezones 11.87 acres from Office and Institutional, Office/Research and Development, and Residential 40 to Transitional Residential-Conditional Use to allow for a maximum 55-unit townhome neighborhood development.
- 21-REZ-14, 9518 and 9520 Chapel Hill Road: Rezones 5.85 acres from Residential 40 to Transitional Residential-Conditional Use to allow for a maximum 32-unit townhome neighborhood development.
- 22-REZ-07, 0 Green Level Church Road: Rezones 30.88 acres to Industrial-Conditional Use to prohibit certain uses and allow for 237,600 square feet of building area.

DEVELOPMENT PLANS

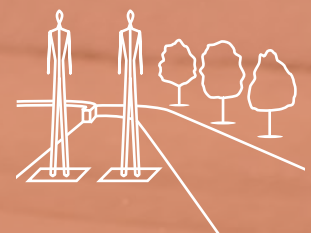
In Q1, Cary approved 32 development plans. The notable plans approved this quarter were:

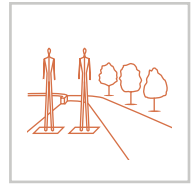
- Alston Landing, 11427 Green Level Church Road: Development plan for 89 townhomes south of Alston Ridge Elementary.
- Preston Ridge, 330 Towerview Court: Development plan for 423 apartments, 109 townhomes, and associated amenities on the former radio tower site at the corner of Cary Parkway and James Jackson Avenue.
- Preston Walk Parcel 6 Medical Office Building, 1001 Darrington Drive: Development plan for a new 7,544-square-foot medical office building at the corner of Darrington Drive and James Jackson Avenue.



MOVE

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.

STREET IMPROVEMENTS PROGRAM

PHOTOGRAPHED BELOW

Cary finished repaving streets within Weston Point, Wessex, Royal Oaks, Walnut Hills, and Trappers Run this quarter. This work included placing more than 28,000 tons of asphalt, upgrading 144 curb ramps, and replacing more than 1,000 feet of curb and gutter. Remaining neighborhoods to be completed by this winter include Upchurch Farms, Devereaux, and the Carolina Preserve at Amberly.

KILDAIRE FARM ROAD WIDENING

This fall Cary will begin work to widen and straighten Kildaire Farm Road between Walnut Street and just south of Byrum Street. Work is anticipated to be finished by summer 2023. Other enhancements will include improving pedestrian accessibility, installing new water lines to support redevelopment, and burying overhead utilities. This work is being completed in coordination with ongoing construction for the new Lee & Associates headquarters.

WALNUT AND WALKER STREET SIGNAL INSTALLATION



Installation of a decorative traffic signal at the intersection of Walnut Street and Walker Street is under way and scheduled to be completed this fall. This traffic signal will improve pedestrian access while helping to support downtown development.





CARY TO BECOME CAMPO'S LEAD PLANNING AGENCY



NC Capital Area **Metropolitan Planning Organization**

Capital Area Metropolitan Planning Organization's executive board selected Cary as its lead planning agency effective Jan. 1, 2023. The decision-making body of the MPO is made up of elected officials from more than 20 local jurisdictions as well as stakeholders from other transportation agencies. Mayor Harold Weinbrecht is Cary's representative on the executive board. In addition, CAMPO will be relocating its offices to Cary and will soon call Fenton home.

N.C. 540 LANDSCAPING IMPROVEMENTS

Cary and the N.C. Department of Transportation will install landscaping at the N.C. 540 and Morrisville Parkway interchange this fall. Landscaping, including installation of more than 450 trees, is planned for the roundabouts and medians on Morrisville Parkway as well as the loops and ramps leading from N.C. 540 to Morrisville Parkway.

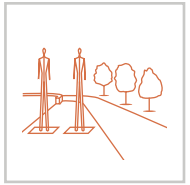
GOCARY



Cary received a federal grant for nearly \$12 million to support construction of a new Bus Operations and Maintenance Facility. This facility will accommodate climate action and sustainability goals, including alternative fuel sources for the GoCary fleet and the incorporation of solar energy into building design. This quarter, bus stop improvements continued throughout the system with the installation of 50 solar light caps. These caps provide 5 minutes of focused light at the push of a button. Regional transit connections continued to expand with the launch of GoApex Route 1 in late July. This free service, operated by GoCary, is available 6 a.m. to 10 p.m., Monday through Saturday.

GEOSPATIAL EFFORTS IN TRANSPORTATION

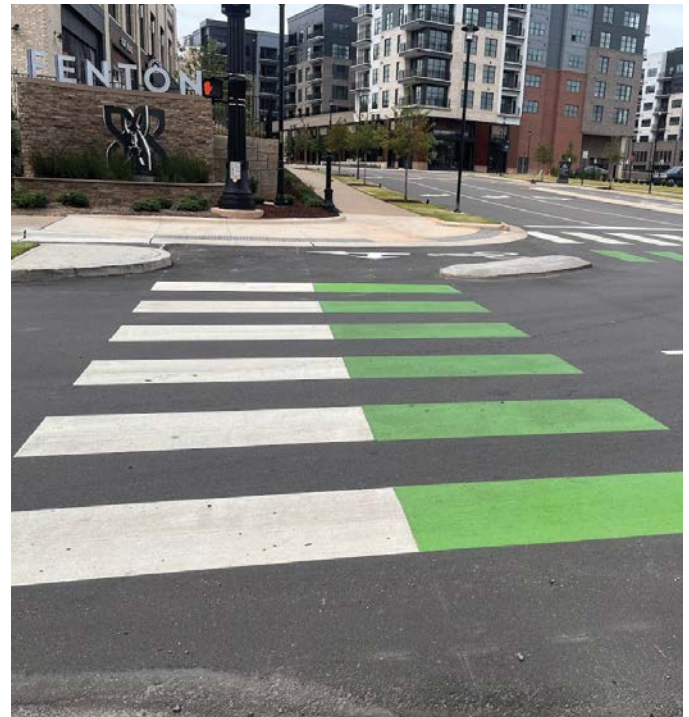
Cary was featured in an article in ESRI's "ArcUser" magazine, which illustrates innovative ways to meet new challenges among GIS managers, developers, and users. It discussed how Cary uses GIS technology in analysis and decision-making for street improvements. The article can be accessed at bit.ly/carystreetdata.



GREEN TREATMENT FOR BIKE FACILITIES

PHOTOGRAPHED RIGHT

This summer, Cary received authorization from the U.S. Department of Transportation Federal Highway Administration to use “green paint” to designate locations on streets where bicyclists are expected. The green-colored pavement within a bike lane increases visibility, identifies potential conflict areas, and indicates priority to bikes in these areas. The colored pavement can be used along an entire corridor or as a spot treatment, such as in a bike box or intersection crossing. Cary first used this treatment in protected bike lanes, intersections, and a bike box on Trinity Road in Fenton. Since then, Cary included it on a new separated bike lane on Norwell Boulevard. As Cary continues to grow and connect the bike network, staff will consider the use of this treatment as applicable with the goal of providing a safe and comfortable ride for all modes of transportation.





SERVE

MEETING
COMMUNITY
NEEDS





NEW SCHOOL RESOURCE OFFICER VEHICLES UNVEILED



On Aug. 24, the School Resource Officer Team unveiled five new vehicles with custom designs ahead of the 2022–2023 school year. For this staff-initiated project, officers created specific SRO vehicle graphic designs with their respective schools' colors and mascots integrated into the Cary Police graphics. These designs strengthen the bond with students and faculty and show off school spirit.



PUBLIC SAFETY AWARDS



Congratulations to Police Officer Andrew Reuther and Fire Engineer Tyler Riva, recipients of the American Legion Post 67 Officer of the Year and Firefighter of the Year awards. Reuther was recognized for his lifesaving efforts for an individual suffering from multiple stab wounds. Riva, a Marine Corps veteran, was honored for going above and beyond in his pursuit of education and training and for his service on the swift water rescue team during a 2021 deployment. In addition, Wake County EMS District Chief Marion Houle was selected by his peers for the chapter's EMT of the Year award in honor of 30 years of dedicated service.

Also this quarter, N.C. Department of Insurance Commissioner Mike Causey presented SAVE Awards to 15 Cary firefighters who went above and beyond the call of duty to rescue citizens at an apartment fire in March. Those firefighters were Battalion Chief Tracy Williams, Battalion Chief Lee Wilson, Captain Thomas Page, Captain Zane Franks, Captain Will Vick, Captain Richard Moore, Justin (Lee) Holland, Johnathon (Brent) Holland, Christopher Newell, Christopher Weier, Kevin Moody, Daniel Havens, Ricardo Rojas, Brian Lupo, and Carlos Mendez-Perez. Causey also bestowed the Commissioner's Award on the fire department in honor of its 100-year anniversary.



SOLAR FACILITY



It's official! The solar facility at the South Cary Water Reclamation Facility is operating under Cary's ownership. This quarter, Cary entered into several agreements that allow Cary to send power to Duke Energy's electric grid, establish rates Duke Energy will pay Cary for power generated, and provide for facility maintenance and operations support from Cypress Creek Renewables. Based on historical production, the facility is expected to generate approximately \$176,000 in revenue the first year. This facility acquisition and operation support Cary's commitment to sustainable energy practices.

EXPANDING PILOT FOOD WASTE DROP-OFF



In response to citizen feedback and increasing use and volume of collections, especially on weekends, Cary expanded its food waste collection capacity at the Citizen's Convenience Center by 50%. At more than 51,000 pounds of food waste collected, Cary exceeded the estimated collection tonnage for the pilot year by two tons. This quarter, Cary also joined Toward Zero Waste to share more about this pilot statewide at a variety of meetings and webinars.





GROWING CARY'S FOOD SECURITY THROUGH URBAN AGRICULTURE

PHOTOGRAPHED BELOW

Cary celebrated its agricultural legacy and grew regional food security through a variety of programs and events this quarter. September's Harvest Fest and the Farm to Fork Dinner attracted more than 650 guests to Good Hope Farm for tours, education, and farm-fresh food. Participants enjoyed learning firsthand how Cary's commitment to pollinators, soil health, composting, and other conservation methods contribute to a thriving and robust local food system. For example, summer produce sales from Good Hope Farm's community-supported agriculture program provided 25 families with eight weeks of produce and generated \$6,080 in revenue for Cary farmers. Cary donated an additional 685 pounds of farm produce to Dorcas Ministries for families experiencing food insecurity. This was nearly twice the amount of food given in 2021, and it does not include the 70 pounds of produce donated from fire station gardens between July and September.

STORMWATER POLICIES UPDATED TO MEET COMMUNITY GOALS

To support Cary's continued economic vitality and environmental protection, Council approved updates to all stormwater-related policies that predated the Imagine Cary Community Plan and needed changes to align with adaptive stormwater goals. Council deleted Policy 73, Impoundment Maintenance of Swift Creek Watershed, because it was obsolete. Council approved the revision of Policies 66 and 72 to match the current grading permit process. The improved Policy 106 clarifies and outlines Cary's framework for stormwater control measure maintenance expenditures and reimbursements. Policy 35 consolidated the previous Policy 35 and 146 to be consistent with Council's adaptive stormwater vision. It improves Cary's ability to consider stormwater drainage improvement projects on private and public property that best serve the community's needs. Collectively, these policy updates remove barriers and advance creative and collaborative approaches to stormwater management.





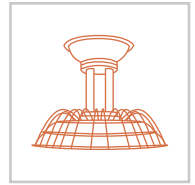
Image Credit: Alyson Boyer Rode

ACT

**MOVING
FROM VISION
TO REALITY**

Little Jerry: Clue #
Little Jerry wants to do some p
Around this bus
I will find





BRANDING



Ready to “Live Inspired”? Cary is incredibly proud to share that efforts have begun to roll out the new brand, starting with the implementation of the new logo for digital assets such as the website and social media. Cary’s branding effort has been a multiyear endeavor, so it is essential the rollout be slow, deliberate, and intentional. Soon the launch of a multiuse portal will include brand assets, specific guidelines to follow, and other important information related to the new brand. The intention with this launch process is to achieve a certain level of organizational clarity and to rally the community around a cohesive vision. The first major event where the new brand will be seen is the SAS Championship; Cary is looking forward to showcasing the new brand to the community and experiencing the excitement that surrounds it.

Moving forward, the rebranding of additional Cary assets will be accomplished through a succession of phases to ensure Cary is purposeful with the launch. As Cary continues to navigate the rollout and subsequent phases progress, more information will be communicated. Cary believes that the new logo will enable the organization to write new chapters and further strengthen the OneCary vision.

CARY KUDOS

DON FRANTZ NAMED CITIZEN OF THE YEAR

On Sept. 28, the Cary Chamber of Commerce named Mayor Pro Tem Don Frantz Citizen of the Year. Along with serving Cary through his role on Council since 2007, Frantz has served on the planning and zoning board and as president of the Heart of Cary Association. He is also active with the Cary High School Imp Club and the Cary Chamber of Commerce. Frantz is a dedicated husband, father, and grandfather and a successful Cary business owner who has been making Cary a better place for more than 30 years.



COUNCIL SWEARING IN

On Aug. 25, Council held a reception to honor outgoing member Ed Yerha and recognize the election of Council member Carissa-Kohn Johnson and re-election of Council members Jack Smith and Jennifer Bryson Robinson. During the Council meeting, Yerha shared parting remarks and his final History Moment. The meeting also included Robinson being sworn in by Rep. Gale Adcock and Kohn-Johnson being affirmed by Council member Lori Bush. At the Sept. 8 Council meeting, Smith took the oath of office with his family by his side. He was sworn in for his ninth term by family friend Brendan Lynch.



Image Credit: Alyson Boyer Rode

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